



September 5, 2016

Scrip Code: 532679

STOREONE

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001

National Stock Exchange of India Limited
"Exchange Plaza",
Bandra-Kurla Complex, Bandra (East),
MUMBAI - 400 051

Sub. : Submission of Notice, along with Annual Report for the financial year 2015-16, convening Eleventh Annual General Meeting of the Company

Dear Sirs,

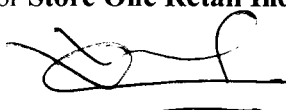
This is in continuation to our letter dated August 23, 2016, intimating the date of Eleventh Annual General Meeting (AGM) of the Shareholders of Store One Retail India Limited ("the Company"). We hereby submit a copy of the Notice, convening 11th AGM of the Company to be held on Monday, September 26, 2016 at 10:00 A.M. at Mapple Emerald, Rajokri, NH-8, New Delhi -110038, along with a copy of the Annual Report for the financial year 2015-16.

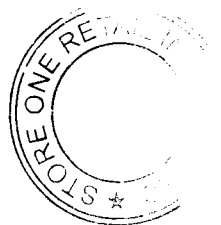
We request you to take the aforesaid on record.

Thanking you,

Yours truly,

for **Store One Retail India Limited**


Vikas Khandelwal
Company Secretary



Encl: as above

Store One Retail India Limited

Corporate office: 'Indiabulls House' 448-451, Udyog Vihar, Phase-V, Gurgaon-122016 | T: 0124 6681199 | F: 0124 6681111
Registered office: M-62 & 63, First Floor, Connaught Place, New Delhi - 110001 | T: 011 30252900 | F: 011 30252901
CIN: L52190DL2005PLC181536 | Website: www.storeone.in | E-mail: helpdesk@indiabulls.com

014408



STORE ONE RETAIL INDIA LIMITED

CIN: L52190DL2005PLC181536

Registered Office: M - 62 & 63, First Floor, Connaught Place, New Delhi – 110 001

Website: www.storeone.in, E-mail: helpdesk@indiabulls.com, Tel: 0124-6681199, Fax: 0124-6681240

NOTICE

NOTICE IS HEREBY GIVEN THAT THE ELEVENTH ANNUAL GENERAL MEETING of the members of **STORE ONE RETAIL INDIA LIMITED** will be held on Monday, the 26th day of September, 2016 at 10:00 A.M. at **Mapple Emerald, Rajokri, NH-8, New Delhi-110038**, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone and consolidated financial statements as at March 31, 2016, and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Pia Johnson (DIN: 00722403), an Executive Director designated as Whole-time Director, who retires by rotation and being eligible, offers herself for re-appointment.
3. To ratify the appointment of Statutory Auditors of the Company to hold office as such from the conclusion of this AGM until the conclusion of the Twelfth Annual General Meeting of the Company and in this regard to consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“RESOLVED THAT the appointment of M/s Agarwal Prakash & Co., Chartered Accountants (Firm Registration Number: 005975N) as the statutory auditors of the Company, be and is hereby ratified, to hold office from the conclusion of this AGM till the conclusion of Twelfth Annual General Meeting, at such remuneration as may be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. **To consider and if thought fit to pass the following resolution as a special resolution for issue of NCDs / Bonds, of the Company:**

“RESOLVED THAT pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, and subject to other applicable regulations/ guidelines, consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company (hereinafter called the “Board”, which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers conferred by this resolution) to issue Redeemable Non-Convertible Debentures (“NCDs”) secured or unsecured and/or Bonds and/or any other hybrid instruments (not in the nature of equity shares), for cash, either at par or premium or discount to the face value, under one or more shelf disclosure documents and/or under one or more letters of offer, as may be issued by the Company, and in one or more series, on private placement basis, from time to time, during a period of one year from the date of passing of this Resolution, such that the total amount to be raised through issue of NCDs / Bonds / any other hybrid instruments shall be within the overall borrowing limits of INR 500 Crore.

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment,

security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.”

5. To consider and if thought fit, to pass the following resolution as a Special Resolution for availing Corporate guarantee(s) from holding company of the Company:

RESOLVED THAT pursuant to the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations, 2015'), Section 188, 186 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014, as amended or re-enacted from time to time, and subject to the such approvals, consents, permissions and sanctions as may be necessary and pursuant to the approval of the Audit Committee and the Board of Directors, consent of the members of the Company be and is hereby accorded for availing the corporate guarantee from Indiabulls Wholesale Service Limited, holding company of the Company, being Related Party, as defined under the Act and SEBI LODR Regulations, 2015, upto an aggregate amount not exceeding ₹ 150 crores per financial year.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company (hereinafter referred to as 'the Board', which term shall be deemed to include any Committee which the Board has constituted or may constitute hereafter to exercise its powers herein conferred) be and is hereby authorised to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit and the Board is also hereby authorised to resolve and settle all questions, difficulties or doubts that may arise with regard to the said transactions and to finalize and execute all such agreements, deeds, documents and writings and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors or to any Director or any other officer(s) of the Company as it may consider appropriate in order to give effect to this resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in respect of aforesaid resolution be and hereby approved, ratified and confirmed in all respects.”

By Order of the Board of Directors
For **Store One Retail India Limited**

Sd/-

Vikas Khandelwal

Company Secretary

Membership No.: A18475

Place: New Delhi

Date: August 23, 2016

NOTES:

- a) The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, the 19th day of September, 2016 to Monday, the 26th day of September, 2016 (both days inclusive), for annual closing.
- b) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- c) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF/ HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.** A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office or at Corporate Office of the Company, at Gurgaon, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxy form is annexed to this Notice. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

- d) Electronic copy of the Notice of the 11th Annual General Meeting of the Company and the Annual Report for FY 2015-16 is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail IDs, physical copy of Notice of the 11th Annual General Meeting of the Company *inter-alia* indicating the process and manner of e-Voting alongwith Attendance Slip and Proxy Form and the Annual Report for FY 2015-16 is being sent in the permitted mode.
- e) The Notice of the 11th Annual General Meeting and the Annual Report for FY 2015-16 is being sent to all the members, whose names appeared in the Register of Members as on August 26, 2016, and to Directors and the Auditors of the Company. Members may note that said Notice and the Annual Report for FY 2015-16 will also be available on the Company's website: www.storeone.in for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office or at Corporate Office of the Company, at Gurgaon for inspection during normal business hours on working days.
- f) Voting through electronic means:
 - I. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide its members, a facility to exercise their right to vote on resolutions, proposed to be considered at the 11th Annual General Meeting (AGM), by electronic means. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Karvy Computershare Private Limited (Karvy).
 - II. The facility of voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on **Friday, the 23rd day of September, 2016 at 10:00 A.M. and ends on Sunday, the 25th day of September, 2016 at 5:00 P.M.** During this period, members of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date being

Monday, the 19th day of September, 2016 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The process and manner for remote e-voting are as under:

- i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'
- ii) Enter the login credentials (i.e.-User-ID & password) mentioned on the Notice. Your Folio No. / DP ID Client ID will be your User-ID.

User – ID	<i>For Members holding shares in Demat Form:-</i> a) For NSDL:- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL:- 16 digits beneficiary ID <i>For Members holding shares in Physical Form:-</i> Electronic Voting Event Number (EVEN) followed by Folio Number registered with the Company.
Password	Your Unique password is printed on the AGM Notice / forwarded through the electronic notice via email.
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed, for security reasons.

- iii) Please contact on toll free No. **1-800-34-54-001** for any further clarifications.
- iv) Members can cast their vote online from **Friday, the 23rd day of September, 2016 at 10:00 A.M. to Sunday, the 25th day of September, 2016 at 5:00 P.M.**
- v) After entering these details appropriately, click on "LOGIN".
- vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through **Karvy Computershare Private Limited e-Voting platform**. System will prompt you to change your password and update any contact details like mobile no., email ID etc. on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii) You need to login again with the new credentials.
- viii) On successful login, system will prompt to select the 'Event' i.e. '**Company Name**'.
- ix) If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and casted your vote earlier for any company, then your existing login id and password are to be used.
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder does not want to cast vote, select 'ABSTAIN'.
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
 - xiii) Corporate/Institutional Members (corporate /FIs/FILs/Trust/Mutual Funds/Banks, etc.) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to acsashishgupta@gmail.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."
- g) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date being **Monday, the 19th day of September, 2016**.
 - h) Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date being **Monday, the 19th day of September, 2016**, may obtain the login-id and password by sending a request at evoting@karvy.com. **However, if you are already registered with Karvy for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot Password" option available on 'https://evoting.karvy.com'.**
 - i) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - j) Mr. Ashish Gupta (Membership No. A43401) of M/s AGS & Associates, Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - k) The Chairman shall, at the AGM, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - l) The Scrutinizer shall after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company, and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall counter sign the same and declare the result of the voting forthwith.
 - m) The Results declared alongwith the report of the Scrutinizer shall be placed on the Company's website: www.storeone.in and on the website of Karvy immediately after the declaration of result by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the Stock Exchanges.
 - n) All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the Registered Office and at Corporate Office of the Company at Gurgaon, during normal business hours (9:30 a.m. to 5:30 p.m.) on all working days except Saturdays, upto and including the date of AGM of the Company.
 - o) Profile of Director retiring by rotation and seeking appointment/re-appointment, in terms of Regulations 36 of SEBI Listing Regulations have been provided in the Corporate Governance Report forming part of Annual Report.
 - p) The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. We propose to send all future communications in electronic mode to the email address provided by you. **Shareholders whose e-mail addresses are not registered with us are requested to get their e-mail address registered with us, so that your Company could contribute to the safety of environment.**

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") sets out all material facts relating to the business mentioned at Item Nos. 4 and 5 of the accompanying Notice dated August 23, 2016.

Item No. 4:

In terms of Section 42 of the Companies Act, 2013 read with the Rules framed thereunder ("Act"), a company offering or making an invitation to subscribe to Non-Convertible Debentures ("NCDs") on a private placement basis, is required to obtain the prior approval of the Shareholders by way of a Special Resolution. The shareholders of the Company at the previous Annual General Meeting held on September 28, 2015 had authorized the Company to issue NCDs. However, such authorization shall remain valid upto September 27, 2016. To get this authorization extended upto a further period of one year from the date of 11th Annual General Meeting, approval of the members is being sought to enable the Board to issue NCDs, secured or unsecured and/or any other hybrid instruments, on a private placement basis, up to INR 500 Crore the overall borrowing limits of the Company.

The Board recommends the resolution, as set out at Item No. 4 of this Notice, for the approval of the Members of the Company by way of a Special Resolution as an enabling authorisation.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of this Notice.

Item No. 5:

The Company is primarily engaged in the business of equipment renting, management and maintenance services, construction advisory and other related services and is a majority owned subsidiary of Indiabulls Wholesale Services Limited (IWSL). For various business requirements of the Company, from time to time, it is required to avail corporate guarantee from IWSL, the promoter of the Company.

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations, 2015') and Companies Act, 2013, related party transaction(s) between the Company and related party, as defined in Section 2(76) of the Act and under applicable accounting standards, require shareholders' approval, if the aggregate value of such transactions exceed the threshold limit and further since value of all or any of aforesaid corporate guarantee transaction, in aggregate, during any financial year(s) may exceed 10% of the annual consolidated turnover of the Company as per the Company's last audited financial statements or any materiality threshold as may be applicable from time to time under applicable provisions, the audit committee and Board has recommended the resolution, as set out at Item No. 5 of this Notice, for the approval of the Members of the Company by way of a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except to the extent of holding of position of directorship/shareholding in IWSL, is concerned or interested, financially or otherwise, in the said resolution at Item No. 5 of this Notice.

By Order of the Board of Directors
For **Store One Retail India Limited**

Sd/-

Vikas Khandelwal

Company Secretary

Membership No.: A18475

Place: New Delhi

Date: August 23, 2016



STORE ONE RETAIL INDIA LIMITED

CIN: L52190DL2005PLC181536

Registered Office: M - 62 & 63, First Floor, Connaught Place, New Delhi – 110 001

Website: www.storeone.in, E-mail: helpdesk@indiabulls.com, Tel: 0124-6681199, Fax: 0124-6681240

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member (s): _____
Registered address: _____
E-mail ID: _____ Folio No. / DP ID _____ Client ID _____

I / We, being the member(s) of _____ Equity Shares of the above named Company, hereby appoint:

1. Name: _____ E-mail ID: _____

Address: _____

Signature: _____

or failing him / her

2. Name: _____ E-mail ID: _____

Address: _____

Signature: _____

or failing him / her

3. Name: _____ E-mail ID: _____

Address: _____

Signature: _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Eleventh Annual General Meeting of the Company, to be held on Monday, the 26th day of September, 2016 at 10:00 A.M. at Mapple Emerald, Rajokri, NH-8, New Delhi-110038, and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

RESOLUTION NO.	RESOLUTIONS
	ORDINARY BUSINESS
1.	Adoption of Financial Statements for the year ended March 31, 2016 and the Reports of Board of Directors and Auditors thereon.
2.	Re-appointment of Ms. Pia Johnson, who retires by rotation and, being eligible offers herself for re-appointment
3.	Ratification of the appointment of M/s Agarwal Prakash & Co., Chartered Accountants, as the Statutory auditors of the Company and fixing their remuneration.
	SPECIAL BUSINESS
4.	Issue of Non-Convertible Debentures / Bonds on Private Placement Basis
5.	Authorisation to avail corporate guarantee from Indiabulls Wholesale Service Limited, holding company of the Company.

Signed this _____ day of _____, 2016

Signature of Shareholder: _____

Signature of Proxy Holder(s): _____

Affix
Revenue
Stamp of
Re. 1/-

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office or Corporate office of the Company at Indiabulls House, 448-451, Udyog Vihar, Phase V, Gurgaon, not less than 48 hours before the commencement of the Meeting.

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STORE ONE RETAIL INDIA LIMITED

CIN: L52190DL2005PLC181536

Registered Office: M - 62 & 63, First Floor, Connaught Place, New Delhi – 110 001

Website: www.storeone.in, E-mail: helpdesk@indiabulls.com, Tel: 0124-6681199, Fax: 0124-6681240

ATTENDANCE SLIP

Folio No.*	
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No. of Shares	
---------------	--

DP ID	
-------	--

Client ID	
-----------	--

Members or their proxies are requested to present this slip in accordance with the Specimen Signatures registered with the Company, at the entrance of the meeting Hall, for admission.

Name of the attending Member / Proxy _____
(in BLOCK LETTERS)

I hereby record my presence at the Eleventh Annual General Meeting of the Company held on Monday, the 26th day of September, 2016 at 10:00 A.M. at Mapple Emerald, Rajokri, NH-8, New Delhi-110038.

Member's Signature

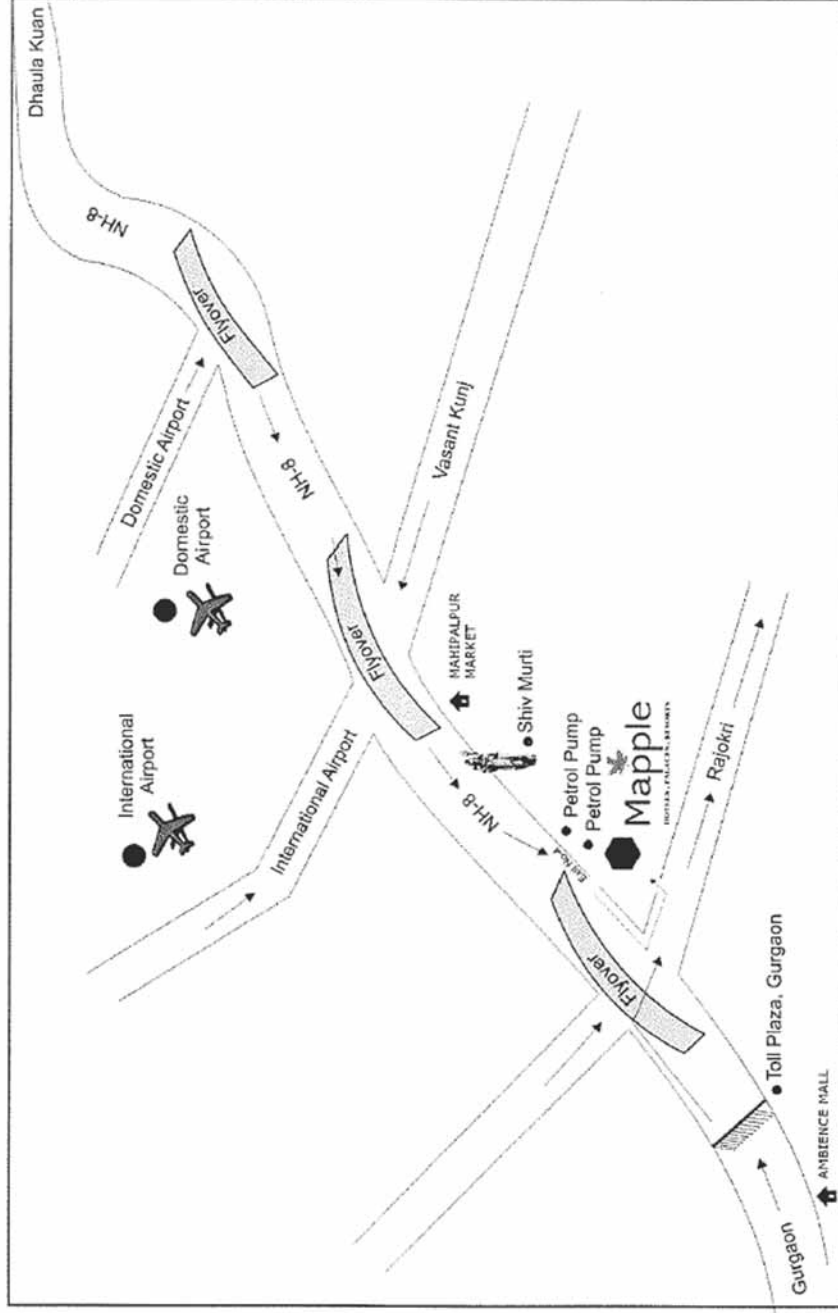
Proxy's Signature

* Applicable for Members holding shares in Physical form.

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Map of AGM Venue



— STORE —
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Store One Retail India Limited

2015-2016
**ANNUAL
REPORT**

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Company Information

Board of Directors

Ms. Pia Johnson
Mr. Mehul Johnson
Mr. Shamsher Singh Ahlawat
Mr. Aishwarya Katoch
Mr. Prem Prakash Mirdha

Company Secretary

Mr. Vikas Khandelwal

Chief Financial Officer

Mr. Vijay Kumar Agrawal

Statutory Auditors

Agarwal Prakash & Co.
Chartered Accountants
508, Indra Prakash,
21, Barakhamba Road,
New Delhi - 110 001

Internal Auditors

MRKS and Associates
Chartered Accountants
610, Best Sky Towers ,
Netaji Subhash Place,
Pitampura, New Delhi-110 034

Registrar and Transfer Agent

Karvy Computershare Private Limited
Karvy Selenium, Tower B, Plot No.31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032

Registered Office

M – 62 & 63, First Floor,
Connaught Place,
New Delhi – 110 001
CIN: L52190DL2005PLC181536
Website: www.storeone.in
E-mail: helpdesk@indiabulls.com
Tel: 0124-6681199, Fax: 0124-6681240

Corporate Offices

"Indiabulls House" 448-451,
Udyog Vihar, Phase V, Gurgaon – 122 016
Haryana

Indiabulls Finance Center,
Tower 1, Elphinstone Mills, Senapati Bapat Marg,
Elphinstone Road,
Mumbai - 400 013,
Maharashtra

Bankers

HDFC Bank Limited
State Bank of India
IDBI Bank Limited
Kotak Mahindra Bank Limited
Axis Bank Limited
Yes Bank Limited
ICICI Bank Limited

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Eleventh Annual Report together with audited statement of accounts for the financial year ended March 31, 2016.

FINANCIAL RESULTS

The highlights of the financial results of the Company for the financial year ended March 31, 2016 are as under:

Amount in ₹		
Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Profit/ (Loss) before Tax and Depreciation	693,140,922	359,473,374
Less: Depreciation of Fixed Assets	140,400,524	126,842,205
Profit/ (Loss) before Tax	552,740,398	232,631,169
Less: Prior Period Tax Adjustments	-	199,353
Profit/ (Loss) after Tax	552,740,398	232,431,816
Profit/ (Loss) brought forward	(2,539,738,782)	(2,768,254,470)
Less: Adjustments due to depreciation*	-	704,959
Amount available for appropriation	(1,986,998,384)	(2,536,527,613)
Less: Appropriations:		
Proposed dividend on preference shares	2,676,105	2,676,105
Corporate dividend tax thereon	544,792	535,064
Balance carried forward to Balance Sheet	(1,990,219,281)	(2,539,738,782)

*Impact of transitional provision provided in the Schedule II of the Companies Act, 2013.

BUSINESS REVIEW

The Company is in the business of equipment renting, management and maintenance services, construction advisory and other related services. Your directors believe that these businesses have huge potential & scope for further development. The combination of our rental fleet and property management services, coupled with our experienced management team will enable the Company to achieve a sustained growth ahead of the market.

Management and maintenance services

The Company has explored and developed expertise in all avenues of management and maintenance of properties. Our current projects span more than approx. 7 million square feet of high end commercial and residential space. Some prominent projects are One Indiabulls Centre (Mumbai), Indiabulls Finance Centre (Mumbai), Chennai Greens (Chennai), One Indiabulls Park (Chennai), and Gurgaon Centrum Park (Gurgaon.) We are continuously enhancing our approach and acquiring resources to grow faster in this area.

Equipment renting services

The Company provides bespoke solutions in the development and construction of infrastructure and real estate by renting out equipment in the following categories: concrete, Earth moving, transport, energy, lifting, steel cutting, and highway. The Company has a large fleet of branded equipment which includes: tower cranes, passenger cum material hoists, boom placers, transit mixers, dumpers, excavators, and framework development of buildings/structures. The renting of machinery is done on both dry and wet lease basis.

Expertise in project management and deep domain knowledge has enabled the company to provide country wide services to several Institutional and large customers in several prestigious projects.

Directors' Report (contd.)

Construction Advisory and other related activities

The Company also provides advisory services pertaining to identification and acquisition of land, project planning, design management, construction, execution, maintenance and management of completed projects, as well as consultancy and advisory services on engineering, and other related technical matters.

DIVIDEND

In view of the accumulated losses and in order to utilize the profits for business requirements of the Company, your Directors do not recommend any dividend.

DIRECTORS & KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013, Ms. Pia Johnson (DIN: 00722403), Director, retire by rotation and, being eligible, offers herself for re-appointment at the ensuing Annual General Meeting. The Board of Directors recommends her re-appointment.

The present composition of the Board along with the brief resume of Ms. Pia Johnson, nature of her expertise in specific functional areas and names of companies in which she hold directorships and memberships / chairmanships of Board Committees, are provided in the Report on Corporate Governance forming part of this Annual Report.

EMPLOYEE STOCK OPTIONS

The disclosures required to be made in the Directors' Report in respect of 'Store One Retail India Limited Employees Stock Option Scheme-2009', in terms of the SEBI (Share Based Employee Benefits) Regulations, 2014 read with applicable provisions of the Act, are set out in the Annexure 1, forming part of this report.

Shareholders of the Company in their Annual General Meeting held on September 30, 2009, have approved the launch of 'Store One Retail India Limited Employees Stock Option Scheme-2009 (II)' covering 3,000,000 (Thirty Lac) stock options, for the benefit of the Eligible Employees. However, no options have yet been granted by the Board/ Compensation Committee under this scheme.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from the public, falling within the ambit of Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

LISTING WITH STOCK EXCHANGES

The Equity Shares (ISIN : INE034H01016) of the Company, continue to remain listed at BSE Limited and National Stock Exchange of India Limited. The listing fees payable to both the exchanges for the financial year 2016-17 have been paid.

AUDITORS

(a) Statutory Auditors

M/s Agarwal Prakash & Co. (Firm Registration No. 005975N), the Statutory Auditors of the Company were appointed by the members in their Ninth Annual General Meeting, held on September 26, 2014, for a period of five years i.e. until the conclusion of the fourteenth Annual General Meeting of the Company. The Company has received a certificate from the Auditors to the effect that their continuation as such from the conclusion of this Annual General Meeting until the conclusion of Twelfth Annual General Meeting is in accordance with the provisions of the Section 141(3)(g) of the Companies Act, 2013. The Board recommends the ratification of the appointment of M/s Agarwal Prakash & Co., as Statutory Auditors of the Company till the conclusion of Twelfth Annual General Meeting of the Company.

The Auditors' Report is self-explanatory and therefore do not call for any further explanation.

(b) Secretarial Auditors & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the rules made thereunder, the Company has appointed M/s Vandana Pankaj & Co., a firm of Company Secretaries in practice as its Secretarial

Directors' Report (contd.)

Auditors, to conduct the secretarial audit of the Company, for the Financial Year 2015-16. The Company has provided all assistance, facilities, documents, records and clarifications etc. to the Secretarial Auditors for conducting their audit. The Report of Secretarial Auditors for the Financial Year 2015-16, is annexed as Annexure 2, forming part of this Report. The Report is self-explanatory and therefore do not call for any further explanation.

CORPORATE SOCIAL RESPONSIBILITY

As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken projects in the areas of Education, Renewable Energy, Rural Development, as per its CSR Policy (available on your Company's website www.storeone.in) and the details are contained in the Annual Report on CSR Activities given in Annexure 3, forming part of this Report. These projects are in accordance with Schedule VII of the Companies Act, 2013, read with the relevant rules.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations, 2015'), Management's Discussion and Analysis Report, for the year under review, is presented in a separate section forming part of this Annual Report.

CORPORATE GOVERNANCE REPORT

Pursuant to SEBI (LODR) Regulations, 2015, a separate section on Corporate Governance practices followed by the Company, together with a certificate from a Practicing Company Secretary confirming compliance, is presented in a separate section forming part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company, as at March 31, 2016 and the profit and loss of the company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that such financial controls were adequate and were operating effectively; and
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

INFORMATION PURSUANT TO SECTION 134 AND SECTION 197 OF THE COMPANIES ACT, 2013, READ WITH THE RELEVANT RULES AND SEBI (LODR) REGULATIONS, 2015

The information required to be disclosed pursuant to Section 134 and Section 197 of the Companies Act, 2013, read with the relevant rules (to the extent applicable) and SEBI (LODR) Regulations, 2015, not elsewhere mentioned in this Report, are given in Annexure A, forming part of this Report.

GREEN INITIATIVES

Electronic copies of the Annual Report 2016 and Notice of the Eleventh AGM will be sent to all the members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2016 and Notice of the Eleventh AGM will be sent in the permitted mode.

Directors' Report (contd.)

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice of the Eleventh AGM. This is pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by Companies (Management and Administration) Amendment Rules, 2015, and the SEBI (LODR) Regulations, 2015. The instructions for e-voting are provided in the AGM Notice.

ACKNOWLEDGEMENT

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functional areas and the efficient utilization of all its resources for sustainable and profitable growth. Your Directors wish to place on record their appreciation of the contributions made and committed services rendered by the employees of the Company at various levels. Your Directors also wish to express their gratitude for the continuous assistance and support received from the investors, clients, bankers, regulatory and government authorities, during the year.

For and on behalf of the Board of Directors

Date : August 12, 2016
Place : Gurgaon

Pia Johnson
Executive Director
(DIN: 00722403)

Mehul Johnson
Director
(DIN: 00016075)

Annexure to the Directors' Report

Annexure A

EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return, as on the financial year ended March 31, 2016, pursuant to Section 92(3) of the Companies Act, 2013, in form MGT-9, are given in Annexure 4, forming part of this Report.

BOARD MEETINGS

During the FY 2015-16, 7 (Seven) Board Meetings were convened and held. The details of such meetings are given in Corporate Governance Report forming part of this Annual Report. The intervening gap between these meetings was within the period prescribed under the Companies Act, 2013. The notice and agenda including all material information required to be made available to the Board were circulated to all directors, well within the prescribed time, before the meeting or were placed at the meeting. During the year, separate meeting of the Independent Directors was held on January 22, 2016, without the presence of Non-Independent Directors and the members of the Company Management.

BOARD EVALUATION

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out an evaluation of its performance, the directors individually as well as the working of its Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report forming part of this Annual Report.

REMUNERATION POLICY

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report forming part of this Annual Report.

LOANS, GUARANTEES OR INVESTMENTS

During the FY 2015-16, in terms of the provisions of Section 186 (1) of the Companies Act, 2013, the Company did not make any investments through more than two layers of investment companies.

The Company's investment / loans / guarantees, during FY 2015-16, were in compliance with the provisions of section 186 of the Companies Act, 2013, particulars of which are captured in financial statement of the Company.

RELATED PARTY TRANSACTIONS

During the year, no materially significant related party transaction was entered by the Company with its Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. Details of all related party transactions are disclosed in the Annual report and/or financials statements of the Company. The Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company: www.storeone.in.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an elaborate system of internal controls commensurate with the size, scale and complexity of its operations; it also covers areas like financial reporting, fraud control, compliance with applicable laws and regulations etc. Regular internal audits are conducted to check and to ensure that responsibilities are discharged effectively. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with regulatory directives, efficacy of its operating systems, adherence to the accounting procedures and policies. Wherever required, the internal audit efforts are supplemented by audits conducted by specialized consultants/audit firms. Based on the report of the Internal Auditors, process owners undertake corrective actions, in their respective areas and thereby strengthen the controls.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, affecting the financial position of the Company, which has occurred between the end of the Financial Year of the Company i.e. March 31, 2016 and the date of this Report.

Further, no significant and material orders were passed by the regulators or courts or tribunals, impacting the going concern status and Company's operations in future.

Annexure to the Directors' Report (contd.)

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo, is as under:

A. Conservation of Energy

The Company uses energy for its office equipment such as computers, lighting and utilities at its work premises. As an ongoing process, the following measures are undertaken to conserve energy:

- Implementation of viable energy saving proposals.
- Installation of automatic power controllers to save maximum charges and energy.
- Awareness and training sessions, at regular intervals, to concerned operational personnel on opportunities of energy conservation and their benefits.

B. Technology Absorption

The Company is investing in cutting edge technologies to upgrade its infrastructure set up and innovative technical solutions, thereby increasing customer delight & employee efficiency. Next Generation Business Intelligence & analytics tool have been implemented to ensure that while data continues to grow, decision makers gets answers faster than ever for timely & critical level decision making. The Company has implemented best of the breed applications to manage and automate its business processes to achieve higher efficiency, data integrity and data security. It has helped it in implementing best business practices and shorter time to market new schemes, products and customer services. The Company has taken major initiatives for improved employee experience and efficient Human resource management, by implementing world class HRMS application and empowering them by providing mobile platform to manage their work while on the go.

The Company's investment in technology has improved customer services, reduced operational cost and development of new business opportunities.

C. Foreign Exchange Earnings and Outgo

There were no earnings in the foreign exchange during the year under review, the foreign exchange outgo is given in the table below:

(Amount in ₹)		
Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Capital expenditure	35,959,320	337,674,060

BUSINESS RISK MANAGEMENT

Pursuant to the applicable provisions of the Companies Act, 2013, the Company has formulated robust business Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on its business objectives and enhance its competitive advantage. It defines the risk management approach across the Company at various levels including the documentation and reporting. At present, the Company has not identified any element of risk which may threaten its existence. The requirement of constituting Risk Management Committee in terms of SEBI (LODR) Regulations, 2015 is not applicable to the Company.

PARTICULARS OF EMPLOYEES

Pursuant to the applicable provisions of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures on Managerial Remuneration are provided in Annexure 5, forming part of this Report. In terms of the provisions of Section 136(1) of the Companies Act, 2013, read with the said rules, the Directors' Report is being sent to all the shareholders of the Company excluding the annexure on the names and other particulars of employees, required in accordance with Rule 5(2) of said rules, which is available for inspection by the members, subject to their specific written request, in advance, to the Company Secretary. The inspection is to be carried out at the Company's Registered Office or at its Corporate Office, at Gurgaon, during business hours on working days of the Company up to date of ensuing Annual General Meeting.

FAMILIARIZATION PROGRAM FOR NON-EXECUTIVE DIRECTORS

Non-Executive Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through presentations about the Company's strategy, business model, product and service offerings, customers' & shareholders' profile, financial details, human resources, technology,

Annexure to the Directors' Report (contd.)

facilities, internal controls and risk management, their roles, rights and responsibilities in the Company. The Board is also periodically briefed on the various changes, if any, in the regulations governing the conduct of non-executive directors including independent directors. The details of the familiarization programs have been hosted on the website of the company and can be accessed on the link: www.storeone.in/dir/investor/4.SORIL_Details_of_familiarization_programmes_imparted_to_independent_directors.pdf.

LISTING AGREEMENT

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulation came into effect from December 1, 2015. Accordingly, all listed entities were required to enter into afresh Listing Agreement within six months from the effective date and thus the Company entered into afresh Listing Agreement with National Stock Exchange of India Limited and BSE Limited during FY 2015-16.

SUBSIDIARY COMPANIES

Pursuant to Section 129 of the Companies Act, 2013, the Company has prepared its Consolidated Financial Statement along with its subsidiary, in the same form and manner, as that of the Company, which shall be laid before its ensuing Annual General Meeting along with its Standalone Financial Statement. The Consolidated Financial Statements of the Company along with its subsidiary, for the year ended March 31, 2016, form part of this Annual Report.

For the performance and financial position of the subsidiary of the Company, along with other related information required pursuant to Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014, the Members are requested to refer to the Financial Statements of the Company.

COMMITTEES OF THE BOARD

The Company has following Board constituted committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee
- d) Corporate Social Responsibility Committee

The details with respect to composition, power, role, terms of reference, etc. of each of these committees are given in the Corporate Governance Report forming part of this Annual Report.

Apart from the above, the Board has also constituted Compensation Committee for administration of stock option scheme(s).

NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards any action on the part of any of its officials, which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every woman employee of the Company. The Company's Sexual Harassment Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

During the financial year 2015-16, no cases of sexual harassment were reported.

VIGIL MECHANISM

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has implemented the Whistle Blower Policy ("the Policy"), to provide an avenue for employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy applies to all employees of the Company. Pursuant to the Policy, the whistle blowers can raise concerns relating to matters such as breach of Company's Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, misappropriation of Company's funds / assets etc. A whistle-blowing or reporting mechanism, as set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices. The details of the Whistle Blower Policy are available on the website (www.storeone.in) of the Company.

Annexure to the Directors' Report (contd.)

Annexure 1

STORE ONE RETAIL INDIA LIMITED EMPLOYEES STOCK OPTION SCHEME - 2009 - AS AT MARCH 31, 2016

Particulars	
a. Options Granted	1,500,000 (During the year ended March 31, 2016, all the outstanding options of the Company under this Scheme, have lapsed)
b. Exercise price	Nil (No options are outstanding as on March 31, 2016)
c. Options vested	Nil
d. Options exercised	Nil
e. The total number of Shares arising as a result of exercise of option	Nil
f. Options lapsed	Nil (No options are outstanding as on March 31, 2016)
g. Variation in terms of options	Nil
h. Money realized by exercise of options	Nil
i. Total number of options in force	Nil (No options are outstanding as on March 31, 2016)
j. Employee wise details of options granted to: i. Senior Management personnel ii. any other employee who received a grant in any one year of option amounting to 5% or more of option granted during that year iii. identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital of the Company.	Nil (No options are outstanding as on March 31, 2016)
k. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 ['Earnings Per Share']	No options are outstanding as on March 31, 2016
l. Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed	No options are outstanding as on March 31, 2016
m. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	No options are outstanding as on March 31, 2016
n. A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information: i. risk free interest rate ii. expected life iii. expected volatility iv. expected dividends v. the price of the underlying share in market at the time of option grant	No options are outstanding as on March 31, 2016

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

To,
The Members,
Store One Retail India limited

Dear Sirs,

We have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Store One Retail India limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing opinion thereon.

Based on our verification and as per documents, information's and explanations provided to us by the Company and on the basis of verifications of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions, to the extent applicable, of:

- I. The Companies Act, 2013 (the Act) to the extent applicable and Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;-

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable during the period under audit;**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;- **Not Applicable during the period under audit; and**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;- **Not Applicable during the period under audit.**

VI. Other Laws Applicable to the Company :

- ❖ **Taxation Laws**
- ❖ **Labour and Social Security Laws** – such as Employees State Insurance Act, 1948; Payment of Gratuity Act, 1972; Contract Labor (Regulation and Abolition) Act, 1970; Maternity Benefit Act, 1961, The Equal

Annexure to the Directors' Report (contd.)

Remuneration Act 1976; Employees Provident Funds And Miscellaneous Act, 1952

- ❖ **IT Related Laws** – Information Technology Act, 2000;
- ❖ **Miscellaneous Laws** – Electricity Act, 2003; Sexual Harassment of Women at Workplace (Prevention, Prohibition and Regulation) Act, 2013

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with National Stock Exchange (NSE) & Bombay Stock Exchange (BSE) upto the time period applicable and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

There are no instances of specific non compliances / observations / audit qualification, reservation or adverse remarks in respect of the above.

We further report that

The Board of Directors of the Company is duly constituted, in compliance with the applicable provisions of the Companies Act and SEBI Listing Regulations, with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were also sent well in advance, in compliance with all applicable provisions, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever necessary.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and to respond to the notices, if any, for demands, claims, penalties etc levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

We further report that during the audit period, the following significant events/actions, in pursuance of the laws, rules, regulations, guidelines, standards etc. referred to above, took place:

- The Company has incorporated a wholly-owned subsidiary company named 'Store One Infra Resources Limited' with the paid-up capital of ₹ 5 Lacs as per the provisions of Companies Act, 2013 and rule made thereunder.

We further report that during the review period the Company has:

Public/Right/Preferential issue of Shares/Debentures/sweat equity shares – **No**;

Redemption/ Buy-Back of securities – **No**;

Major decisions taken by the members in pursuance to section 180(1) (c) of the Companies Act, 2013 – **No**;

Merger/Amalgamation/ Reconstruction, etc. – **No**;

Foreign technical collaboration – **No**

Annexure 1 and 2 form part of this Secretarial Audit for the year 2015-16.

Date: 08-07-2016

Place: New Delhi

Vandana Pankaj

Vandana Pankaj & Co

Company Secretaries

Membership No.: F6404

Certificate of Practice No.: 6987

Annexure 1 of Secretarial Audit Report

Forming part of Secretarial Audit Report for the year ending on 31st March, 2016.

Companies Act, 2013

On the basis of examination and verification of the registers, records and documents produced to us and according to the information and explanations given to us by the Company, the Company has, in our opinion, complied with the provisions of the Companies Act, 2013 and/or Companies Act, 1956, wherever still applicable, (hereinafter referred as "Act") and the Rules made under the Act and the Memorandum and Articles of Association of the Company, with regard to:

- a. Maintenance of statutory registers, documents, and making necessary entries therein;
- b. Filing of forms, returns, documents and resolutions, required to be filed with the Registrar of Companies;
- c. Service of documents by the Company to its Members and Registrar of Companies;
- d. Minutes of proceedings of General Meeting, Meeting of Board of Directors and their Committees thereof were available;
- e. Approval of shareholders, the Board of Directors, the Committee of Directors, wherever required ;
- f. Form of Balance Sheets prescribed under the Act;
- g. Borrowings and Registration of Charges;
- h. Records for the meeting of Board of Directors, Audit Committee; Nomination and Remuneration Committee; Stakeholders' Relationship Committee.
- i. Contracts, common seal, registered office and publication of name of the Company; and
- j. Generally, all other applicable provisions of the Act and the Rules made thereunder.

It is further reported that:

1. The status of the Company during the period under review has been "active" on MCA website.
2. The Company is subsidiary of Indiabulls Wholesale Services Limited. The Company is a non-government company and a non NBFC, and its equity shares are listed on NSE & BSE.

3. Adequate notice were given to all the Directors to schedule the Board meeting, agenda and detailed notes on agenda were sent in compliance of the Act & applicable Secretarial Standards, a system exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
4. The Company has not made any changes with regard to the following:-
 - (a) Name of the Company;
 - (b) Registered Office of the Company;
 - (c) Objects clause, as stated in Memorandum of Association of the Company;
 - (d) Share Capital (Authorized, issued, subscribed, paid up)
5. During the period under the review, all the Directors have complied with the requirements as to disclosure of interests and concerns and shareholding and directorship in other companies and interests in other entities.
6. During the period under review the Company has neither given any loan nor any guarantee or security to Directors and/or persons or firms or companies in which Directors were interested, which fall within the ambit of provisions of Section 185 of the Companies Act, 2013.
7. The Company has not made loans and investments; or given guarantees or provided securities to other business entities during the period under review, which were not in compliance with the provisions of the Companies Act, 2013.
8. During the period under review, we noted no default in the repayment of loans etc.

Date: 08-07-2016

Place: New Delhi

Vandana Pankaj

Vandana Pankaj & Co

Company Secretaries

Membership No.: F6404

Certificate of Practice No.: 6987

Annexure 2 of Secretarial Audit Report

Forming part of Secretarial Audit Report for the year ending on 31st March, 2016.

SEBI and Listing Agreement

On the basis of examination and verification of the registers, records and documents produced to us and according to the information and explanations given to us by the Company, the Company has, in our opinion, complied with the provisions of the SEBI Act (hereinafter referred as "Act") and the Rules, Regulations made under the Act and Listing Agreement entered with NSE and BSE, and SEBI Listing Regulations, as amended from time to time with regard to:

- a) Time bound and Event based filing;
- b) Reporting before Board Meeting;
- c) Reporting after the meeting;

- d) Updating website of the Company in reference to various provisions of the above laws– mechanism;
- e) Forms, returns, documents and resolutions required to be filed with the Stock Exchange;
- f) Code of Conduct : Code of Business Conduct and Ethics; and Code of Conduct for Prevention of Insider Trading

Date: 08-07-2016

Place: New Delhi

Vandana Pankaj

Vandana Pankaj & Co

Company Secretaries

Membership No:-F6404

Certificate of Practice No.:6987

Annexure to the Directors' Report (contd.)

Annexure - 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR Policy, including overview of projects or programs, proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.

The Company focuses its CSR efforts on such areas, where it could provide maximum benefits to the society at large. These are, improving awareness of communities towards education and rural development etc. The Company will continue to engage with stakeholders including experts, NGOs, professional bodies / forums and the government and would take up such CSR activities in line with the government's intent, which are important for the society at large. The Company may also undertake such other CSR projects, where societal needs are high or in special situations (natural disasters etc.) CSR Policy is as posted at the below web-link: http://www.storeone.in/dir/investor/28.CSR_Policy_Store_One.pdf

2. Composition of the CSR Committee

Mr. Shamsheer Singh Ahlawat, Chairman (Independent Director)

Ms. Pia Johnson, Member (Executive Director)

Mr. Mehul Johnson, Member (Non-executive Director)

3. Average Net Profit of the Company for last three financial years: ₹ 33.82 crores
4. Prescribed CSR expenditure (two percent of the amount as in item 3 above): ₹ 67.64 lacs
5. Details of CSR expenditure for the financial year 2015-16 :
 - a. Total amount spent for the financial year: ₹ 67.64 lacs
 - b. Amount unspent, if any: Nil
 - c. Manner in which the amount spent during the financial year is detailed below:

(Amount in ₹)

1	2	3	4		5	6		7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs		Amount outlay (budget) projects or programs-wise	Amount spent on projects or programs Sub Heads:		Cumulative expenditure up to 31st March, 2016	Amount spent directly or through implementing agency
			District	State		Direct Exp. On Project or programs wise	Overheads		
1	Hybrid Power Plant	Education & Renewable Energy	Mumbai Thane Palghar Raigad	Maharashtra	5,000,000	-	-	-	Implementing Agency (Indiabulls Foundation)
2	Footwear Distribution	Rural Development	Mumbai Thane Palghar Raigad	Maharashtra	1,764,170	-	-	-	Implementing Agency (Indiabulls Foundation)
	Total				6,764,170	-			

Annexure to the Directors' Report (contd.)

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in Board's report.

During the financial year 2015-16, the Company has contributed its entire CSR expenditure aggregating to ₹ 67.64 lacs to the corpus of Indiabulls Foundation, for undertaking CSR projects, on its behalf.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

The Company understands that for it to continue to prosper over the long term, the community, environment and society at large must also prosper. During the financial year 2015-16, the implementation and monitoring of CSR Policy of the Company were environmental friendly and in compliance with the applicable laws, CSR objectives and Policy of the Company.

For Store One Retail India Limited

Date : 25-04-2016

Place : Mumbai

Pia Johnson
Executive Director
(DIN: 00722403)

Shamsher Singh Ahlawat
Chairman – CSR Committee
(DIN: 00017480)

Annexure to the Directors' Report (contd.)

Annexure - 4

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2016

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L52190DL2005PLC181536
ii	Registration Date (Date of Incorporation)	18-March-2005
iii	Name of the Company	Store One Retail India Limited
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	M - 62 & 63 First Floor, Connaught Place, New Delhi 110001
vi	Whether listed company	Yes
vii	Name , Address & contact details of Registrar & Transfer Agent, if any	Karvy Computershare Private Limited Unit: Store One Retail India Limited Karvy Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032 Tel : 040-6716 2222 - Fax: 040-23001153 E-mail: einward.ris@karvy.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Management and Maintenance Services	81100	28.05%
2	Equipment Hiring Services	43900	27.23%
3	Construction, advisory and other related activities	07020	44.33%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Indiabulls Wholesale Services Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	L51101DL2007PLC166209	Holding	73.85%	Section 2(46) of Companies Act, 2013
2	Store One Infra Resources Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U70200DL2015PLC287160	Subsidiary	100.00%	Section 2(87) of Companies Act, 2013

Annexure to the Directors' Report (contd.)

IV (i) Shareholding Pattern (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	20,383,310	0	20,383,310	73.85	20,383,310	0	20,383,310	73.85	0.00
e) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL:(A) (1)	20,383,310	0	20,383,310	73.85	20,383,310	0	20,383,310	73.85	0.00
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	20,383,310	0	20,383,310	73.85	20,383,310	0	20,383,310	73.85	0.00
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Government	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs/FPIs	40,000	0	40,000	0.14	40,000	0	40,000	0.14	0.00
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
i) Others (specify)	0	0	0	0	0	0	0	0	0.00
SUB TOTAL (B)(1):	40,000	0	40,000	0.14	40,000	0	40,000	0.14	0.00
(2) Non Institutions									
a) Bodies Corporate									
i) Indian	823,789	0	823,789	2.98	764,418	0	764,418	2.77	-0.21
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakhs	3,240,615	496	3,241,111	11.74	3,311,887	484	3,312,371	12.00	0.26
ii) Individuals shareholders holding nominal share capital in excess of ₹1 lakhs	2,977,440	0	2,977,440	10.79	2,930,279	0	2,930,279	10.62	-0.17

Annexure to the Directors' Report (contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
i) Non-Resident Indians	96,824	0	96,824	0.35	144,804	0	144,804	0.52	0.17
ii) Clearing Members	37,526	0	37,526	0.14	24,818	0	24,818	0.09	-0.05
SUB TOTAL (B)(2):	7,176,194	496	7,176,690	26.00	7,176,206	484	7,176,690	26.00	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	7,216,194	496	7,216,690	26.15	7,216,206	484	7,216,690	26.15	0.00
C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter group	0	0	0	0.00	0	0	0	0	0.00
Public	0	0	0	0.00	0	0	0	0	0.00
Grand Total (A+B+C)	27,599,504	496	27,600,000	100.00	27,599,516	484	27,600,000	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Indiabulls Wholesale Services Limited	20,383,310	73.85	0.00	20,383,310	73.85	0.00	0.00

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

	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
At the beginning of the year	20,383,310	73.85		
<i>Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)</i>				
At the end of the year	20,383,310	73.85		

*No change in shareholding

Annexure to the Directors' Report (contd.)

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Ashish Damani*	238,070	0.86	238,070	0.86
2	Hitesh Harakhchand Vora*	202,000	0.73	202,000	0.73
3	Goldmine Stocks Pvt Ltd [#]	154,422	0.56	0	0.00
4	Govind Das Damani*	140,000	0.51	135,726	0.49
5	Mona Damani*	137,000	0.50	137,000	0.50
6	Rachna Damani*	136,423	0.49	136,423	0.49
7	Suresh Kanmal Jajoo [#]	120,000	0.43	0	0.00
8	Anju Damani*	110,000	0.40	110,000	0.40
9	Sangita Shah*	93,600	0.34	81,000	0.29
10	Anand Damani*	83,154	0.30	83,154	0.30
11	Tarun Suresh Jain [§]	0	0.00	183,403	0.66
12	Siddharth Dilipkumar Mehta [§]	0	0.00	90,000	0.33

*Top 10 shareholders as on April 1, 2015 and March 31, 2016

[#] Top 10 Shareholders as on April 1, 2015 only

[§]Top 10 Shareholders as on March 31, 2016 only

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding			Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease	Cumulative Shareholding during the year (01-Apr-2015 to 31-Mar-2016)	
		Date [beginning of the year (01-Apr-2015)/ end of the year (31-Mar-2016)]	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
A.	Shareholding of Directors						
1	Ms. Pia Johnson Executive Director	01-Apr-2015	0	0.00	-	0	0.00
		31-Mar-2016	0	0.00			
2	Mr. Mehul Johnson Non-Executive Director	01-Apr-2015	0	0.00	-	0	0.00
		31-Mar-2016	0	0.00			
3	Mr. Shamsher Singh Ahlawat Independent Director	01-Apr-2015	0	0.00	-	0	0.00
		31-Mar-2016	0	0.00			
4	Mr. Prem Prakash Mirdha Independent Director	01-Apr-2015	0	0.00	-	0	0.00
		31-Mar-2016	0	0.00			

Annexure to the Directors' Report (contd.)

Sl. No.	Name	Shareholding			Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease	Cumulative Shareholding during the year (01-Apr-2015 to 31-Mar-2016)	
		Date [beginning of the year (01-Apr-2015)/ end of the year (31-Mar-2016)]	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
5.	Mr. Aishwarya Katoch Independent Director	01-Apr-2015	0	0.00	0	0	0.00
		31-Mar-2016	0	0.00	0	0	0.00
B	Shareholding of KMPs other than MD/WTD/Manager						
1.	Mr. Vijay Agrawal Chief Financial Officer	01-Apr-2015	0	0.00	0	0	0.00
		31-Mar-2016	0	0.00	0	0	0.00
2.	Mr. Vikas Khandelwal Company Secretary	01-Apr-2015	0	0.00	0	0	0.00
		31-Mar-2016	0	0.00	0	0	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	622,238,299	270,000,000	NIL	892,238,299
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	1,542,517	9,789,703	NIL	11,332,220
Total (i+ii+iii)	623,780,816	279,789,703	NIL	90,357,0519
Change in Indebtedness during the financial year				
Additions / (Reduction)				
i) Principal Amount	(234,446,372)	56,500,000	NIL	(177,946,372)
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	1,020,867	(9,789,703)	NIL	(8,768,836)
Net Change	(233,425,505)	46,710,297	NIL	(186,715,208)
Indebtedness at the end of the financial year				
i) Principal Amount	387,791,927	326,500,000	NIL	714,291,927
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	2,563,384	NIL	NIL	2,563,384
Total (i+ii+iii)	390,355,311	326,500,000	NIL	716,855,311

Annexure to the Directors' Report (contd.)

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (In ₹)
		Ms. Pia Johnson (WTD)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission (as % of profit/others)	-	-
5	Others	-	-
	Total (A)	-	-
	Ceiling as per the Act	₹ 2.79 crore (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)	

B. Remuneration to other Directors:

Sl. No	Particulars of Remuneration	Name of Directors			Total Amount (In ₹)
		Mr. Shamsher Singh Ahlawat	Mr. Aishwarya Katoch	Mr. Prem Prakash Mirdha	
1	Independent Directors				
	(a) Fee for attending board/ committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Director	Mr. Mehul Johnson			
	(a) Fee for attending board/ committee meetings		-		-
	(b) Commission		-		-
	(c) Others, please specify		-		-
	Total (2)		-		-
	Total (B)=(1+2)		-		-
	Total Managerial Remuneration		-		-
	Overall ceiling as per the Act	₹ 6.14 Crores (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)			

Annexure to the Directors' Report (contd.)

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (In ₹)
		Mr. Vikas Khandelwal, Company Secretary	Mr. Vijay Agrawal, CFO	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	32,52,873.00	27,36,328.00	59,89,201.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	50,361.11	0.00	50,361.11
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2	Stock option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission(as % of profit/others)	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00
	Total	33,03,234.11	27,36,328.00	60,39,562.11

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

ANNEXURE 5

DISCLOSURES ON MANAGERIAL REMUNERATION

Details of remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under –

Ratio of the remuneration of each director to the median employees' remuneration, for FY 2015-16

Not applicable because no remuneration was paid to any of the Directors during the FY 2015-16.

Percentage increase in remuneration of each director and Key Managerial Personnel, in FY 2015-16

Designation	Increase in Remuneration (%)
Chief Financial Officer	20.30%
Company Secretary	13.53%

No remuneration was paid to any of the Directors and other KMPs, except as aforesaid, during the FY 2015-16.

The percentage increase in the median remuneration of employees in the FY 2015-16

The percentage increase in the median remuneration of all the employees (including KMPs), computed on the basis of median remuneration for FY 2015-16 and FY 2014-15 was 12.28%.

Number of permanent employees on the rolls of Company

The Company had 111 employees on its permanent rolls, as of March 31, 2016.

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The average percentile increase made in the salaries of total employees other than the key managerial personnel, for FY 2015-16 is around 16.99%, while the average increases in the remuneration of key managerial personnel is around 16.50%.

The Company follows prudent remuneration practices under the guidance of the Board and Nomination & Remuneration Committee. The Company's approach to remuneration is intended to drive meritocracy and is linked to various parameters including its performance, growth, individual performance, peer comparison of other companies, within the framework of prudent Risk Management.

The Company reiterates that there were no exceptional circumstances which warranted an increase in managerial remuneration, which was not justified, by the overall performance of the Company.

It is hereby affirmed that the aforesaid remuneration paid by the Company, is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company.

Management Discussion and Analysis

ECONOMIC OVERVIEW

The macro economic conditions in the country have improved during the last year. The government has taken a number of initiatives aimed at expediting growth, to build and further enhance India's position in the global economy. Central Government along with Reserve Bank of India (RBI) has announced several legislative and policy reforms, which have resulted in outstanding growth. The Government has taken various measures and initiatives to revive the economy by reforming policy environment, making business opportunities more accessible, accelerating project related approvals, easing FDI policies, pushing for infrastructure, and spending and creating smart cities. RBI is fostering a growth environment; having lowered the interest rates through the last year and also taken various steps to improve liquidity in the economy.

The markets have begun to respond to this favorable change, with the national indices hitting all time high. Foreign and domestic institutional investors have started pumping in money into the equity and debt markets. India is emerging as the world's fastest growing economy, and is expected to remain so in the medium term.

BUSINESS REVIEW

The Company is in the business of equipment renting, management and maintenance services, construction advisory and other related services. Your directors believe that these businesses have huge potential & scope for further development. The combination of our rental fleet and property management services, coupled with our experienced management team will enable the Company to achieve a sustained growth ahead of the market.

Management and maintenance services

The Company has explored and developed expertise in all avenues of management and maintenance of properties. Our current projects span more than approx. 7 million square feet of high end commercial and residential space. Some prominent projects are One Indiabulls Centre (Mumbai), Indiabulls Finance Centre (Mumbai), Chennai Greens (Chennai), One Indiabulls Park (Chennai), and Gurgaon Centrum Park (Gurgaon.) We are continuously enhancing our approach and acquiring resources to grow faster in this area.

Equipment renting services

The Company provides bespoke solutions in the development and construction of infrastructure and real estate by renting out equipment in the following categories: concrete, Earth moving, transport, energy, lifting, steel cutting, and highway. The Company has a large fleet of branded equipment which includes: tower cranes, passenger cum material hoists, boom placers, transit mixers, dumpers, excavators, and framework development of buildings/structures. The renting of machinery is done on both dry and wet lease basis.

Expertise in project management and deep domain knowledge has enabled the company to provide country wide services to several Institutional and large customers in several prestigious projects.

Construction Advisory and other related activities

The Company also provides advisory services pertaining to identification and acquisition of land, project planning, design management, construction, execution, maintenance and management of completed projects, as well as consultancy and advisory services on engineering, and other related technical matters.

OPPORTUNITIES

Management and maintenance services

Your Directors believe that due to increased demand from high-end service sectors like healthcare, banking, hospitality, education, infrastructure, aviation etc. coupled with increased number of multi storied high-end residential, commercial & retail space, there is a huge business opportunity in the maintenance and management domain.

Management Discussion and Analysis (contd.)

The Indian management and maintenance market is estimated to grow at 17 per cent and cross USD 19 billion mark over the next five years. "The swiftly growing services sector is creating huge potential for FM services, which is anticipated to grow at a CAGR of around 17 per cent during 2015-2020 and reach to approximately USD 19.4 billion by 2020," the report by Global Infrastructure Facilities and Project Managers Association (GIFPMA) said. The report pointed out that various factors such as boom in real estate, increasing awareness levels, growth in retail and hospitality sectors are the major drivers of this sector.

Equipment renting services

Your Directors believe that due to rapid growth and demand of infrastructural development in the country, the equipment renting business has huge potential and scope for further development at this stage.

Although the equipment rental industry is highly fragmented and diverse, we believe that we are well positioned to take advantage of this environment because, as a large company, we have extensive resources and compelling competitive advantages. Our size gives us greater purchasing power; the resources to provide customers with a broader range of equipment and services, that is better maintained and consistent in quality; and the ability to enhance the earning potential of our assets by transferring equipment among various regions and sites to satisfy customer needs.

Construction Advisory and other related services

The real estate sector in India assumed greater prominence with the liberalization and growth of the economy. At present, the real estate construction and infrastructure sector is one of the most globally recognized sector and thus advisory and other related activities spanning all aspects of real estate infrastructure and development, has huge potential for further growth. Recent development in the sector, like the notification of Real Estate Act (Regulation and Development), is going to provide significant growth and business opportunities in real estate and construction advisory and related activities.

STRENGTHS

Leadership & strong management team

Our well calibrated business approach and diverse team is our core strength. The Company has an experienced management team of highly competent and visionary leaders, which enables the Company to integrate the front and backend operations efficiently. In the unorganized sectors, existence of strong professional leaders is a key strength.

Diversified business portfolio

To capitalize existing potential, the Company has diversified in the business of management and maintenance services, business support services, equipment renting and advisory services etc. Our diversified business portfolio is instrumental in growth strategy and increases our flexibility towards industry movement. The size, age and mix of the rental fleet are driven by the requirement of our customers, market conditions and overall demand. The equipment we provide to each customer is custom and we are often involved in supplying various types of equipment over an extended period satisfying requirements at all stages in project development.

Strong Systems and process

The Company has strong focus on systems and processes and continue to invest in its front and back end process. The Company believes that continuous improvement and upgradation will result in greater fluency and higher quality.

Large and diverse rental fleet

Our large and diverse fleet allows us to serve large order customers who require substantial quantities and wide varieties of equipment, along with necessary technical feedback. We believe our ability to serve such customers should allow us to improve our performance and enhance our market leadership position. We manage our rental fleet, which is one of the largest and most comprehensive in the industry particularly catering to the residential and factories

Management Discussion and Analysis (contd.)

segment, utilizing a lifecycle approach that focuses on satisfying customer demand and optimizing availability. As part of this lifecycle approach, we closely monitor repair and maintenance expense and can anticipate, based on our extensive experience with a large and diverse fleet, the optimum time for an asset to reach the breakeven point.

Standardized Rental fleet

Across our rental fleet, we seek to purchase equipment from one or two manufacturers in each product range and to limit the number of categories in each product. We believe that having standard rental fleet results in lower cost and thus helping to keep our profit growing. Furthermore we can easily transfer equipment fleet between locations which help us achieve significant levels of fleet utilization.

Best product Quality & reliability:

We purchase equipment from well-known manufacturers with strong reputations for ensuring quality of the products and maintain close relationship with them to ensure certainty in delivery of supply and good after sales service and support.

Significant purchasing power

Purchase of large amounts of equipment both indigenous and imported, contractor supplies and other items enables the Company to negotiate favorable pricing, warranty and other terms with our vendors.

Consolidation of common functions

The Company reduces its overhead and other costs through the consolidation of functions that are common to our various regional set-ups, such as accounts payable, payroll, asset and spare purchase, logistic management, information technology and credit and collection.

Information technology systems

The Company has a wide variety of information technology systems that supports its operations. This information technology infrastructure facilitates its management to make rapid and informed decisions, respond quickly to changing market conditions and share rental equipment among various sites.

Strong brand recognition

As one of the largest equipment rental company in India, we have strong brand recognition, which helps us attract new customers and build customer loyalty.

THREATS AND COMPETITIVE ADVANTAGES

The presence of small unorganized players in the market may be a threat in achieving the expected growth. Further the business sectors, in which your Company is engaged, requires major reforms and recognition, and the Government policies and reforms, if any, can adversely affect Company's business. However, your Directors firmly believe that organized structure, skilled professionally managed team, strong systems and process provide competitive advantage for facing such regulatory reforms and managing its business efficiently.

The corporate sector, especially IT/ITES, BPO/KPO and banking and finance sectors are rapidly inclining towards outsourcing the services. It is expected that the trend will shift towards integrated facility management since companies are increasingly concerned about the skills of the manpower provided to them with changing needs of their customer.

STRATEGY

Your Company is well positioned to gain from the high demand of facility management services in various service sectors, specifically, hospitality, education, aviation, tourism & travel, banking etc. Further, the real estate development & infrastructure industry is one of the highest growing industries in India, thereby having huge untapped business potential for sustenance and growth of the rental business of plant and machinery, facility management and advisory services.

Management Discussion and Analysis (contd.)

For the past several years, the Company's strategy focused on improving the profitability of its core equipment rental business through revenue growth, margin expansion and operational efficiencies. In particular, it has focused on customer segmentation, customer service differentiation, rental rate management, fleet management and operational efficiency. In particular, our strategy calls for:

- A consistently superior standard of service to customers often provided through a single point of contact;
- The further optimization of our customer mix and fleet mix, with a dual objective to enhance our performance in serving our current customer base and to focus on the customer and customer types that are best suited to our strategy for profitable growth.

We believe these efforts will lead to even better service of our target customers, primarily large construction and industrial customers, as well as select Tier II contractors.

Our fleet team's analyses are aligned with these objectives to identify trends in equipment categories and define action plans that can generate improved returns.

HUMAN RESOURCES

The Company's businesses are managed by a team of competent and passionate leaders, capable of enhancing your Company's standing in the competitive market. The Company has a structured recruitment process, the focus is on recruiting people who have the right mindset for working at desired levels, supported by structured training programs and internal growth opportunities.

INTERNAL CONTROLS AND THEIR ADEQUACY

The Company has a sound and adequate system of internal controls commensurate with the size of the Company and the nature of its business to ensure that all the assets are safeguarded and protected against loss from unauthorized use or disposition, and that the transactions are authorized, recorded and reported correctly and adequately by appropriate empowered authorities. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets. All financial and audit control systems are also reviewed by the Audit Committee of the Board of Directors of the Company at regular periodical interval.

Cautionary Statement

Statements in this Report on Management's Discussion and Analysis describing the Company's objectives, estimates and expectations may be forward looking statements based on certain assumptions and expectations of future events. Actual results might differ substantially or materially from those expressed or implied.

The Company cannot guarantee that the assumptions and expectations are accurate or will be realized and hence the actual results, performance or achievements could thus differ materially from those expressed in the statements. The Company assumes no responsibility nor is under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

Corporate Governance Report

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Sound Corporate Governance practices and responsible corporate behavior contribute to long term performance of companies. Best practices on governance issues are an evolutionary and continuing process. There is no single template to define good governance. Broadly, however, Corporate Governance practices should aim at striking a balance between interests of various stakeholders on the one hand and the duties and responsibilities of the Board and senior management in overseeing the affairs of the Company on the other.

The Corporate Governance policy in Store One Retail India Limited ("SORIL" or "the Company") encompasses the simple tenets of integrity, transparency and fairness in whatever the Company does and what it basically aims at achieving is a complete adherence to the applicable statutes while at the same time ensuring a complete commitment to values and the highest ethical standards in every facet of its operations and in each of the functional areas. This in turn ensures that best in the class concept of Corporate Governance practices become a way of life in the Company. Your Company has complied with the requirements of Corporate Governance as laid down in the Clause 49 of the Listing Agreement executed by the Company with the BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE') for the period from April 1, 2015 to November 30, 2015 and Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from December 1, 2015 to March 31, 2016.

In line with the nature and size of operations of the Company, the Corporate Governance framework in the Company is based on the following main principles:

- Constitution of a Board of Directors of appropriate composition, size, varied experience and commitment to discharge their responsibilities and duties.
- Transparency and independence in the functions of the Board.
- Ensuring timely flow of information to the Board and its Committees to enable them discharge their functions effectively.
- Independent verification and assured integrity of financial reporting.
- Timely and balanced disclosure of all material information concerning the Company to all stakeholders and protection of their rights and interests.
- A sound system of risk management and internal control, anti-bribery and anti-corruption business practices.
- Compliance with applicable laws, rules and regulation in letter and spirit.

2. BOARD OF DIRECTORS (BOARD)

(A) Composition and size of the Board

The Company has a broad based Board of Directors, constituted in compliance with the Companies Act, 2013, Listing Agreement executed by the Company with the Stock Exchange and SEBI LODR and in accordance with highest standards of Corporate Governance in its management. The Board of Directors has been constituted in a manner which ensures appropriate mix of executive / non-executive and independent directors to ensure proper governance and management. The Board members have collective experience in diverse fields like finance, retail, real estate, facility management, banking, hoteling and technology etc.

The Board consists of five directors of whom one is woman executive director and the remaining four directors are non-executive directors. Of the four non-executive directors, three are independent directors.

The details of Directors, number of directorships held by them in other companies as also the number of their memberships and chairmanships on various board Committees, as on March 31, 2016 are depicted in the table given below:

Corporate Governance Report (contd.)

Sl. No.	Name of the Director	Category of Directorship	No. of Directorships in other companies*	No. of Memberships/ Chairmanships in the Board Committees of various companies (including the Company)**	
				As Member#	As Chairman
1.	Ms. Pia Johnson (DIN: 00722403)	Executive Director	3	1	0
2.	Mr. Mehul Johnson (DIN: 00016075)	Non-Executive Director	8	5	1
3.	Mr. Aishwarya Katoch (DIN: 00557488)	Non-Executive Independent Director	9	10	3
4.	Mr. Shamsheer Singh Ahlawat (DIN: 00017480)	Non-Executive Independent Director	6	10	5
5.	Mr. Prem Prakash Mirdha (DIN: 01352748)	Non-Executive Independent Director	6	8	Nil

* Does not include directorships held in foreign companies and private limited companies and Companies under section 8 of the Companies Act, 2013.

** Only memberships/ chairmanships of the Audit Committees and Stakeholders Relationship Committee in various public limited companies, considered.

This includes the chairmanship in the Committees.

Ms. Pia Johnson and Mr. Mehul Johnson, being spouse, are related to each other.

None of the Non-Executive Director held any equity share and/ or convertible security of the Company during the financial year ended March 31, 2016.

The Company has familiarization programme for Independent Directors with regard to their roles, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. the familiarization programme along with details of the same imparted to the Independent Directors during the year are available on the website of the Company (<http://www.storeone.in>).

(B) Details of Board Meetings and the last Annual General Meeting (AGM) and attendance record of Directors thereat

During the financial year 2015-16, the Board met 7 (Seven) times. The dates of the meetings were May 4, 2015, August 3, 2015, August 28, 2015, October 21, 2015, December 28, 2015, January 2, 2016 and January 22, 2016. During the year separate meeting of the Independent Directors was held on January 22, 2016 without the attendance of non-independent directors and the members of the management. All Independent Directors attended the said meeting.

The last Annual General Meeting (AGM) of the Company was held on September 28, 2015.

A table depicting the attendance of directors at various Board Meetings and the Annual General Meeting held during the FY 2015-16 is given below:

Corporate Governance Report (contd.)

Sl. No.	Name of the Director	No. of Meetings held during the tenure	No. of Board meetings attended	Attendance at the last AGM
1.	Ms. Pia Johnson (DIN: 00722403)	7	7	No
2.	Mr. Mehul Johnson (DIN: 00016075)	7	7	Yes
3.	Mr. Aishwarya Katoch (DIN: 00557488)	7	5	Yes
4.	Mr. Shamsher Singh Ahlawat (DIN: 00017480)	7	5	Yes
5.	Mr. Prem Prakash Mirdha (DIN: 01352748)	7	4	Yes

3. COMMITTEES OF THE BOARD

The Board has constituted various Committees to take informed decisions in the best interest of the Company. These Committees monitor the activities falling within their terms of reference. The role and the composition of these Committees including number of meetings held during the financial year and participation of the members at the meetings of the committees, during the year are as under :

The role and the composition of these Committees including number of meetings held during the financial year and participation of the members at the meetings of the committees, during the year are as under.

(A) Audit Committee

Composition

The Audit Committee currently comprises of three members namely Mr. Shamsher Singh Ahlawat as the Chairman, Mr. Aishwarya Katoch and Mr. Mehul Johnson, as other two members, all Non-Executive Directors. Two out of three members namely Mr. Shamsher Singh Ahlawat and Mr. Aishwarya Katoch are Independent directors. Mr. Vikas Khandelwal, Secretary of the Company also acts as the Secretary of the Audit Committee.

Terms of reference of the Audit Committee

The terms of reference of the Audit Committee, inter-alia, includes:

- To oversee the financial reporting process and disclosure of financial information.
- To review with management, quarterly and annual financial statements and ensure their accuracy and correctness before submission to the Board.
- To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans and reviewing the efficacy of their function, discussion and review of periodic audit reports including findings of internal investigations.
- To recommend the appointment of the internal and statutory auditors and fixing their remuneration.
- To hold discussions with the statutory and internal auditors.
- To review and monitor auditor's independence and performance, and effectiveness of audit process;
- To examine the auditors' report on financial statements of the Company (in addition to the financial statements) before submission to the Board;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also the reviewing with the management the utilization of the funds so raised, for purposes other than those stated in the relevant offer document, if any and making appropriate recommendations to the Board in this regard;

Corporate Governance Report (contd.)

- Evaluation of the risk management systems (in addition to the internal control systems);
- Review and monitoring of the performance of the statutory auditors and effectiveness of the audit process;
- To hold post audit discussions with the auditors to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism;
- Approval to the appointment of the CFO after assessing the qualifications, experience and background etc. of the candidate.

Meetings and Attendance thereat during the year

During the FY 2015-16, the Audit Committee met four times. The dates of the meetings being May 4, 2015, August 3, 2015, October 20, 2015 and January 22, 2016.

The attendance record of committee members to the meetings so held is depicted in the table given below:

Name of the Member	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Shamsheer Singh Ahlawat	4	4
Mr. Aishwarya Katoch	4	4
Mr. Mehul Johnson	4	3

The Chief Financial Officer and Auditors attended the meetings by invitation.

(B) Nomination & Remuneration Committee

Composition

The Nomination & Remuneration Committee (N&R Committee) of the Board comprises of three Independent Non-Executive Directors namely, Mr. Aishwarya Katoch as the Chairman, Mr. Shamsheer Singh Ahlawat and Mr. Prem Prakash Mirdha, as other two members.

Terms of reference

The terms of reference of N&R Committee, inter-alia, includes:

- To recommend to the Board, compensation terms of the Executive Directors;
- To assist the Board in determining and implementing the Company's Policy on the remuneration of Executive Directors.
- Identifying the persons who are qualified to become directors and those who may be appointed in senior management in accordance with the criteria laid down by it and recommending to the Board their appointment and removal and carrying out the evaluation of the performance of every director;
- Formulating the criteria for determining the qualifications, positive attributes and independence of a director.

Meetings and Attendance during the year

During the FY 2015-16, the Committee met once on July 15, 2015 and the meeting was attended by all the members.

Policy for selection and appointment of Directors

The N&R Committee has adopted a charter which, inter alia, deals with the manner of selection of the Board of Directors, senior management and their compensation. This Policy is accordingly derived from the said Charter.

- The incumbent for the positions of Executive Directors and/or at senior management, shall be the persons of high integrity, possesses relevant expertise, experience and leadership qualities, required for the position.
- The Non-Executive Directors shall be of high integrity, with relevant expertise and experience so as to have the diverse Board with Directors having expertise in the fields of finance, banking, regulatory, real estate, retail, facility management, hospitality, taxation, law, governance and general management.

Corporate Governance Report (contd.)

- c. In case of appointment of Independent Directors, the independent nature of the proposed appointee vis-a-vis the Company, shall be ensured.
- d. The N&R Committee shall consider qualification, experience, expertise of the incumbent, and shall also ensure that such other criteria with regard to age and other qualification etc., as laid down under the Companies Act, 2013 or other applicable laws are fulfilled, before recommending to the Board, for their appointment as Directors.
- e. In case of re-appointment, the Board shall take into consideration, the performance evaluation of the Director and his engagement level.

Remuneration Policy

Company's Remuneration Policy is market led, based on the fundamental principles of payment for performance, for potential and for growth. It also takes into account the competitive circumstances of the business, so as to attract and retain quality talent and leverage performance significantly. The N&R Committee recommends the remuneration payable to the Executive Directors and Key Managerial Personnel, for approval by Board of Directors of the Company, subject to the approval of its shareholders, wherever necessary.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the N&R Committee has laid down the criteria for performance evaluation of Independent Directors and Executive Directors, which inter-alia covers level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the Non-Independent Directors. The performance evaluation of the Executive and Non-Executive Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Policy on Board Diversity

The N&R Committee devises the policy to provide for having a broad experience and diversity on the Board.

Remuneration of Directors

(i) *Remuneration of Executive Directors*

Ms. Pia Johnson, Executive Director does not draw any remuneration from the Company.

(ii) *Remuneration of Non-Executive Directors*

Non-Executive Directors have not been paid any remuneration/ sitting fees during the FY 2015-16.

(C) Stakeholders Relationship Committee

Composition

The Stakeholders Relationship Committee comprises of three members namely Mr. Aishwarya Katoch, an Independent Non-Executive Director, as the Chairman and Mr. Mehul Johnson and Ms. Pia Johnson as other two members.

Terms of Reference

The primary functions carried out by the Committee are to approve requests for share transfers and transmissions, to approve the requests pertaining to remat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc. and for this purpose the required authority has been delegated to Ms. Pia Johnson.

The Committee oversees all matters encompassing the shareholders / investors related issues.

Meetings and Attendance thereat during the year

During the FY 2015-16, the Committee met four times. The dates of the meetings were April 6, 2015, July 6, 2015, October 5, 2015 and January 4, 2016.

Corporate Governance Report (contd.)

The attendance record of committee members in respect of the meetings so held is depicted in the table given below:

Name of the Member	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Aishwarya Katoch	4	4
Mr. Mehul Johnson	4	4
Ms. Pia Johnson	4	4

Name and designation of Compliance Officer

Mr. Vikas Khandelwal, Company Secretary is the Compliance Officer pursuant to Regulation 6(1) of SEBI (LODR) Regulations, 2015.

Details of queries / complaints received and resolved during the FY 2015-16

During the FY 2015-16, only one complaint was received pertaining to non-receipt of Annual Report and the same was redressed to the satisfaction of the complainant.

(D) Corporate Social Responsibility (CSR) Committee

Composition

The Corporate Social Responsibility Committee comprises of three members namely Mr. Shamsher Singh Ahlawat, an Independent Non-Executive Director, as the Chairman and Mr. Mehul Johnson and Ms. Pia Johnson as other two members.

Terms of Reference

The terms of reference of the CSR Committee, inter-alia, includes:

- To recommend to the Board, the CSR activity to be undertaken by the Company;
- To approve the expenditure to be incurred on the CSR activity;
- To oversee and review the effective implementation of the CSR activity;
- To ensure compliance of all related applicable regulatory requirements.

Meetings and Attendance during the year

During the FY 2015-16, the Committee met two times. The dates of the meetings being August 1, 2015 and March 31, 2016.

The attendance record of Committee members in respect of the meetings so held is depicted in the table given below:

Name of the Member	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Shamsher Singh Ahlawat	2	2
Mr. Mehul Johnson	2	2
Ms. Pia Johnson	2	2

4. GENERAL BODY MEETINGS

(A) Location and time of last three Annual General Meetings (AGMs)

Year	Location	Date	Time
2012-13	Centaur Hotel, IGI Airport, Delhi Gurgaon Road, New Delhi – 110 037	September 30, 2013	10.00 A.M.
2013-14	Centaur Hotel, IGI Airport, Delhi Gurgaon Road, New Delhi – 110 037	September 26, 2014	10.00 A.M.
2014-15	Centaur Hotel, IGI Airport, Delhi Gurgaon Road, New Delhi – 110 037	September 28, 2015	9.00 A.M.

Corporate Governance Report (contd.)

(B) Details of special resolutions passed in the previous three AGMs

1. *In the AGM for the year 2012-13, no special resolution was passed.*

2. *In the AGM for the year 2013-14, special resolutions as per detail hereunder, were passed:*

- (i) Special Resolution seeking approval of the members pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, authorizing the Board for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 500 crore.
- (ii) Special Resolution seeking approval of the members pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, authorizing the Board to the creation of mortgages, charges and hypothecations or creation of security, in any other form or manner, as may be necessary, on such of the assets of the Company, both present and future, in such manner as the Board may direct, in favour of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate (hereinafter referred to as the "Lending Agencies") and Trustees for the holders of debentures/bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans/foreign currency loans, debentures, bonds and other instruments together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements / Loan Agreements / Debenture Trust Deeds entered / to be entered into by the Company in respect of the said borrowings.
- (iii) Special Resolution seeking approval of the members pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, to alter the Article 1 of the Articles of Association of the Company.

3. *In the AGM for the year 2014-15, special resolutions as per detail hereunder, were passed:*

- (i) Special Resolution seeking approval of the members pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and applicable Rules framed thereunder, read with Schedule V to the Act (including any statutory modification(s) or re-enactment of the Act), to the appointment of Ms. Pia Johnson (DIN: 00722403), as Whole-time Director of the Company for a period of 5 (five) years with effect from January 30, 2015 at a remuneration, as may be recommended by the Nomination & Remuneration Committee and approved by the Board, from time to time during her tenure, subject to the overall ceiling of remuneration prescribed in the Act, read with Schedule V and applicable Rules thereto, as amended from time to time.
- (ii) Special Resolution seeking approval of the members pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, as may be amended from time to time, and subject to other applicable regulations/guidelines, authorizing the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee thereof) for making offer(s) or invitation(s) to subscribe to Non-Convertible Debentures, including Bonds, and/or hybrid instruments, on private placement basis, in one or more tranches from time to time, during a period of one year from the date of passing of this Resolution, within the overall borrowing limits of the Company, as approved by the Members, from time to time.

Corporate Governance Report (contd.)

(C) Postal Ballot during the FY 2015-16

During the year 2015-16, no resolution was passed by the Company through Postal Ballot. None of the business proposed to be transacted in the ensuing Annual General Meeting require special resolution through postal ballot.

5. MEANS OF COMMUNICATION

- (i) **Publication of Results:** The quarterly / annual results of the Company are published in leading newspapers like Financial Express, Business Standard and Jansatta.
- (ii) **News Releases etc:** The Company has its own website: www.storeone.in and all vital information relating to the Company and its performance including financial results, press releases pertaining to important developments, performance updates and corporate presentations etc. is regularly posted on the website.
- (iii) **Management Discussion and Analysis:** The same has been included in a separate section, which forms a part of this Annual Report.
- (iv) **Investors' Relation:** The Company's website contains a separate dedicated section 'Investor Relations' and 'News & Media' where general information is available for shareholders.

6. GENERAL SHAREHOLDERS' INFORMATION

(A) Company Registration Details

The Company is registered in the State of Delhi, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L52190DL2005PLC181536.

(B) Date, Time and Venue of Annual General Meeting (AGM)

The date, time and venue of the ensuing AGM has been indicated in the Notice convening the AGM, which is annexed to the Annual Report.

(C) Financial year

The financial year of the Company is a period of twelve months beginning on 1st April every calendar year and ending on 31st March the following calendar year.

(D) Date of Book Closure

Book Closure dates have been provided in the Notice convening the AGM forming part of this Annual Report.

(E) Dividend Payment date

No dividend has been recommended by the Board for the financial year 2015-16.

(F) Listing on Stock Exchanges

The Company's Equity Shares are listed on the following stock exchanges:

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

National Stock Exchange of India Limited

"Exchange Plaza", Bandra-Kurla Complex,
Bandra (E), Mumbai-400 051

The listing fees for the financial year 2016-17, have been paid to BSE and NSE.

(G) Stock Code

BSE Limited	- 532679
National Stock Exchange of India Limited	- STOREONE
ISIN for Dematerialisation	- INE 034H01016

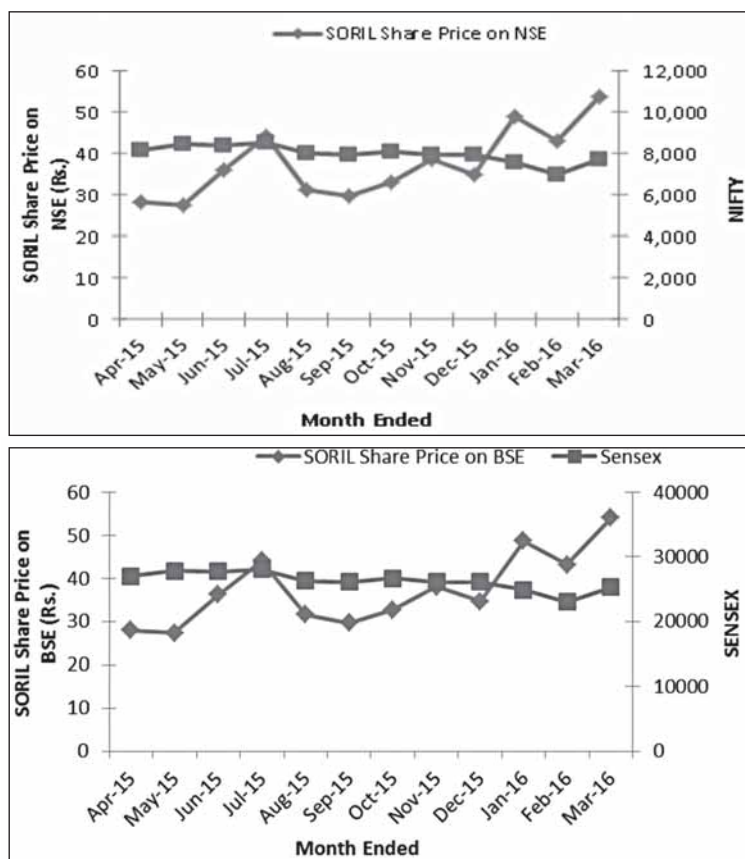
Corporate Governance Report (contd.)

(H) Market Price Data

The monthly high and low market prices of shares at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year ended March 31, 2016 are as under:

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2015	34.90	27.00	34.90	27.50
May 2015	30.00	26.15	30.05	26.40
June 2015	37.90	22.70	37.40	24.00
July 2015	53.30	30.30	52.95	30.25
August 2015	46.75	27.20	46.75	27.10
September 2015	32.70	27.50	32.50	27.30
October 2015	42.40	29.30	42.35	29.65
November 2015	38.45	28.85	38.10	29.00
December 2015	41.90	30.00	41.30	30.00
January 2016	52.00	28.00	52.00	28.15
February 2016	60.40	40.70	60.20	40.90
March 2016	58.70	43.00	59.00	44.00

(I) Comparison of Company's share price with the broad-based indices viz. NSE Nifty & BSE Sensex.



Corporate Governance Report (contd.)

(J) Registrar and Transfer Agents

M/s. Karvy Computershare Private Limited is the Registrar and Share Transfer Agents (RTA) of the Company for handling the share related matters, both in physical and the dematerialised mode.

The contact details are as under:

Karvy Computershare Private Limited

(Unit : Store One Retail India Limited)

Karvy Selenium, Tower B, Plot No. 31-32, Gachibowli,

Financial District, Nanakramguda,

Hyderabad - 500 032

Contact Person : Ms. Shobha Anand, AGM, Corporate Registry

Phone : 040-6716 2222

Fax : 040-23001153

E-mail : einward.ris@karvy.com

(K) Share Transfer System

The Board has delegated the authority for share transfers, transmissions, remat / demat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc. to the Board constituted Stakeholders Relationship Committee. For any such action request is to be made to the RTA, which after scrutinizing all such requests, forwards it for approval by Stakeholders Relationship Committee.

(L) (i) Distribution of equity shareholding as on March 31, 2016

Sl.No.	Shareholding of nominal value (in ₹)	No. of holders	% to total no. of holders	Value in ₹	% to nominal value
	From To				
1.	1 - 5,000	10465	88.29	11,327,030	4.10
2.	5,001 - 10,000	637	5.38	5,330,490	1.93
3.	10,001 - 20,000	311	2.62	4,856,390	1.76
4.	20,001 - 30,000	129	1.09	3,380,690	1.23
5.	30,001 - 40,000	59	0.50	2,149,170	0.78
6.	40,001 - 50,000	66	0.56	3,132,260	1.14
7.	50,001 - 1,00,000	93	0.78	7,154,720	2.59
8.	1,00,001 and above	93	0.78	238,669,250	86.47
	Total	11853	100.00	276,000,000	100.00

(ii) Equity Shareholding pattern as on March 31, 2016

Sl.No.	Category	No. of Shares	% holding
1.	Promoters	20,383,310	73.85
2.	FII/ FPIs	40,000	0.14
3.	Bodies Corporate	764,418	2.77
4.	Indian Public	6,242,650	22.62
5.	NRI/ NRIs	144,804	0.53
6.	Clearing Members	24,818	0.09
	Total	27,600,000	100.00

(M) Dematerialisation of shares and liquidity

Equity Shares of the Company are compulsorily traded in dematerialised form and are available for trading under both the depositories i.e. NSDL and CDSL.

Corporate Governance Report (contd.)

As on March 31, 2016, 99.998% Equity shares of the Company representing 27,599,516 out of a total of 27,600,000 Equity shares were held in dematerialised form and the balance 484 shares were held in physical form.

Further, as on March 31, 2016, 2,973,450 Preference shares of face value ₹ 10/- each of the Company were held in physical mode. Same are presently not listed on any Stock Exchange.

The Company obtains from a Company Secretary in practice, half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

(N) Outstanding Convertible Instruments

There are no outstanding convertible instruments as on date in the Company.

(O) Commodity price risk or foreign exchange risk and hedging activities

During the FY 2015-16, the Company had no foreign currency borrowings. However, company has a policy to manage import procurements by continuous monitoring of foreign exchange market and hedging through a combination of forward contracts, principal only swaps, interest rate swaps and / or cross currency swaps, if required.

(P) Plant Locations

The Company do not have any plant and thus there is no plant location.

(Q) Address for Correspondence

(i) Registered Office:

M-62 & 63, First Floor,
Connaught Place,
New Delhi – 110 001
Email: helpdesk@indiabulls.com,
Tel: 0124-6681199, Fax: 0124-6681240,
Website: <http://www.storeone.in/>

(ii) Corporate Offices:

- a) "Indiabulls House"
448-451, Udyog Vihar, Phase V,
Gurgaon – 122 016
Haryana
- b) Indiabulls House,
Indiabulls Finance Center,
Tower 1, Senapati Bapat Marg,
Elphinstone Road, Mumbai - 400 013
Maharashtra

(R) Profile of Directors retiring by rotation and seeking re-appointment, in terms of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Ms. Pia Johnson, Director (DIN:00722403)

Ms. Pia Johnson has rich experience in providing and managing facilities management services business. During her association with the Group, she has provided leadership and guidance in the areas of strategic planning, resource management, hospitality and project execution etc.

Ms. Pia Johnson is law graduate from Mumbai University.

Ms. Pia Johnson does not hold any shares in the Company. Being spouse, she is related to Mr. Mehul Johnson, Director.

Corporate Governance Report (contd.)

Ms. Pia Johnson is also on the Board of Indiabulls Wholesale Services Limited, Indiabulls Ventures Limited, Indiabulls Infraestate Limited and Iwizeducation Private Limited. She is member of Stakeholders' Relationship Committee and Corporate Social Responsibility Committee of the Company.

7. COMPLIANCE CERTIFICATE FROM THE PRACTICING COMPANY SECRETARY

A certificate from a Practicing Company Secretary certifying the Company's compliance with the provisions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement and Regulation 34(3) read with Schedule-V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, is annexed to and forms a part of this Report.

8. OTHER DISCLOSURES:

(i) Subsidiary Companies

The Company did not have any material subsidiary during the previous financial year. The Company has formulated a Policy for determining material subsidiaries, pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is available on the website of the Company (www.storeone.in).

(ii) Related Party Transactions

During the year, no materially significant related party transaction was entered by the Company with its Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. Details of all related party transactions are disclosed in the Annual report and/or financials statements of the Company. The Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company: www.storeone.in.

(iii) Executive Director/CFO Certification

- (a) The Executive Director and CFO have issued certificate pursuant to the Regulation 33(2)(a) of SEBI (LODR) Regulations, 2015, certifying that the financial statements do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.
- (b) The Executive Director and CFO have issued certificate pursuant to the provisions of Regulation 17(8) read with Part-B of Schedule-II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs, and is annexed to and forms a part of this Report.

(iv) (a) Code of Conduct and Ethics

The Company has laid down a Code of Conduct and Ethics (the "Code") for the Board Members and Senior Management personnel of the Company. The Code is available on the website of the Company www.storeone.in. All Board Members and Senior Management personnel have affirmed compliance with the Code. A declaration signed by the Executive Director to this effect is enclosed at the end of this Report.

The Code seeks to ensure that the Board Members and Senior Management personnel observe a total commitment to their duties and responsibilities while ensuring a complete adherence with the applicable statutes along with business values and ethics.

(b) Code of Conduct for Prevention of Insider Trading

The Company has laid down a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of The Securities and Exchange Board of India (Insider Trading) Regulations, 2015 and Companies Act, 2013, with a view to regulate trading in Securities of the Company by its directors, designated persons and employees.

(v) Whistle Blower Policy

Corporate Governance Report (contd.)

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has implemented the Whistle Blower Policy ("the Policy"), to provide an avenue for employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy applies to all employees working for the Company and its subsidiaries. Pursuant to the Policy, the whistle blowers can raise concerns relating to matters such as breach of Company's Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, misappropriation of Company's funds / assets etc. A whistle-blowing or reporting mechanism, as set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company and its subsidiaries. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices. The details of the Whistle Blower Policy are available on the website of the Company (www.storeone.in).

(vi) Strictures and penalties

During the FY 2014-15, NSE & BSE levied fine of ₹ 8,000/- and ₹ 8,989/- respectively, on the Company, alleging delayed compliance of clause 31 of the Listing Agreement. The Company though clarified to Exchanges regarding due compliance of relevant clause, however, deposited fines with Exchanges under protest. Except as aforesaid, there has not been any other instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence, no penalty has been imposed on the Company or no strictures have been passed against it, by SEBI or Exchanges or any other statutory authorities on any such matters.

(vii) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements pursuant to SEBI (LODR) Regulations, 2015.

The Company has complied with all the mandatory requirements pursuant to SEBI (LODR) Regulations, 2015 in letter as well as in spirit. The details of these compliances have been given in the relevant sections of this Report. The status on compliance with the Non-mandatory/ Discretionary requirements forms part of this Report.

9. NON-MANDATORY/ DISCRETIONARY REQUIREMENTS

(A) Unmodified Opinion in Audit Report

The Auditors' Report on the annual accounts of the Company does not contain any qualification from the Statutory Auditors, and it shall be the endeavour of the Company to continue the trend by building up accounting systems and controls which ensure complete adherence to the applicable accounting standards and practices obviating the possibility of the Auditors qualifying their report as to the audited accounts.

(B) Shareholders Rights

The Company would be getting its quarterly/half yearly and annual financial results published in leading newspapers with wide circulation across the country and regularly update the same on its public domain website. In view of the same individual communication of quarterly / annual financial results to the shareholders will not be made. Further, information pertaining to important developments in the Company shall be brought to the knowledge of the public at large and to the shareholders of the Company in particular, through communications sent to the stock exchanges where the shares of the Company are listed, through press releases in leading newspapers and through regular uploads made on the Company website.

(C) Reporting of Internal Auditor

The Internal Auditor of the Company reports to CFO/Group CFO and has direct access to the Audit Committee. Except as set out above, the Company has not adopted the non-mandatory requirements as to any of the other matters recommended under Part E of Schedule II of Regulation 27(1) of SEBI (LODR) Regulations, 2015.

Corporate Governance Report (contd.)

This Corporate Governance Report of the Company for the financial year ended 31st March, 2016 is in compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement with Stock Exchanges and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

The Company has complied with the requirements of Corporate Governance as laid down in the Clause 49 of the Listing Agreement executed by the Company with Stock Exchanges for the period from April 1, 2015 to November 30, 2015 and Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) for the period from December 1, 2015 to March 31, 2016.

ANNUAL DECLARATION BY EXECUTIVE DIRECTOR PURSUANT TO REGULATION 34(3) READ WITH SCHEDULE-V OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

As the Executive Director of Store One Retail India Limited and as required under Regulation 34(3) read with Schedule-V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, I hereby declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for Board Members and Senior Management, for the FY 2015-16.

Date: 12-08-2016

Place: Gurgaon

Pia Johnson

Executive Director

Corporate Governance Report (contd.)

Executive Director/CFO certification pursuant to regulation 17(8) read with Part-B of Schedule-II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors

Store One Retail India Limited

As required by Regulation 17(8) read with Part-B of Schedule-II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm to the Board that:

1. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee that:
 - a) There were no significant changes in internal control over financial reporting during the year;
 - b) There were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 06-05-2016

Place: Gurgaon

Pia Johnson

Executive Director

Vijay Agarwal

CFO

Corporate Governance Report (contd.)

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Members of

Store One Retail India Limited

I have examined the compliance of conditions of Corporate Governance by Store One Retail India Limited ("the Company"), for the year ended March 31, 2016, as stipulated in Clause 49 of the Listing Agreement executed by the Company with the BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE') for the period from April 1, 2015 to November 30, 2015; and as prescribed in Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) for the period from December 1, 2015 to March 31, 2016.

I state that the compliance of conditions of Corporate Governance is the responsibility of the Company's management and, my examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion, and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/ LODR.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

Date : 05-05-2016

Place: New Delhi

B. D. TAPRIYA

Company Secretary

C.P. No. 2059

Independent Auditor's Report

To the Members of Store One Retail India Limited Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Store One Retail India Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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 (as amended). The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 there under.

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 consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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

Independent Auditor's Report (contd.)

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, based on the comments in the auditors' reports of the Holding company, subsidiary companies, we give in the Annexure 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, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on

record by the Board of Directors of the Holding Company, none of the directors of the Group companies, 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 A'.
- (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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. As detailed in Note 25 to the financial statements, the company has disclosed the impact of pending litigations on its financial position;
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.

For **Agarwal Prakash & Co.**
Chartered Accountants
Registration No : 005975N

Vikas Aggarwal
Partner
Membership No.: 097848
Place: Gurgaon
Date: May 06, 2016

Annexure A to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of **Store One Retail India Limited** ('the Holding Company') and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management

Annexure A to the Auditor's Report (contd.)

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 Holding Company and its subsidiary company, which are companies incorporated in India, have, 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 **Agarwal Prakash & Co.**
Chartered Accountants
Registration No : 005975N

Vikas Aggarwal
Partner
Membership No.: 097848
Place: Gurgaon
Date: May 06, 2016

Consolidated Balance Sheet

as at March 31, 2016

— STORE —
One

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	Note	As at March 31, 2016
I. EQUITY AND LIABILITIES		
Shareholders' Funds		
(a) Share capital	4	305,734,500
(b) Reserves and surplus	5	1,810,563,095
(c) Money received against share warrants		—
Total of Shareholders' funds		2,116,297,595
Minority interests		—
Non-Current Liabilities		
(a) Long-term borrowings	6	507,320,208
(b) Long-term provisions	7A	9,644,230
Total of Non-Current Liabilities		516,964,438
Current Liabilities		
(a) Trade payables	8	—
(i) Dues to micro and small enterprises		—
(ii) Dues to others		384,749,749
(b) Other current liabilities	9	5,854,090,655
(c) Short-term provisions	7B	3,557,286
Total of Current Liabilities		6,242,397,690
Total of Equity and Liabilities		8,875,659,723
II. ASSETS		
Non-current assets		
(a) Fixed assets	10	
(i) Tangible assets		1,538,649,498
(ii) Intangible assets		8,702,287
(iii) Capital work-in-progress		—
(b) Long term loans and advances	11A	222,195,192
(c) Other non-current assets	12	100,000
Total of Non-current assets		1,769,646,977
Current assets		
(a) Inventories	13	5,409,785
(b) Trade receivables	14	343,404,535
(c) Cash and bank balances	15	43,363,468
(d) Short-term loans and advances	11B	6,713,775,013
(e) Other current assets	16	59,945
Total of Current assets		7,106,012,746
Total of Assets		8,875,659,723

Significant accounting policies 3

The accompanying notes are an integral part of consolidated financial statements

This is the Balance Sheet referred to in our report of even date

For **Agarwal Prakash & Co.**

Chartered Accountants

FRN: 005975N

Vikas Aggarwal

Partner

Pia Johnson

Whole Time Director

DIN: 00722403

For and on behalf of Board of Directors

Mehul Johnson

Director

DIN: 00016075

Vijay Kumar Agrawal

Chief Financial Officer

Vikas Khandelwal

Company Secretary

Place: Gurgaon

Date: May 6, 2016

Consolidated Statement of Profit and Loss

for the year ended March 31, 2016

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	Note	For the year ended March 31, 2016
I. REVENUE		
(a) Revenue from operations (net of taxes)	17	2,599,026,761
(b) Other Income	18	10,022,088
Total of Revenue		2,609,048,849
II. EXPENSES		
(a) Cost of goods sold	19	4,233,737
(b) Employee benefits expense	20	122,471,213
(c) Finance costs	21	110,643,653
(d) Depreciation and amortization expenses	10	141,116,960
(e) Other and operating expenses	22	1,678,887,471
Total of Expenses		2,057,353,034
III. Profit before tax and minority interests (I - II)		551,695,815
IV. Tax expenses		
(a) Current tax	23	—
(b) Deferred tax		—
V. Profit before minority interest(III- IV)		551,695,815
VI. Minority interests		—
VII. Profit for the year (V- VI)		551,695,815
Earnings per Equity Share	24	
(a) Basic		19.87
(b) Diluted		19.87
Face value per Equity Share		10.00
Significant accounting policies	3	
The accompanying notes are an integral part of consolidated financial statements		

This is the Statement of Profit and Loss referred to in our report of even date.

For **Agarwal Prakash & Co.**

Chartered Accountants

FRN: 005975N

Vikas Aggarwal
Partner

Place: Gurgaon
Date: May 6, 2016

For and on behalf of Board of Directors

Pia Johnson
Whole Time Director
DIN: 00722403

Mehul Johnson
Director
DIN: 00016075

Vijay Kumar Agrawal
Chief Financial Officer

Vikas Khandelwal
Company Secretary

Consolidated Cash Flow Statement

for the year ended March 31, 2016

— STORE —
One

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2016
A Cash flow from operating activities:	
Net profit before tax and minority interests	551,695,815
<i>Adjustments for statement of Profit and Loss items:</i>	
Liabilities written back	(8,107,629)
Provision for gratuity/compensated absences	3,211,646
Loss on sale on fixed assets	5,020,088
Interest Income on fixed deposits	(349,375)
Dividend on units of mutual funds	(1,376,136)
Interest expenses on borrowings	110,341,524
Unrealised foreign exchange gain	(49,341)
Depreciation and amortization expenses	141,116,960
	<u>249,807,737</u>
Operating profit before working capital changes and other adjustments:	<u>801,503,552</u>
<i>Working capital changes and other adjustments:</i>	
Decrease in trade receivables	242,646,840
Increase in loan and advances	(6,229,765,638)
Increase in inventories	(1,544,674)
Increase in trade payables	124,638,278
Increase in other liabilities and provisions	5,558,444,041
	<u>(305,581,153)</u>
Cash flow from operating activities	<u>495,922,399</u>
Income taxes paid	<u>(147,732,262)</u>
Net cash flow from operating activities	<u>348,190,137</u>
B Cash flow from investing activities :	
Purchase of fixed assets (including capital work-in-progress and capital advances)	(55,643,764)
Interest received on fixed deposits	352,097
Investment in mutual funds	5,888,200,000
Redemption of mutual funds	(5,888,200,000)
Dividend received from mutual funds	1,376,136
Maturity of Fixed Deposits	(2,811,680)
Net cash used in investing activities	<u>(56,727,211)</u>

Consolidated Cash Flow Statement

for the year ended March 31, 2016 (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2016
C Cash flow from financing activities:	
Payment of Share issue expenses on equity capital	(2,908,236)
Proceeds from borrowing (secured)	146,315,000
Repayment of borrowing (secured)	(380,761,372)
Proceeds from borrowing (unsecured)	976,500,000
Repayment of borrowing (unsecured)	(898,500,000)
Interest paid on borrowings	(119,110,361)
Dividend paid on preference share capital (including corporate dividend tax)	(3,211,169)
Net cash used in financing activities	(281,676,138)
D Net increase in cash and cash equivalents (A+B+C)	9,786,788
E Cash and cash equivalents at the beginning of the year	29,226,680
F Cash and cash equivalents at the end of the year (D+E)	39,013,468

Notes:

1. The above consolidated cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 (AS-3) on "Cash flow statements" as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

2. Cash and cash equivalents includes:

(a) Cash on hand		22,116
(b) Balances with banks		
- in Current Accounts	38,504,132	
- in Fixed Deposit Accounts (Refer note-15)	4,837,220	43,341,352
Total (a+b)		43,363,468

Less: balance with banks in fixed deposit accounts with original maturities of more than 3 months		(4,350,000)
		39,013,468

3. This is the first year of consolidation hence no previous year's figures are required.

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

For **Agarwal Prakash & Co.**
Chartered Accountants
FRN: 005975N

Vikas Aggarwal
Partner

Pia Johnson
Whole Time Director
DIN: 00722403

For and on behalf of Board of Directors

Mehul Johnson
Director
DIN: 00016075

Vijay Kumar Agrawal
Chief Financial Officer

Vikas Khandelwal
Company Secretary

Place: Gurgaon
Date: May 6, 2016

Consolidated Notes to Financial Statements

for the year ended March 31, 2016

— STORE —
One

(1) Company Overview

Store One Retail India Limited (“the Holding Company”) was incorporated as Pyramid Retail Limited on March 18, 2005. The name of the holding company was subsequently changed to Indiabulls Retail Services Limited on 22nd May, 2008 and further changed to Store One Retail India Limited on 30th September, 2009. The holding company received fresh certificate of incorporation consequent upon the change of name, from the Registrar of Companies, National Capital Territory of Delhi and Haryana on October 6, 2009.

Indiabulls Wholesale Services Limited (IBWSL) Holding Company of the Store One Retail India Limited, erstwhile Subsidiary of Indiabulls Real Estate Limited, completed the acquisition of 63.92% of the outstanding Equity Share Capital of the IBWSL from the then existing promoters in terms of the Share Purchase Agreement dated December 08, 2007 and Public Announcement dated December 09, 2007. In the open offer, which concluded on April 10, 2008, IBWSL purchased 310 shares from the general public.

Store One Retail India Limited (‘the Holding Company’), its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) in the following notes.

(2) Basis of consolidation and preparation of consolidated financial statements

(i) Basis of accounting

The consolidated financial statements have been prepared on a going concern basis under the historical cost basis, in accordance with the generally accepted accounting principles in India and in compliance with the applicable accounting standards as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). All assets and liabilities have been classified as current or non-current as per the normal operating cycle and other criteria set out in the Companies Act 2013.

(ii) Basis of preparation

The consolidated financial statements are prepared in accordance with Accounting Standard 21 (AS 21) on ‘Consolidated Financial Statements’ and Accounting Standard 23 (AS 23) on ‘Accounting for Investment in Associates in Consolidated Financial Statements’ as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

These consolidated financial statements are prepared in accordance with accounting principles generally accepted in India (‘Indian GAAP’)

(iii) Basis of consolidation

The consolidated financial statements comprise of the financial statements of Holding Company, its subsidiary company. The accounting policies have been consistently applied by the Group.

The consolidated financial statements are combined on a line-by-line basis by adding together the book values of items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard 21 (AS 21) ‘Consolidated Financial Statements’ as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

(iv) Minority interests

Minority interest represents the amount of net assets attributable to minority shareholders at the date on which investment in a subsidiary is made and its share of movements in net assets since that date. Any excess consideration received from minority shareholders of subsidiaries over the amount of net assets attributable to the minority shareholders on the date of investment is reflected under reserves and surplus.

(v) Subsidiary company included in consolidation

Name of subsidiary	Country of incorporation	Proportion of ownership interest	Period of financial statements included in consolidation
Store One Infra Resources Limited	India	100.00%	November 20, 2015 to March 31, 2016

Consolidated Notes to Financial Statements (contd.)

The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Holding Company for its standalone financial statements.

- vi) **Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013.**

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss	
	As percentage of consolidated net assets	Amount in rupees	As percentage of consolidated net assets	Amount in rupees
Holding Company				
Store One Retail India Limited	100.03%	2,116,842,178	100.19%	552,740,398
Indian subsidiary				
Store One Infra Resources Limited	-0.03%	(544,583)	-0.19%	(1,044,583)

(3) Summary of significant accounting policies:

i) Fixed Assets Recognition and measurement

(a) Tangible Assets:

Tangible assets are stated at cost, net of tax or duty credits availed, wherever applicable, less accumulated depreciation or impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

(b) Intangible Assets:

Intangible assets are stated at cost, net of tax or duty credits availed, wherever applicable, less any accumulated amortisation or impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

(c) Capital work in progress

Cost of fixed assets under construction are disclosed under capital work-in-progress. Advances paid towards acquisition or construction of fixed assets or intangible assets is included as capital advances under long term loans and advances.

ii) Depreciation and Amortisation

- a) Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV of Companies Act, 1956 were used for charging depreciation. With effect from April 1, 2015, schedule XIV has been replaced by Schedule II of Companies Act, 2013. Schedule II of Companies Act, 2013 prescribed the useful lives of fixed asset which, in many cases, are different from lives prescribed under Schedule XIV.

Depreciation on fixed assets is provided on the straight-line method, computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013, on a pro-rata basis from the date the asset is ready to put to use subject to transitional provisions of Schedule II.

- b) Intangible assets are amortized over the expected useful life from the date the assets are available for use, as mentioned below:

Description of asset :	Estimated life
Computer softwares	4 years
Land -Leasehold	11 years (as per terms of agreement)

iii) Impairment of Assets

At each reporting date, the group assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash

Consolidated Notes to Financial Statements (contd.)

generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

iv) Investments

Investments are classified as non-current or current investments, based on management's intention. Investments that are readily realizable and intended to be held not more than a year are classified as current investments. All other investments are classified as non-current investments.

Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost less provision for diminution in their value, other than temporary, if made in the financial statements.

v) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized :

- a) Revenue from sale of goods/value added construction material is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. The Group collects all relevant applicable taxes etc. on behalf of the Statutory Authorities and, therefore, these are not economic benefits flowing to the group. Hence, they are excluded from revenue.
- b) Revenue from equipment renting services (including relevant manpower and supervision) is recognised when services is performed ,usually on a time proportion basis as per the terms of the contract . The Group collects applicable taxes on behalf of Statutory Authorities and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.
- c) Revenue from management and maintenance services are recognised pro-rata over the period of contract as and when services are rendered. The Group collects applicable taxes on behalf of Statutory Authorities and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.
- d) Revenue from construction, advisory and other related services are recognised pro-rata over the period of contract as and when services are rendered. The Group collects applicable taxes on behalf of Statutory Authorities and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.
- e) Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.
- f) Dividend income is recognized when the right to receive payment is unconditionally established.
- g) Profit on sale of investments is recognized on the date of its sale and is computed as excess of sale proceeds over its carrying amount as at the date of sale.

vi) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Cost of inventories is determined using the weighted average cost method and includes purchase price, and all direct costs incurred in bringing the inventories to their present location and condition.

vii) Foreign Currency Transactions

a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the exchange rate between the reporting currency and the foreign currency at the date of the transaction to the foreign currency account.

Consolidated Notes to Financial Statements (contd.)

b) **Conversion**

Foreign currency monetary items are converted to reporting currency using the closing rate. Non monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) **Exchange Rate Differences**

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise except those arising from investments in non-integral operations.

Exchange differences arising on monetary items that in substance forms part of the Company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognized in the statement of profit and loss.

viii) **Income Taxes**

Current tax

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred tax

Deferred tax resulting from timing differences between taxable income and accounting income is accounted for at the current rate of tax or substantively enacted tax rates as at reporting date, to the extent that the timing differences are expected to crystallize.

Deferred Tax Assets are recognised where realisation is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognised only if there is a virtual certainty of realisation backed by convincing evidence that such deferred tax assets will be realized. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each reporting date.

ix) **Stock Based Compensation**

Stock based compensation expense are recognized in accordance with the guidance note on 'Accounting for employee share based payments' issued by the Institute of Chartered Accountants of India ('ICAI'), which establishes financial accounting and reporting principles for employee share based payment plans. Employee stock compensation costs are measured based on intrinsic value of the stock options on the grant date. The compensation expense is amortized over the vesting period of the options.

x) **Leases**

Lease payments under operating leases are recognised as expense in the statement of profit and loss over the lease term.

xi) **Employee benefits**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered. The Group's contribution to Employee Provident Fund and Employee State Insurance Schemes (defined contribution schemes) is charged to the Statement of Profit and Loss.

Post employment and other long term employee benefits for its eligible employees are recognized as an expense in the Statement of Profit and Loss, for the year in which the employee has rendered services. The Group has unfunded defined benefit plans, namely compensated absences and gratuity the liability for which is determined on the basis of actuarial valuation, conducted on annual basis, by an independent actuary, in accordance with Accounting Standard 15 (Revised 2005) – "Employee Benefits" the expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains or losses are recognized in the Statement of Profit and Loss as income or expenses.

Consolidated Notes to Financial Statements (contd.)

xii) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for:

- a) Possible obligations which will be confirmed only by future events not wholly within the control of the Group or,
- b) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

xiii) Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets in accordance with notified Accounting Standard 16 "Borrowing costs". A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

xiv) Earnings Per Equity Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xv) Share issue Expenses

Share issue expenses are adjusted against securities premium account to the extent of balance available and thereafter, the balance portion is charged off to the Statement of Profit and Loss, as incurred.

xvi) Segment Reporting

Identification of Segments:

The Group's operating businesses are organised and managed separately with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Segments policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparation and presenting the financial statements of the Group as a whole. The following additional policies are adopted for segment reporting:

- a) Revenues and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.
- b) Assets and liabilities of the respective segments are separately identified.

xvii) Preliminary expenses

Preliminary expenses are adjusted against securities premium account (net of tax) to the extent of balance available and thereafter, the balance portion is charged off to the statement of profit and loss, as incurred.

Consolidated Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

(4) Share Capital	As at March 31, 2016	
	Number of Shares	Amount (₹)
Authorised		
Equity shares of face value ₹ 10 each	28,000,000	280,000,000
Preference shares of face value ₹ 10 each	4,000,000	40,000,000
	32,000,000	320,000,000
Issued, subscribed and fully paid up shares		
Equity shares of face value of ₹ 10 each fully paid up	27,600,000	276,000,000
9% Redeemable, Non-Cumulative, Non-Convertible preference shares of face value of ₹ 10 each fully paid up	2,973,450	29,734,500
Total Issued, subscribed and fully paid up share Capital	30,573,450	305,734,500
a. Reconciliation of number of shares outstanding at the beginning and at the end of the year		
Equity shares		
Particulars	Number of Shares	Amount (₹)
At the beginning of the year	27,600,000	276,000,000
Add:- Issued during the year against payment received in cash	—	—
Balance at the end of the year	27,600,000	276,000,000
Preference shares		
Particulars	Number of Shares	Amount (₹)
At the beginning of the year	2,973,450	29,734,500
Add:- Issued during the year	—	—
Less:- Redemption during the year	—	—
Balance at the end of the year	2,973,450	29,734,500
b. Rights, preferences and restrictions attached to equity shares		
The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Holding Company. In the event of liquidation of the Holding Company, all preferential amounts, if any, shall be discharged by the Holding Company. The remaining assets of the Holding Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. In the event of distributing dividends by the holding company and winding up, the preference shareholders will be preferred over the equity shareholders. The holders of preference shares are entitled to receive dividends, but they do not have any voting rights except for in the conditions mentioned in the Companies Act, 2013. All shares rank equally with regard to the holding company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.		
c. Details of shareholder holding more than 5% share capital in the Holding Company		
Name of the shareholders	No. of Shares held	As at March 31, 2016 Amount (₹)
(i) Indiabulls Wholesale Services Limited, the Holding Company		
Equity shares of face value ₹ 10 each	20,383,310	203,833,100
Preference shares of face value ₹ 10 each	1,979,500	19,795,000
(ii) Albasta Wholesale Services Limited (formerly known as Albasta Power Limited), Fellow Subsidiary Company		
Preference shares of face value ₹ 10 each	993,950	9,939,500

Consolidated Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

As at
March 31, 2016
Amount (₹)

(5) Reserves and Surplus

Securities premium

Balance at the beginning of the year	3,804,735,195
Add: Additions during the year	—
Less: Share issue expenses - equity capital	(2,908,236)
	<u>3,801,826,959</u>

Surplus/(Deficit) as per statement of profit and loss

Balance as at the beginning of the year	(2,539,738,782)
Add: Profit for the year	551,695,815
	<u>(1,988,042,967)</u>

Less: Appropriations

Proposed dividend on preference shares	(2,676,105)
Corporate dividend tax thereon	(544,792)
	<u>(3,220,897)</u>

Balance as at the end of the year

(1,991,263,864)

Total of Reserves and Surplus

1,810,563,095

(6) Long -Term Borrowings

Secured loans

Term loans	
From banks	387,791,927
Less- current maturities of long term borrowings	<u>(228,471,719)</u>
	159,320,208

Unsecured loans

Loans from related parties (Refer note-28)	228,000,000
Loans from others	<u>120,000,000</u>

Total of Long-term borrowings

507,320,208

Repayment terms (including current maturities) and security details of secured loans:

Name of the lending Institution	Loan outstanding	Rate of interest (PA)	Repayment terms	Nature of security provided
Kotak Mahindra Bank Limited	29,103,020	12% to 12.91%	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed
HDFC Bank Limited	94,078,807	11.50%	35 equated monthly instalment from date of disbursal.	
HDFC Bank Limited	101,636,527	9.65% to 10.65%	23 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed and corporate guarantee given by holding company Indiabulls Wholesale Services Limited
ICICI Bank Limited	92,465,334	10.60% to 12.23%	47 equated monthly instalment from date of disbursal.	
Axis Bank Limited	70,508,239	11.50%	47 equated monthly instalment from date of disbursal.	
TOTAL	387,791,927			

Consolidated Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Repayment terms of unsecured loans:

Name of the lending company	Loan outstanding	Rate of interest(PA)	Repayment terms
Indiabulls Wholesale Services Limited	192,600,000	9%	4 years from the date of first disbursement
Albasta Wholesale Services Limited	35,400,000	9%	8 years from the date of first disbursement
Indiabulls Distributions Services Limited	120,000,000	9%	2 years from the date of first disbursement
TOTAL	348,000,000		

As at
March 31, 2016
Amount (₹)

(7) Provisions

A Long- Term Provisions

Provision for gratuity (Refer note - 26)	6,423,238
Provision for compensated absences (Refer note - 26)	3,220,992
Total of Long-term provisions	9,644,230

B Short- Term Provisions

Provision for gratuity (Refer note - 26)	178,630
Provision for compensated absences (Refer note - 26)	157,759
Proposed dividend on preference shares	2,676,105
Corporate dividend tax on proposed dividend on preference shares	544,792
Total of Short-term provisions	3,557,286

(8) Trade Payables

(i) Dues to micro and small enterprises	—
(ii) Dues to others (Refer note-28)	384,749,749
Total of Trade payables	384,749,749

*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at March 31, 2016:

Particulars	Amount (₹)
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

Consolidated Notes to Financial Statements (contd.)

— STORE —
One

(All Amounts in Indian ₹, except share data and where otherwise stated)

As at
March 31, 2016
Amount (₹)

(9) Other Current Liabilities

Current maturities of long -term borrowings	
– from banks	228,471,719
Deposits payable	5,269,000,000
Interest accrued but not due on borrowings	2,563,384
Advance from customers	221,413,565
Payable to statutory authorities	66,600,378
Expenses payable	51,870,744
Other liabilities	14,170,865
Total of Other current liabilities	5,854,090,655

(10) Fixed Assets

Particulars	A. Tangible assets							B. Intangible assets			Total of Fixed Assets [A+B]
	Plant and equipment	Furniture and fixtures	Vehicles	Computers	Office equipment	Temporary building	Total of tangible assets	Land-leasehold	Computer softwares	Total of intangible assets	
Gross block (at cost)											
As at March 31, 2015	1,719,362,424	204,678,119	53,108,840	68,626,447	2,772,668	251,483	2,048,799,981	6,176,000	96,201,721	102,377,721	2,151,177,702
Additions during the year	49,437,395	—	2,848,589	1,091,714	363,944	—	53,741,642	3,401,766	—	3,401,766	57,143,408
Deletion/Adjustment during the year	5,020,088	—	—	—	—	—	5,020,088	—	—	—	5,020,088
As at March 31, 2016	1,763,779,731	204,678,119	55,957,429	69,718,161	3,136,612	251,483	2,097,521,535	9,577,766	96,201,721	105,779,487	2,203,301,022
Accumulated depreciation/ amortisation											
As at March 31, 2015	217,537,910	111,302,937	21,127,871	67,811,637	628,002	167,656	418,576,013	129,211	96,127,053	96,256,264	514,832,277
Depreciation/amortisation for the year	113,106,073	20,172,668	5,887,776	403,972	641,708	83,827	140,296,024	798,886	22,050	820,936	141,116,960
Deletion/Adjustment during the year	—	—	—	—	—	—	—	—	—	—	—
As at March 31, 2016	330,643,983	131,475,605	27,015,647	68,215,609	1,269,710	251,483	558,872,037	928,097	96,149,103	97,077,200	655,949,237
Net block											
As at March 31, 2016	1,433,135,748	73,202,514	28,941,782	1,502,552	1,866,902	—	1,538,649,498	8,649,669	52,618	8,702,287	1,547,351,785

(11) Loans and Advances

A Long- Term Loans and Advances

(Unsecured, considered good)

Capital advances	886,904
Security deposits	
(i) Considered good	5,371,373
(ii) Considered doubtful	—
Less: Provision for doubtful deposits*	—
Prepaid expenses	1,228,745
Advance income tax/ tax deducted at source	214,708,170
Total of Long- term loans and advances	222,195,192

*Provision against deposits have been written off of ₹ 155,530,001 in the current year, Refer note-22

Consolidated Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

**As at
March 31, 2016
Amount (₹)**

B Short- Term Loans and Advances

(Unsecured, considered good)

Security deposits	6,685,800,000
Prepaid expenses	2,611,521
Balances with statutory and government authorities	4,553,127
Advances recoverable in cash or in kind or for value to be received	
(i) Unsecured, considered good	20,810,365
(ii) Considered doubtful	—
Less: Provision for doubtful advances*	—
Total of Short-term loans and advances	6,713,775,013

*Provision against advances have been written off of ₹ 136,928,150 in the current year, Refer note-22

(12) Other Non-Current Assets

Other bank balances	
In fixed deposit accounts with original maturity of more than 12 months (refer note-15)	100,000
Total of Other non-current assets	100,000

(13) Inventories

(Valued at cost or net realised value, which ever is lower)

Store and spares	5,409,785
Total of Inventories	5,409,785

Details of Inventory(net of provisions)

(Amount in ₹)

Particulars	Store and spares	Others	Total
Opening Stock	3,865,111	—	3,865,111
Purchases of stock in trade/ issued to consumption (net of returns and applicable taxes)	16,667,600	4,233,737	16,667,600
Cost of goods sold/ consumption	15,122,926	4,233,737	15,122,926
Closing Stock	5,409,785	—	5,409,785

The Group purchased various types of consumables and materials. Inventory has been furnished only in respect of major items namely store & spares and raw materials and scrap sales.

(14) Trade Receivables

(Considered good, unsecured)

Outstanding for a period exceeding six months	48,127,689
Others	295,276,846
Total of Trade Receivables	343,404,535

Consolidated Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

	As at March 31, 2016 Amount (₹)
(15) Cash and Bank balances	
<i>Cash and cash equivalents</i>	
Cash on hand (including foreign currency balances)	22,116
Balances with banks	
In current accounts	38,504,132
In fixed deposit accounts*	
With original maturity upto three months	4,350,000
	42,876,248
Other bank balances	
In fixed deposit accounts (Refer note-25)	
With maturity upto twelve months	487,220
With maturity of more than twelve months	100,000
Less: non-current bank balances in fixed deposit accounts (Refer note-12)	(100,000)
Total of Cash and Bank Balances	43,363,468
*Fixed deposits of ₹ 4,737,220 have been pledged against bank guarantees, letter of credit.	
*Fixed deposits of ₹ 200,000 have been lien marked as a security for valued added tax registration with various states.	
(16) Other Current Assets	
Interest accrued on fixed deposits with banks	59,945
Total of Other current assets	59,945
	For the period ended March 31, 2016 Amount (₹)
(17) Revenue from Operations	
Income from management and maintenance services	730,862,112
Income from equipment renting services	702,553,393
Income from construction, advisory and other related activities	1,125,800,000
Sale of trading goods	30,551,192
Income from job works	9,260,064
Total of Revenue from Operations	2,599,026,761
(18) Other Income	
Dividend on units of mutual funds	1,376,136
Liabilities written back	8,107,629
Interest income from fixed deposits	349,375
Foreign exchange gain - unrealized	49,341
Miscellaneous income	139,607
Total of Other Income	10,022,088
(19) Cost of Goods Sold	
(Refer note 13)	
Purchase of trading goods	4,233,737
Total of Cost of Goods Sold	4,233,737

Consolidated Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

For the period ended
March 31, 2016
Amount (₹)

(20) Employee Benefit Expenses

Salaries and wages	117,967,500
Contribution to provident funds and other funds	273,221
Gratuity expenses (Refer note 26)	1,971,090
Compensated absences benefits (Refer note 26)	1,240,556
Staff welfare expenses	1,018,846
Total of Employee Benefit Expenses	122,471,213

(21) Finance Costs

Interest on borrowings	110,341,524
Bank charges	105,276
Interest on taxes	196,853
Total of Finance Costs	110,643,653

(22) Other and Operating Expenses

Operating Expenses:-

Consumables	37,403,432
Transportation charges	18,399,882
Labour charges	166,092,926
Repairs and maintenance	
— Plant and machinery	36,911,370
— Others for building under maintenance	17,330,445
Machinery operating and management charges	59,261,564
Gardening and maintenance	3,915,693
Common area electricity and water charges	35,925,213
Security charges	48,711,738
Management and construction advisory services	749,036,730
Property management and assets maintenance services	315,785,610

Administrative Expenses:-

Rent expenses (Refer note-30)	12,282,714
Rates and taxes	1,456,561
Insurance	4,609,325
Legal and professional charges	14,371,524
Communication expenses	1,288,677
Travelling and conveyance	137,456,189
Auditors' remuneration*	2,012,550
Printing and stationery	1,289,831
Advertisement and sales promotion	1,610,232
Loss on sale/disposal of fixed assets	5,020,088
Deposits/Advances written off: (Refer note 11)	292,458,151
Less: Adj. against provisions for doubtful deposits/advances	(292,458,151)
Office expenses	1,577,735
Corporate social responsibility expenses (Refer note 31)	6,764,170
Miscellaneous expenses	373,272

Total of Other and Operating Expenses

1,678,887,471

*including non-cenvatable tax and swachh bharat cess

Consolidated Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

(23) Income Tax

Current Tax

The current tax for the year ended March 31, 2016 includes current year tax charge of ₹ Nil.

Deferred Tax Asset

In compliance with Accounting Standard 22 (AS 22) – 'Accounting for taxes on income', as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), the Deferred Tax Assets on brought forward losses and unabsorbed depreciation has not been recognized as there is no virtual certainty supported by convincing evidence of the subsequent realization of such deferred tax assets in future.

(24) Earnings Per Equity Share

Particulars	Year ended March 31, 2016
Profit after tax	551,695,815
Less:- Preference dividend including dividend tax paid	3,220,897
Profit after tax available for equity shareholders (₹)	548,474,918
Weighted average number of shares used in computing basic earnings per equity share	27,600,000
Weighted average number of shares used in computing diluted earnings per equity share	27,600,000
Face value of equity shares (₹)	10
Basic earnings per equity share (₹)	19.87
Diluted earnings per equity share (₹)	19.87

(25) Contingent Liabilities and Commitments

Contingent liabilities:

- Bank Guarantees: Bank Guarantees of ₹ 125,000 issued in favour of VAT Authorities.
- Claims (Excluding interest) against the Group not acknowledged as debts: ₹ 14,802,793.
- Contingent liabilities in respect of income-tax demands for which appeals have been filed ₹ 1,65,14,989 and VAT for which appeals have been filed ₹ 11,164,268.
- There are legal cases against the Group in the ordinary course of business. Management has evaluated the same and depending upon the facts and after due evaluation of legal aspects of each case, adequate amounts have been provided in respect of the claims made against the Group under these cases. Group does not expect any further liability and these litigations /lawsuits and claims may, individually or in aggregate, will not have any material adverse effect on the financial position of the Group.

Commitments:

- Estimated amount of Contracts remaining to be executed on capital account (net of advances) ₹ 7,982,136 .

(26) Employee Benefits (Non Funded)

Amount recognised in the statement of profit and loss is as under:

Particulars	Gratuity	Compensated Absences
	March 31, 2016	March 31, 2016
Service cost	2,023,472	919,686
Interest cost	387,749	167,393
Benefits paid	—	—
Actuarial (gain)/loss, net	(440,131)	153,477
Cost recognized during the year	1,971,090	1,240,556

Consolidated Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Movement in the liability recognised in the balance sheet is as under:

Particulars	Gratuity	Compensated Absences
	March 31, 2016	March 31, 2016
Present value of defined benefit obligation at the beginning of the year	5,003,216	2,159,911
Cost recognized	1,971,090	1,240,556
Benefits paid	(372,437)	(21,716)
Present value of defined benefit obligation at the end of the year	6,601,869	3,378,751

For determination of the liability of the Group, the following actuarial assumptions were used:

Particulars	Gratuity	Compensated Absences
	March 31, 2016	March 31, 2016
Discount rate	8.00%	8.00%
Salary escalation rate	5.00%	5.00%
Mortality table	IALM (2006-08)	IALM (2006-08)

(27) Employees Stock Options Schemes(ESOS)

i. Store One Retail India Limited Employees Stock Option Scheme - 2009

The Shareholders vide postal ballot passed a special resolution on February 9, 2009 for issue of 1,500,000 (One Million five hundred thousands) shares towards issue of Employee Stock Option Scheme -2009 in supersession of Resolution passed on May 12, 2008 for ESOP -2008 .

The Compensation Committee, constituted by the Board of Directors of the Company, at its meeting held on June 05, 2009, granted, under the "Indiabulls Retail Services Limited Employees Stock Option Scheme – 2009", 1,500,000 (One Million five hundred thousands) stock options representing an equal number of Equity shares of face value ₹ 10 each in the Company, to the eligible employees, at an exercise price of ₹ 30.45 per option, being the latest available closing market price on the National Stock Exchange of India Limited, as on June 04, 2009. The stock options so granted, shall vest in the eligible employees within 10 years beginning from June 06, 2010, the first vesting date. The stock options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.

Pursuant to the shareholders' authorization dated September 30, 2009 and receipt of fresh certificate of incorporation dated October 6, 2009, the name of the Company has been changed from Indiabulls Retail Services Limited to Store One Retail India Limited. Accordingly, the title of the Scheme stands changed from Indiabulls Retail Services Limited Employees Stock Option Scheme – 2009 to 'Store One Retail India Limited Employees Stock Option Scheme - 2009.

The Company follows the intrinsic value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share Based Payments ("Guidance Note") issued by the Institute of Chartered Accountants of India. Since, on the date of grant, the intrinsic value of the options granted was equal to the exercise price, no compensation expense in respect of the options granted was recorded by the Company.

The Fair value of the options under the plan using the Black-Scholes model based on the following parameters is ₹ Nil per option, as calculated by an independent firm of Chartered Accountants:

S. No	Particulars	ESOP – 2009
1	Expected volatility	206%
2	Expected forfeiture percentage on each vesting date	Nil
3	Option life (weighted average)	10.5 Years
4	Expected dividends yield	Nil
5	Risk free interest rate	6.50%

(All Amounts in Indian ₹, except share data and where otherwise stated)

Had the company followed the fair value method, there would not have been any impact on profit after tax and on basic and diluted earning per share of the company.

Employee stock options details as on the balance sheet date are as follows:

Particulars	2015-16
	No. of shares
Total number of option under scheme	1,500,000
Number of options outstanding as at beginning of the year	—
Number of options granted during the year	—
Number of options vested during the year	—
Number of options exercised during the year	—
Number of options forfeited/cancelled during the year	—
Number of options lapsed during the year	—
Number of options outstanding as at end of the year	—
Out of the outstanding option number of options exercisable as at end of the year	—
Number of options available for grant as at end of the year	1,500,000
Exercise Price (₹ per option)	30.45
Remaining contractual life for options outstanding as at end of the year (months)	—

iii. Store One Retail India Limited Employees' Stock Options Scheme – 2009 (II)

Members of the Company in their annual general meeting held on September 30, 2009 have approved by way of special resolution the "Indiabulls Retail Services Employees Stock Option Scheme - 2009 (II) ("IBRSL ESOS - 2009") covering 3,000,000 (Three Millions) equity settled options for eligible employees of the Company, its subsidiaries, its fellow subsidiaries and Holding Company.

The options to be granted, under the above scheme representing an equal number of Equity shares of face value ₹ 10 each in the Company, to the eligible employees, will be granted at an exercise price which will be equal to latest available closing market price on the National Stock Exchange of India Limited, on the date of grant . The stock options so granted, shall vest in the eligible employees within 10 years beginning from their respective dates of grants . The stock options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.

Pursuant to the shareholders' authorization dated September 30, 2009 and receipt of fresh certificate of incorporation dated October 6, 2009, the name of the Company has been changed from Indiabulls Retail Services Limited to Store One Retail India Limited. Accordingly, the title of the Scheme stands changed from Indiabulls Retail Services Limited Employees Stock Option Scheme – 2009(II) to 'Store One Retail India Limited Employees Stock Option Scheme - 2009(II).

The Company follows the intrinsic value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share based Payments ("Guidance Note") issued by the Institute of Chartered Accountants of India. Since no options have been granted therefore there is no compensation expense which need to be recognised by the Company.

Other disclosures as to proforma effect had the fair value method been followed and other related disclosure is not applicable as no options have been granted.

(28) Disclosures in respect of Accounting Standard (AS) – 18 'Related party'

a) Name and Nature of Relationship with related parties:

Relationship	Name of Related parties
i) Related Party where control exist	
Holding Company	Indiabulls Wholesale Services Limited

Consolidated Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

ii) Other related parties:

Fellow Subsidiary*	Albasta Wholesale Services Limited (formerly known as Albasta Power Limited)
	Airmid Aviation Services Limited
Key management personnel	Mr. Vijay Kumar Agrawal, Chief Financial Officer
	Mr. Vikas Khandelwal, Company Secretary

* With whom transactions entered during the year

(b) Summary of significant transactions with related parties

Particulars	Year ended March 31, 2016
Proposed dividend on preference shares	
Holding Company	
— Indiabulls Wholesale Services Limited	1,781,550
Fellow Subsidiary	
— Albasta Wholesale Services Limited	894,555
Inter corporate deposit taken /(repaid), net	
Holding Company	
— Indiabulls Wholesale Services Limited	18,000,000
Fellow Subsidiary	
— Albasta Wholesale Services Limited	(60,000,000)
Employee benefit expenses:-	
Staff welfare expenses	
Holding Company	
— Indiabulls Wholesale Services Limited	124,128
Other and Operating Expenses:-	
Travelling expenses	
Fellow Subsidiary	
— Airmid Aviation Services Limited	133,030,625
Finance costs:-	
Interest on term loan	
Holding Company	
— Indiabulls Wholesale Services Limited	33,817,525
Fellow Subsidiary	
— Albasta Wholesale Services Limited	7,184,361

(c) Statement of maximum outstanding balance during the year:

Particulars	Year ended March 31, 2016
Inter corporate deposit taken	
Holding Company	
— Indiabulls Wholesale Services Limited	661,100,000
Fellow Subsidiary	
— Albasta Wholesale Services Limited	115,400,000

Consolidated Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

(d) Outstanding balances :

Particulars	As at March 31, 2016
Inter corporate deposit taken	
<i>Holding Company</i>	
— Indiabulls Wholesale Services Limited	192,600,000
<i>Fellow Subsidiary</i>	
— Albasta Wholesale Services Limited	35,400,000
Total	228,000,000
Trade payable	
<i>Fellow Subsidiary</i>	
— Airmid Aviation Services Limited	25,762,500
Total	25,762,500
Other current liabilities	
<i>Holding Company</i>	
— Indiabulls Wholesale Services Limited	124,128
Total	124,128

(e) Corporate guarantee

Particulars	Year ended March 31, 2016
Corporate Guarantee given for Secured borrowings	
<i>Holding Company</i>	
— Indiabulls Wholesale Services Limited	215,796,215

(29) Expenditure in Foreign Currency

Particulars	Year ended March 31, 2016
Purchase of fixed assets and spares and services	35,959,320

(30) Operating Lease

The Group has taken various premises on operating leases and lease rent of ₹ 12,218,833 in respect of the same has been charged to statement of profit and loss for the year ended March 31, 2016. The minimum lease rentals payable in respect of such operating leases, are as under:

Minimum lease rentals payable	As at March 31, 2016
Within one year	11,052,108
Later than one year but not later than five years	35,019,351
Total	46,071,459

(31) Corporate Social Responsibility Expenses

(i) Gross amount required to be spent by the company during the year of ₹ 6,764,170.

(ii) Amount spent during the year on:

Description	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	Nil	—	Nil
(ii) On purposes other than (i) above	6,764,170	—	6,764,170

Consolidated Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

(32) Segment Reporting:

Segment information for the Year ended March 31, 2016:, as per Accounting Standard 17 (AS 17) – ‘Segment Reporting’, as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, (as amended).

(a) Primary segment information (by business segments)

Particulars	Management and Maintenance Services	Equipment Renting Services	Construction, advisory and other related activities	Consolidated Total
(i) Segment Revenue				
External Revenue	730,862,112	713,160,851	1,155,003,798	2,599,026,761
Inter-Segment Revenue	—	—	—	—
Total Revenue	730,862,112	713,160,851	1,155,003,798	2,599,026,761
(ii) Segment Result				
Profit/(Loss) before Tax and Interest	216,156,354	195,161,381	218,902,535	630,220,270
Add: Unallocated expenditure net of other unallocated income				(32,432,063)
Operating Profit				597,788,206
Less: Interest expense				46,092,390
Less: Income taxes and Deferred tax				—
Total Profit from operating activities after tax				551,695,815
(iii) Segment Assets	38,729,861	1,751,073,301	6,685,800,000	8,475,603,162
Unallocated Corporate Assets				400,056,561
Total Assets				8,875,659,723
Segment Liabilities	432,490,274	479,437,160	5,294,762,500	6,206,689,934
Unallocated Corporate Liabilities				552,672,194
Total Liabilities				6,759,362,128
Capital Employed (Segment Assets-Segment Liabilities)				2,116,297,595
(iv) Capital Expenditure including capital advances	3,591,142	53,544,516	—	57,135,658
Unallocated Capital Expenditure including capital advances				7,750
Total Capital Expenditure including capital advances				57,143,408
(v) Depreciation and amortization expense	9,989,901	108,969,926	—	118,959,827
Unallocated Revenue				22,157,133
Total Depreciation and amortization expense				141,116,960
(vi) Non-Cash expenditure other than depreciation	—	—	—	—
Unallocated Non-Cash expenditure other than depreciation				8,231,734
Total Non-Cash Expenditure other than depreciation				8,231,734

Consolidated Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

- b) The group's primary business segments are reflected based on principal business activities carried on by the Company. The Group operates in three reportable business segments i.e. Facility Maintenance Services, Equipment Hiring Services and Construction, advisory and other related activities. Other non-reportable segments including wholesale trading has been shown under unallocated.
 - c) The Group operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.
 - d) Revenues and expenses directly attributable to segments are reported under each reportable segment. All other revenue and expenses which are not attributable or allocable to segments have been disclosed as unallocable revenue and expenses respectively. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.
- (33) In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2016 have a value on realization in the ordinary course of the Group's business at least equal to the amount at which they are stated in the balance sheet after appropriate provision. Certain balances shown under loans and advances, sundry creditors and balances with banks are subject to confirmation/reconciliation. In the opinion of the Board of Directors, no provision is required to be made against the recoverability of such balances, other than as already provided in the financial statements.
- (34) The Group has not entered into any foreign exchange derivative instruments during the year. There are no outstanding foreign currency exposures as at March 31, 2016.
- (35) This is the first year of consolidation hence no previous year's figures are required.

As per our report of even date

For **Agarwal Prakash & Co.**

Chartered Accountants

FRN: 005975N

Vikas Aggarwal

Partner

Place: Gurgaon

Date: May 6, 2016

Pia Johnson

Whole Time Director

DIN: 00722403

For and on behalf of Board of Directors

Mehul Johnson

Director

DIN: 00016075

Vijay Kumar Agrawal

Chief Financial Officer

Vikas Khandelwal

Company Secretary

Independent Auditor's Report

To the Members of Store One Retail India Limited Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Store One Retail India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2016, and 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, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required under provisions of 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.

Independent Auditor's Report (contd.)

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
- e. On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 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. As detailed in Note 27 to the standalone financial statements, the company has disclosed the impact of pending litigations on its financial position;
 - 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 are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For **Agarwal Prakash & Co.**
Chartered Accountants
FRN: 005975N

Vikas Aggarwal
Partner
Membership No.: 097848
Place: Gurgaon
Date: May 06, 2016

Annexure to the Independent Auditor's Report

Annexure A referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date on the standalone financial statements for the year ended March 31, 2016

Based on the audit procedures performed of the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year no material discrepancies were notified on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the company and the nature of its assets.
- ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- iii) The Company has not granted any loans, secured or unsecured to companies, firm, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the Company.
- iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- vi) To the best of our knowledge and as explained to us, the Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products / services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- vii) In respect of Statutory dues :
 - a. According to the records of the Company, 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 have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2016 for a period of more than six months from the date of becoming payable.
 - b. According to the information and explanations given to us, there are no dues in respect of Income Tax or Sales Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax have not been deposited with the appropriate authorities on account of any dispute except for the amounts mentioned below:

Annexure to the Independent Auditor's Report (contd.)

Name of the Statute	Demand Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	4,61,338/-	Assessment Year 2008-09	CIT (A)
Income Tax Act, 1961	1,50,44,720/-	Assessment Year 2012-13	CIT (A)
Income Tax Act, 1961	10,08,931/-	Assessment Year 2012-13	DCIT (TDS)
Delhi Value Added Tax Act, 2004	1,11,64,268/-	Financial Year 2007-08	SPECIAL COMMISSIONER-II

- viii) In our opinion, the Company has not defaulted in repayment of loans or borrowings to any bank during the year. Further, the Company has no loans or borrowings payable to a financial institution or government and no dues payable to debenture-holders during the year.
- ix) As explained to us, no money raised by way of initial public offer or further public offer (including debt instruments) during the year. The Company has not obtained any term loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or its employees was noticed or reported during the year.
- xi) In our opinion, the provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company as the Company does not pay/provide for any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii) According to the information and explanations given to us, all the transactions with the related parties are in compliance with Sections 177 & 188 of the Companies Act, 2013 where applicable and

the details have been disclosed in the Financial Statements as required by applicable accounting standards.

- xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of Shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- xv) 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 during the year. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Agarwal Prakash & Co.**
Chartered Accountants
FRN: 005975N

Vikas Aggarwal
Partner
Membership No.: 097848
Place: Gurgaon
Date: May 06, 2016

Annexure B to the Auditor's Report

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 **Store One Retail India 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 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 Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Annexure B to the Auditor's Report (contd.)

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 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 **Agarwal Prakash & Co.**
Chartered Accountants
FRN: 005975N

Vikas Aggarwal
Partner
Membership No.: 097848
Place: Gurgaon
Date: May 06, 2016

Balance Sheet

as at March 31, 2016

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	Note	As at March 31, 2016	As at March 31, 2015
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share capital	4	305,734,500	305,734,500
(b) Reserves and surplus	5	1,811,607,678	1,264,996,413
(c) Money received against share warrants	6	—	—
Total of Shareholders' funds		2,117,342,178	1,570,730,913
Non-Current Liabilities			
(a) Long-term borrowings	7	485,820,208	656,109,653
(b) Long-term provisions	8A	8,725,942	6,966,227
Total of Non-Current Liabilities		494,546,150	663,075,880
Current Liabilities			
(a) Trade payables	9	—	—
(i) Dues to micro and small enterprises		—	—
(ii) Dues to others		384,749,749	260,111,471
(b) Other current liabilities	10	5,852,721,779	318,230,441
(c) Short-term provisions	8B	3,450,643	3,408,068
Total of Current Liabilities		6,240,922,171	581,749,980
Total of Equity and Liabilities		8,852,810,499	2,815,556,773
II. ASSETS			
Non-current assets			
(a) Fixed assets	11		
(i) Tangible assets		1,520,365,936	1,630,223,968
(ii) Intangible assets		8,702,287	6,121,457
(iii) Capital work-in-progress		—	—
(b) Non-current investments	12	500,000	—
(c) Long term loans and advances	13A	222,170,192	498,828,982
(d) Other non-current assets	14	100,000	200,000
Total of Non-current assets		1,751,838,415	2,135,374,407
Current assets			
(a) Inventories	15	5,409,785	3,865,111
(b) Trade receivables	16	340,001,116	586,051,375
(c) Cash and bank balances	17	42,073,735	30,765,000
(d) Short-term loans and advances	13B	6,713,427,503	59,438,213
(e) Other current assets	18	59,945	62,667
Total of Current assets		7,100,972,084	680,182,366
Total of Assets		8,852,810,499	2,815,556,773

Significant accounting policies 3

The accompanying notes are an integral part of financial statements.

This is the Balance Sheet referred to in our report of even date

For **Agarwal Prakash & Co.**

Chartered Accountants

FRN - 005975N

Vikas Aggarwal

Partner

Pia Johnson

Whole Time Director

DIN: 00722403

Mehul Johnson

Director

DIN: 00016075

For and on behalf of Board of Directors

Vijay Kumar Agrawal

Chief Financial Officer

Vikas Khandelwal

Company Secretary

Place: Gurgaon

Date: May 6, 2016

Statement of Profit and Loss

for the year ended March 31, 2016

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	Note	For the year ended March 31, 2016	For the year ended March 31, 2015
I. REVENUE			
(a) Revenue from operations (net of taxes)	19	2,595,250,152	1,343,642,345
(b) Other Income	20	10,022,088	2,803,424
Total of Revenue		2,605,272,240	1,346,445,769
II. EXPENSES			
(a) Cost of goods sold	21	4,233,737	5,214,622
(b) Employee benefits expense	22	118,468,485	91,978,234
(c) Finance costs	23	110,585,497	62,390,626
(d) Depreciation and amortization expenses	11	140,400,524	126,842,205
(e) Other and operating expenses	24	1,678,843,599	827,388,913
Total of Expenses		2,052,531,842	1,113,814,600
III. Profit before tax (I - II)		552,740,398	232,631,169
IV. Tax expenses			
(a) Current tax	25	—	199,353
(b) Deferred tax		—	—
V. Profit for the year (III- IV)		552,740,398	232,431,816
Earnings per Equity Share	26		
(a) Basic		19.91	8.40
(b) Diluted		19.91	8.40
Face value per Equity Share		10.00	10.00
Significant accounting policies	3		

The accompanying notes are an integral part of financial statements.

This is the Statement of Profit and Loss referred to in our report of even date

For **Agarwal Prakash & Co.**

Chartered Accountants

FRN - 005975N

Vikas Aggarwal
Partner

Pia Johnson
Whole Time Director
DIN: 00722403

Mehul Johnson
Director
DIN: 00016075

For and on behalf of Board of Directors

Vijay Kumar Agrawal
Chief Financial Officer

Vikas Khandelwal
Company Secretary

Place: Gurgaon

Date: May 6, 2016

Cash Flow Statement

for the year ended March 31, 2016

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
A Cash flow from Operating Activities:		
Net profit before tax	552,740,398	232,631,169
<i>Adjustments for statement of Profit and Loss items:</i>		
Liabilities written back	(8,107,629)	(61,540)
Provision for gratuity/compensated absences	2,186,715	3,835,565
Loss on sale on fixed assets	5,020,088	5,741,574
Interest Income on fixed deposits	(349,375)	(170,883)
Dividend on units of mutual funds	(1,376,136)	(1,826,356)
Interest expenses on borrowings	110,283,368	61,891,810
Unrealised foreign exchange gain	(49,341)	—
Depreciation and amortization expenses	140,400,524	126,842,205
	<u>248,008,214</u>	<u>196,252,375</u>
Operating profit before working capital changes and other adjustments:	800,748,612	428,883,544
<i>Working capital changes and other adjustments:</i>		
Decrease/(Increase) in trade receivables	246,050,259	(274,435,466)
Increase in loan and advances	(6,230,948,542)	(407,243,731)
Increase in inventories	(1,544,674)	(2,148,343)
Increase/(decrease) in trade payables	124,638,278	(35,615,237)
Increase/(decrease) in other liabilities and provisions	5,558,630,576	(774,118)
	<u>(303,174,103)</u>	<u>(720,216,895)</u>
Cash flow from/(used in) operating activities	497,574,509	(291,333,351)
Income taxes paid	(147,732,262)	(5,492,408)
Net cash flow from/(used in) operating activities	349,842,247	(296,825,759)
B Cash flow from investing activities:		
Investment in wholly owned subsidiary	(500,000)	—
Purchase of fixed assets (including capital work-in-progress and capital advances)	(55,643,764)	(450,412,340)
Proceeds from sale of fixed assets	19,000,000	9,251,668
Interest received on fixed deposits	352,097	199,507
Investment in mutual funds	5,888,200,000	2,249,200,000
Redemption of mutual funds	(5,888,200,000)	(2,249,200,000)
Dividend received from mutual funds	1,376,136	1,826,356
Maturity of/(Investments in) Fixed Deposits	(2,811,680)	(75,000)
Net cash used in investing activities	(38,227,211)	(439,209,809)

Cash Flow Statement

for the year ended March 31, 2016 (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
C Cash flow from financing activities:		
Net proceeds from issue of equity shares (including securities premium)	—	134,200,000
Net proceeds from issue of share warrant	—	(33,550,000)
Payment of Share issue expenses on equity capital	(2,908,236)	—
Proceeds from borrowing (secured)	146,315,000	565,985,314
Repayment of borrowing (secured)	(380,761,372)	(139,623,568)
Proceeds from borrowing (unsecured)	955,000,000	383,300,000
Repayment of borrowing (unsecured)	(898,500,000)	(113,300,000)
Interest paid on borrowings	(119,052,205)	(51,879,618)
Dividend paid on preference share capital (including corporate dividend tax)	(3,211,169)	(3,130,910)
Net cash (used in)/flow from financing activities	(303,117,982)	742,001,218
D Net increase in cash and cash equivalents (A+B+C)	8,497,054	5,965,649
E Cash and cash equivalents at the beginning of the year	29,226,680	23,261,031
F Cash and cash equivalents at the end of the year (D+E)	37,723,735	29,226,680

Notes:

- The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 (AS-3) on "Cash flow statements" as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
- Cash and cash equivalents includes:**

(a) Cash on hand	22,116	271,296
(b) Balances with banks		
- in Current Accounts	37,214,399	28,955,384
- in Fixed Deposit Accounts (Refer note-17)	4,837,220	1,538,320
Total (a+b)	42,073,735	30,765,000
Less: balance with banks in fixed deposit accounts with original maturities of more than 3 months	(4,350,000)	(1,538,320)
	37,723,735	29,226,680
- Previous year figures have been regrouped and/or reclassified wherever necessary to conform to those of the current year grouping and/or classification.

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

For **Agarwal Prakash & Co.**

Chartered Accountants

FRN - 005975N

Vikas Aggarwal
Partner

Pia Johnson
Whole Time Director
DIN: 00722403

Mehul Johnson
Director
DIN: 00016075

For and on behalf of Board of Directors

Vijay Kumar Agrawal
Chief Financial Officer

Vikas Khandelwal
Company Secretary

Place: Gurgaon

Date: May 6, 2016

Notes to Financial Statements

for the year ended March 31, 2016

(1) Company Overview

Store One Retail India Limited ("the Company") was incorporated as Pyramid Retail Limited on March 18, 2005. The name of the company was subsequently changed to Indiabulls Retail Services Limited on 22nd May, 2008 and further changed to Store One Retail India Limited on 30th September, 2009. The company received fresh certificate of incorporation consequent upon the change of name, from the Registrar of Companies, National Capital Territory of Delhi and Haryana on October 6, 2009.

Indiabulls Wholesale Services Limited (IBWSL) Holding Company of the Company, erstwhile Subsidiary of Indiabulls Real Estate Limited, completed the acquisition of 63.92% of the outstanding Equity Share Capital of the Company from the then existing promoters in terms of the Share Purchase Agreement dated December 08, 2007 and Public Announcement dated December 09, 2007. In the open offer, which concluded on April 10, 2008, IBWSL purchased 310 shares from the general public.

During the current year, the Company has invested into a wholly owned subsidiary "Store One Infra Resources limited" of ₹ 5Lacs dated November 20, 2015.

(2) Basis of Preparation of financial statement

i) Statement of compliance

The financial statements have been prepared on going concern basis under the historical cost basis, in accordance with the generally accepted accounting principles in India and in compliance with the applicable accounting standards as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). All assets and liabilities have been classified as current or non-current as per the normal operating cycle and other criteria set out in the Companies Act 2013.

ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities, if any, on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

(3) Summary of significant accounting policies:

i) Fixed Assets Recognition and measurement

(a) Tangible Assets:

Tangible assets are stated at cost, net of tax or duty credits availed, wherever applicable, less accumulated depreciation or impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

(b) Intangible Assets:

Intangible assets are stated at cost, net of tax or duty credits availed, wherever applicable, less any accumulated amortisation or impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

(c) Capital work in progress

Cost of fixed assets under construction are disclosed under capital work-in-progress. Advances paid towards acquisition or construction of fixed assets or intangible assets is included as capital advances under long term loans and advances.

ii) Depreciation and Amortisation

a) Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV of Companies Act, 1956 were used for charging depreciation. With effect from April 1, 2015, schedule XIV has been replaced by Schedule II of Companies Act, 2013. Schedule II of Companies Act, 2013 prescribed the useful lives of fixed asset which, in many cases, are different from lives prescribed under Schedule XIV.

Depreciation on fixed assets is provided on the straight-line method, computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013, on a pro-rata basis from the date the asset is ready to put to use subject to transitional provisions of Schedule II.

Notes to Financial Statements (contd.)

- b) Intangible assets are amortized over the expected useful life from the date the assets are available for use, as mentioned below:

Description of asset :	Estimated life
Computer softwares	4 years
Land -Leasehold	11 years (as per terms of agreement)

iii) Impairment of Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

iv) Investments

Investments are classified as non-current or current investments, based on management's intention. Investments that are readily realizable and intended to be held not more than a year are classified as current investments. All other investments are classified as non-current investments.

Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost less provision for diminution in their value, other than temporary, if made in the financial statements.

v) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Cost of inventories is determined using the weighted average cost method and includes purchase price, and all direct costs incurred in bringing the inventories to their present location and condition.

vi) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized :

- Revenue from sale of goods/value added construction material is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. The company collects all relevant applicable taxes etc. on behalf of the Statutory Authorities and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.
- Revenue from equipment renting services (including relevant manpower and supervision) is recognised when services is performed ,usually on a time proportion basis as per the terms of the contract . The Company collects applicable taxes on behalf of Statutory Authorities and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.
- Revenue from management and maintenance services are recognised pro-rata over the period of contract as and when services are rendered. The company collects applicable taxes on behalf of Statutory Authorities and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.
- Revenue from construction, advisory and other related services are recognised pro-rata over the period of contract as and when services are rendered. The company collects applicable taxes on behalf of Statutory Authorities and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.
- Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.
- Dividend income is recognized when the right to receive payment is unconditionally established.

Notes to Financial Statements (contd.)

- g) Profit on sale of investments is recognized on the date of its sale and is computed as excess of sale proceeds over its carrying amount as at the date of sale.

vii) Foreign Currency Transactions

a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the exchange rate between the reporting currency and the foreign currency at the date of the transaction to the foreign currency account.

b) Conversion

Foreign currency monetary items are converted to reporting currency using the closing rate. Non monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) Exchange Rate Differences

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise except those arising from investments in non-integral operations.

Exchange differences arising on monetary items that in substance forms part of the Company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognized in the statement of profit and loss.

viii) Income Taxes

Current tax

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred tax

Deferred tax resulting from timing differences between taxable income and accounting income is accounted for at the current rate of tax or substantively enacted tax rates as at reporting date, to the extent that the timing differences are expected to crystallize.

Deferred Tax Assets are recognised where realisation is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognised only if there is a virtual certainty of realisation backed by convincing evidence that such deferred tax assets will be realized. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each reporting date.

ix) Stock Based Compensation

Stock based compensation expense are recognized in accordance with the guidance note on 'Accounting for employee share based payments' issued by the Institute of Chartered Accountants of India ('ICAI'), which establishes financial accounting and reporting principles for employee share based payment plans. Employee stock compensation costs are measured based on intrinsic value of the stock options on the grant date. The compensation expense is amortized over the vesting period of the options.

x) Leases

Lease payments under operating leases are recognised as expense in the statement of profit and loss over the lease term.

xi) Employee benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered. The Company's contribution to Employee

Notes to Financial Statements (contd.)

Provident Fund and Employee State Insurance Schemes (defined contribution schemes) is charged to the Statement of Profit and Loss.

Post employment and other long term employee benefits for its eligible employees are recognized as an expense in the Statement of Profit and Loss, for the year in which the employee has rendered services. The Company has unfunded defined benefit plans, namely compensated absences and gratuity the liability for which is determined on the basis of actuarial valuation, conducted on annual basis, by an independent actuary, in accordance with Accounting Standard 15 (Revised 2005) – “Employee Benefits” the expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains or losses are recognized in the Statement of Profit and Loss as income or expenses.

xii) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for:

- a) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or,
- b) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

xiii) Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets in accordance with notified Accounting Standard 16 “Borrowing costs”. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

xiv) Earnings Per Equity Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xv) Share issue Expenses

Share issue expenses are adjusted against securities premium account to the extent of balance available and thereafter, the balance portion is charged off to the Statement of Profit and Loss, as incurred.

xvi) Segment Reporting

Identification of Segments:

The company's operating businesses are organised and managed separately with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

Segments policies:

The company prepares its segment information in conformity with the accounting policies adopted for preparation and presenting the financial statements of the company as a whole. The following additional policies are adopted for segment reporting:

Notes to Financial Statements (contd.)

- a) Revenues and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.
- b) Assets and liabilities of the respective segments are separately identified.

xvii) Preliminary expenses

Preliminary expenses are adjusted against securities premium account (net of tax) to the extent of balance available and thereafter, the balance portion is charged off to the statement of profit and loss, as incurred.

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

(4) Share Capital	As at March 31, 2016		As at March 31, 2015	
	Number of Shares	Amount (₹)	Number of Shares	Amount (₹)
Authorised				
Equity shares of face value ₹10 each	28,000,000	280,000,000	28,000,000	280,000,000
Preference Shares of face value ₹10 each	4,000,000	40,000,000	4,000,000	40,000,000
		320,000,000		320,000,000
Issued, subscribed and fully paid up shares				
Equity Shares of face value of ₹ 10 each				
fully paid up	27,600,000	276,000,000	27,600,000	276,000,000
9% Redeemable, Non-Cumulative, Non-Convertible Preference Shares of face value of ₹10 each fully paid up	2,973,450	29,734,500	2,973,450	29,734,500
Total Issued, subscribed and fully paid up share Capital		30,573,450		305,734,500

a. Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year

Equity Shares

Particulars	Number of Shares	Amount (₹)	Number of Shares	Amount (₹)
At the beginning of the year	27,600,000	276,000,000	23,200,000	232,000,000
Add:- Issued during the year against payment received in cash	—	—	4,400,000	44,000,000
Balance at the end of the year	27,600,000	276,000,000	27,600,000	276,000,000

Preference Shares

Particulars	Number of Shares	Amount (₹)	Number of Shares	Amount (₹)
At the beginning of the year	2,973,450	29,734,500	2,973,450	29,734,500
Add:- Issued during the year	—	—	—	—
Less:- Redemption during the year	—	—	—	—
Balance at the end of the year	2,973,450	29,734,500	2,973,450	29,734,500

b. Issuance of Fresh Equity Shares

During the last year, the Company had issued and allotted of 44,00,000 equity share of face value ₹ 10 each of the Company to Indiabulls Wholesale Services Limited, the Holding Company, the promoter of the Company on preferential allotment basis at an issued price of ₹ 30.50 per equity share.

c. Rights, preferences and restrictions attached to equity shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Holding Company. In the event of liquidation of the Holding Company, all preferential amounts, if any, shall be discharged by the Holding Company. The remaining assets of the Holding Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. In the event of distributing dividends by the holding company and winding up, the preference shareholders will be preferred over the equity shareholders. The holders of preference shares are entitled to receive dividends, but they do not have any voting rights except for in the conditions mentioned in the Companies Act, 2013. All shares rank equally with regard to the holding company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

d. Details of shareholder holding more than 5% share capital in the Holding Company

Name the of Shareholders	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	Amount (₹)	No. of Shares held	Amount (₹)
(i) Indiabulls Wholesale Services Limited, Holding Company				
Equity Shares of face value ₹ 10 each	20,383,310	203,833,100	20,383,310	203,833,100
Preference Shares of face value ₹ 10 each	1,979,500	19,795,000	1,979,500	19,795,000
(ii) Albasta Wholesale Services Limited (formerly known as Albasta Power Limited), Fellow Subsidiary Company				
Preference Shares of face value ₹ 10 each	993,950	9,939,500	993,950	9,939,500

(iii) Shares reserved for issue under options

There were no shares reserved under options as at 31st March, 2016 (Refer note-29)

	As at March 31, 2016 Amount (₹)	As at March 31, 2015 Amount (₹)
(5) Reserves and Surplus		
Securities Premium Account		
Balance at the beginning of the year	3,804,735,195	3,714,535,195
Add: Additions during the year	—	90,200,000
Less: Share issue expenses - equity capital	(2,908,236)	—
	<u>3,801,826,959</u>	<u>3,804,735,195</u>
Surplus/(Deficit) as per statement of profit and loss		
Balance as at the beginning of the year	(2,539,738,782)	(2,768,254,470)
Add: Adjustment due to depreciation*	—	(704,959)
Add: Profit for the year	552,740,398	232,431,816
	<u>(1,986,998,384)</u>	<u>(2,536,527,613)</u>
* Impact of transitional provision provided in Note 7(b) of Schedule II of Companies Act 2013. (Refer note-11)		
Less: Appropriations		
Proposed dividend on preference shares	(2,676,105)	(2,676,105)
Corporate dividend tax thereon	(544,792)	(535,064)
	<u>(3,220,897)</u>	<u>(3,211,169)</u>
Balance as at the end of the year	<u>(1,990,219,281)</u>	<u>(2,539,738,782)</u>
Total of Reserves and Surplus	<u><u>1,811,607,678</u></u>	<u><u>1,264,996,413</u></u>

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

	As at March 31, 2016 Amount (₹)	As at March 31, 2015 Amount (₹)
(6) Money received against Share Warrants		
Share Warrants		
Balance at the beginning of the year	—	33,550,000
Less: converted into partly paid up equity shares	—	(33,550,000)
Total of Money received against share warrants	—	—

Exercise of shares warrants

During the last year, the Company had issued and allotted 44,00,000 (Forty Four Lac) Equity Shares of face value ₹ 10/- each, upon exercise of equivalent number of warrants at an exercise price of ₹ 30.50 per share by Indiabulls Wholesale Services Limited (Holding Company). The 25% advance received towards subscription of Share warrants had been adjusted on exercise of the referred warrants.

(7) Long -term borrowings

Secured borrowings

Term Loans

From banks	387,791,927		386,999,447	
Less- current maturities of long term borrowings	(228,471,719)	159,320,208	(139,699,678)	247,299,769
From others	—		235,238,852	
Less- current maturities of long term borrowings	—	—	(96,428,968)	138,809,884

Unsecured borrowings

Loans from related parties (Refer note-30)	206,500,000		270,000,000	
Loans from others	120,000,000		—	
Total of Long-term borrowings	485,820,208		656,109,653	

Repayment terms (including current maturities) and security details of secured loans:

Name of the lending Institution	Loan outstanding	Rate of interest (PA)	Repayment terms	Nature of security provided
SREI Equipment Finance Private Limited	— (16,809,928)*	12.00%	35 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed and corporate guarantee given by holding company Indiabulls Wholesale Services Limited
Kotak Mahindra Bank Limited	29,103,020 (54,178,023)*	12% to 12.91%	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed
ICICI Bank Limited	92,465,334 (85,165,105)*	10.60% to 12.23%	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed and corporate guarantee given by holding company Indiabulls Wholesale Services Limited
HDFC Bank Limited	94,078,807 (155,202,624)*	11.50%	35 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Name of the lending Institution	Loan outstanding	Rate of interest (PA)	Repayment terms	Nature of security provided
HDFC Bank Limited	101,636,527 –	9.65% to 10.65%	23 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed and corporate guarantee given by holding company Indiabulls Wholesale Services Limited
Axis Bank Limited	70,508,239 (92,453,695)*	11.50%	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed and corporate guarantee given by holding company Indiabulls Wholesale Services Limited
Reliance Capital Limited	– (218,428,924)*	12.75%	35 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed and corporate guarantee given by holding company Indiabulls Wholesale Services Limited
TOTAL	387,791,927 (622,238,299)*			

Repayment terms of unsecured loans:

Name of the lending company	Loan outstanding	Rate of interest(PA)	Repayment terms
Indiabulls Wholesale Services Limited	171,100,000 174600000*	9%	4 years from the date of first disbursement
Albasta Wholesale Services Limited	35,400,000 95400000*	9%	8 years from the date of first disbursement
Indiabulls Distributions Services Limited	120,000,000 Nil*	9%	2 years from the date of first disbursement
TOTAL	326,500,000 270,000,000*		

* Figures in respect of previous year are stated in Italics.

	As at March 31, 2016 Amount (₹)	As at March 31, 2015 Amount (₹)
(8) Provisions		
A Long- Term Provisions		
Provision for gratuity (Refer note - 28)	5,618,431	4,890,603
Provision for compensated absences (Refer note - 28)	3,107,511	2,075,624
Total of Long-term provisions	8,725,942	6,966,227
B Short- Term Provisions		
Provision for gratuity (Refer note - 28)	153,035	112,612
Provision for compensated absences (Refer note - 28)	76,711	84,287
Proposed dividend on preference shares	2,676,105	2,676,105
Corporate dividend tax on proposed dividend on preference shares	544,792	535,064
Total of Short-term provisions	3,450,643	3,408,068

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

	As at March 31, 2016 Amount (₹)	As at March 31, 2015 Amount (₹)
(9) Trade payables		
(i) Dues to micro and small enterprises*	—	—
(ii) Dues to others (Refer note-30)	384,749,749	260,111,471
Total of Trade payables	384,749,749	260,111,471

*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at March 31, 2016 and 2015:

Particulars	Amount (₹)
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

(10) Other current liabilities

Current maturities of long -term borrowings

— from banks	228,471,719	139,699,678
— from others	—	96,428,968
Deposits payable	5,269,000,000	—
Interest accrued but not due on borrowings	2,563,384	11,332,220
Advance from customers	221,413,565	4,619,317
Payable to statutory authorities	66,122,207	5,509,371
Expenses payable	51,860,694	43,720,517
Other liabilities	13,290,210	16,920,370
Total of Other current liabilities	5,852,721,779	318,230,441

Notes to Financial Statements (contd.)

(All ₹, except share data and where otherwise stated)

(11) Fixed Assets

Particulars	A. Tangible assets							B. Intangible assets			Total of Fixed Assets [A+B]
	Plant and equipment	Furniture and fixtures	Vehicles	Computers	Office equipment	Temporary building	Total of tangible assets	Land-leasehold	Computer softwares	Total of intangible assets	
Gross block (at cost)											
As at April 1, 2014	1,281,628,459	204,422,519	55,094,317	68,413,822	1,621,708	-	1,611,180,825	-	96,113,521	96,113,521	1,707,294,346
Additions during the year	452,940,291	255,600	45,262	212,625	1,150,960	251,483	454,856,221	6,176,000	88,200	6,264,200	461,120,421
Change											
Deletion/Adjustment during the year	15,206,326	-	2,030,739	-	-	-	17,237,065	-	-	-	17,237,065
As at March 31, 2015	1,719,362,424	204,678,119	53,108,840	68,626,447	2,772,668	251,483	2,048,799,981	6,176,000	96,201,721	102,377,721	2,151,177,702
Additions during the year	49,437,396	-	2,848,589	1,091,714	363,944	-	53,741,643	3,401,766	-	3,401,766	57,143,409
Deletion/Adjustment during the year#	31,287,329	-	-	-	-	-	31,287,329	-	-	-	31,287,329
As at March 31, 2016	1,737,512,491	204,678,119	55,957,429	69,718,161	3,136,612	251,483	2,071,254,295	9,577,766	96,201,721	105,779,487	2,177,033,782
Accumulated depreciation/amortisation											
As at April 1, 2014	120,496,024	91,154,035	15,609,285	66,657,440	203,591	-	294,120,375	-	96,113,521	96,113,521	390,233,896
Depreciation/amortisation for the year	98,866,042	20,148,902	5,938,254	1,154,197	424,411	167,656	126,699,462	129,211	13,532	142,743	126,842,205
Deletion/Adjustment during the year	1,824,156	-	419,668	-	-	-	2,243,824	-	-	-	2,243,824
As at March 31, 2015	217,537,910	111,302,937	21,127,871	67,811,637	628,002	167,656	418,576,013	129,211	96,127,053	96,256,264	514,832,277
Depreciation/amortisation for the year	112,389,637	20,172,668	5,887,776	403,972	641,708	83,827	139,579,588	798,886	22,050	820,936	140,400,524
Deletion/Adjustment during the year	7,267,242	-	-	-	-	-	7,267,242	-	-	-	7,267,242
As at March 31, 2016	322,660,305	131,475,605	27,015,647	68,215,609	1,269,710	251,483	550,888,359	928,097	96,149,103	97,077,200	647,965,559
Net block											
As at March 31, 2016	1,414,852,186	73,202,514	28,941,782	1,502,552	1,866,902	-	1,520,365,936	8,649,669	52,618	8,702,287	1,529,068,223
As at March 31, 2015	1,501,824,514	93,375,182	31,980,969	814,810	2,144,666	83,827	1,630,223,968	6,046,789	74,668	6,121,457	1,636,345,425

Notes:-

* Effective from April 01, 2014, the Company has started providing depreciation based on the revised useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013. Due to this, depreciation charge for the year ended March 31, 2015, is higher by ₹ 36,489,136. Further, based on transitional provision provided in Note 7 (b) of Schedule II of the Companies Act, 2013, the carrying value of assets amounting to ₹ 704,959 which has completed its useful life as on April 01, 2014 has been added to the opening balance of statement of profit and loss account as on that date.

sale of assets to its wholly owned subsidiary "Store One Infra Resources Limited"

	As at March 31, 2016 Amount (₹)	As at March 31, 2015 Amount (₹)
(12) Non-Current Investments		
<i>(Trade, un-quoted)</i>		
Investment in equity shares - fully paid up (at cost)	500,000	-
Wholly owned subsidiary:- Store One Infra Resources Limited		
Total of Non-Current investments	500,000	-
(13) Loans and Advances		
A Long- Term Loans and Advances		
<i>(Unsecured, considered good)</i>		
Capital advances	886,904	2,386,549
Security deposits		
(i) Considered good	5,346,373	429,466,525
(ii) Considered doubtful	-	155,530,001
Less: Provision for doubtful deposits*	-	155,530,001
Prepaid expenses	1,228,745	-
Advance income tax/ tax deducted at source, net of provision for tax	214,708,170	66,975,908
Total of Long- term loans and advances	222,170,192	498,828,982

*Provision against deposits have been written off of ₹ 155,530,001 in the current year, Refer note-24

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

	As at March 31, 2016 Amount (₹)	As at March 31, 2015 Amount (₹)
B Short- Term Loans and Advances		
Security deposits	6,685,800,000	—
Prepaid expenses	2,611,521	1,234,825
Balances with statutory and government authorities	2,650,203	43,969,249
Advances recoverable in cash or in kind or for value to be received		
(i) Unsecured, considered good	22,365,779	14,234,139
(ii) Considered doubtful	—	136,928,150
Less: Provision for doubtful advances*	—	136,928,150
Total of Short-term loans and advances	6,713,427,503	59,438,213

*Provision against advances have been written off of ₹ 136,928,150 in the current year, Refer note-24

(14) Other Non-Current Assets

Other bank balances

In fixed deposit accounts with original maturity of more than 12 months (refer note-17)

	100,000	200,000
Total of Other non-current assets	100,000	200,000

(15) Inventories

(Valued at cost or net realised value, whichever is lower)

Store and spares	5,409,785	3,865,111
Total of Inventories	5,409,785	3,865,111

Details of Inventory(net of provisions)

(Amount in ₹)

Particulars	Store and spares	Others	Total
Opening Stock	3,865,111	—	3,865,111
	1,716,768	—	1,716,768
Purchases of stock in trade/ issued to consumption (net of returns and applicable taxes)	16,667,600	4,233,737	16,667,600
	9,040,461	5,214,622	9,040,461
Cost of goods sold/ consumption	15,122,926	4,233,737	15,122,926
	6,892,118	5,214,622	6,892,118
Closing Stock	5,409,785	—	5,409,785
	3,865,111	—	3,865,111

The Company purchased various types of consumables and materials. Inventory has been furnished only in respect of major items namely Store & Spares and Raw materials and scrap sales.

Figures in respect of previous year are stated in Italics and have been regrouped wherever necessary.

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

	As at March 31, 2016 Amount (₹)	As at March 31, 2015 Amount (₹)
(16) Trade receivables		
<i>(Considered good, unsecured)</i>		
Outstanding for a period exceeding six months	48,127,689	45,690,039
Others	291,873,427	540,361,336
Total of Trade receivables	340,001,116	586,051,375
(17) Cash and bank balances		
Cash and cash equivalents		
Cash on hand (including foreign currency balances)	22,116	271,296
Balances with banks		
In current accounts	37,214,399	28,955,384
In fixed deposit accounts*		
With original maturity upto three months	4,350,000	—
Other bank balances		
In fixed deposit accounts (Refer note-27)		
With maturity upto twelve months	487,220	1,538,320
With maturity of more than twelve months	100,000	200,000
Less: non-current bank balances in fixed deposit accounts (Refer note-14)	(100,000)	(200,000)
Total of Cash and bank balances	42,073,735	30,765,000
*Fixed deposits of ₹ 4,737,220 (Previous Year ₹ 1,538,320) have been pledged against bank guarantees, letter of credit.		
*Fixed deposits of ₹ 200,000 (Previous Year ₹ 200,000) have been lien marked as a security for valued added tax registration with various states.		
(18) Other Current Assets		
Interest accrued on fixed deposits with banks	59,945	62,667
Total of Other current assets	59,945	62,667
(19) Revenue from Operations		
Income from management and maintenance services	730,862,112	736,973,019
Income from equipment renting services	698,776,784	532,979,187
Income from construction, advisory and other related activities	1,125,800,000	—
Sale of trading goods	30,551,192	52,094,673
Income from job works	9,260,064	21,595,466
Total of Revenue from operations	2,595,250,152	1,343,642,345

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

	For the year ended March 31, 2016 Amount (₹)	For the year ended March 31, 2015 Amount (₹)
(20) Other Income		
Dividend on units of mutual funds	1,376,136	1,826,356
Liabilities written back	8,107,629	61,540
Interest Income		
– From fixed deposits	349,375	170,883
– Others	–	–
Foreign exchange gain - unrealized	49,341	–
Miscellaneous income	139,607	744,645
Total of Other income	10,022,088	2,803,424
(21) Cost of Goods Sold (Refer note-15)		
Purchase of trading goods	4,233,737	5,214,622
Total of Cost of goods sold	4,233,737	5,214,622
(22) Employee Benefit Expenses		
Salaries and wages	114,996,544	87,073,243
Contribution to provident funds and other funds	266,380	233,852
Gratuity expenses (Refer note 28)	1,140,688	2,837,851
Compensated absences benefits (Refer note 28)	1,046,027	997,714
Staff welfare expenses	1,018,846	835,574
Total of Employee benefit expenses	118,468,485	91,978,234
(23) Finance Costs		
Interest on borrowings	110,283,368	61,891,810
Bank charges	105,276	393,096
Interest on taxes	196,853	105,720
Total of Finance costs	110,585,497	62,390,626
(24) Other and Operating Expenses		
Operating Expenses:-		
Consumables	37,403,432	16,455,766
Transportation charges	18,399,882	5,511,899
Labour charges	166,092,926	125,657,992
Repairs and maintenance		
– Plant and machinery	36,911,370	24,889,579
– Others for building under maintenance	17,330,445	11,253,315
Machinery operating and management charges	59,261,564	58,978,714
Gardening and maintenance	3,915,693	2,899,275
Common area electricity and water charges	35,925,213	23,029,865
Security charges	48,711,738	51,703,959

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

	For the year ended March 31, 2016 Amount (₹)	For the year ended March 31, 2015 Amount (₹)
Management and construction advisory services	749,036,730	—
Property management and assets maintenance services	315,785,610	426,613,671
Administrative Expenses:-		
Rent expenses (Refer note 32)	12,282,714	13,421,677
Rates and taxes	1,425,873	4,264,155
Insurance	4,608,725	4,085,295
Legal and professional charges	14,371,524	8,003,306
Communication expenses	1,288,677	1,064,875
Travelling and conveyance	137,456,189	32,953,862
Auditors' remuneration*	2,002,500	2,000,000
Printing and stationery	1,287,477	804,943
Advertisement and sales promotion	1,610,232	250,454
Loss on sale/disposal of fixed assets	5,020,088	5,741,574
Deposits/Advances written off: (Refer note 13)	292,458,151	
Less: Adj. against provisions for doubtful deposits/advances	(292,458,151)	—
Office expenses	1,577,735	1,026,158
Corporate social responsibility expenses (Refer note 33)	6,764,170	5,975,391
Miscellaneous expenses	373,092	803,188
Total of Other and operating expenses	1,678,843,599	827,388,913

*including non-cenvatable tax and swachh bharat cess

(25) Income Tax

Current Tax

The current tax for the year ended March 31, 2016 includes current year tax charge of ₹ Nil (Previous year ₹ 199,353).

Deferred Tax Asset

In compliance with Accounting Standard 22 (AS 22) – 'Accounting for taxes on income', as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), the Deferred Tax Assets on brought forward losses and unabsorbed depreciation has not been recognized as there is no virtual certainty supported by convincing evidence of the subsequent realization of such deferred tax assets in future.

(26) Earnings Per Equity Share

The basic earnings per equity share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of equity shares and potential diluted equity shares are adjusted for stock split, bonus shares, Convertible Preference Shares, Share Warrants and the potential dilutive effect of Employee Stock Option Plan as appropriate.

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Profit after tax	552,740,398	232,431,816
Less:- Preference dividend including dividend tax paid	3,220,897	3,211,169
Profit after tax available for equity shareholders (₹)	549,519,501	229,220,647
Weighted average number of shares used in computing basic earnings per equity share	27,600,000	27,274,521
Weighted average number of shares used in computing diluted earnings per equity share	27,600,000	27,274,521
Face value of equity shares (₹)	10	10
Basic earnings per equity share (₹)	19.91	8.40
Diluted earnings per equity share (₹)	19.91	8.40

(27) Contingent Liabilities and Commitments

Contingent liabilities:

- Bank Guarantees: Bank Guarantees of ₹ 125,000 (Previous Year ₹ 125,000) issued in favour of VAT Authorities.
- Claims (Excluding interest) against the Company not acknowledged as debts: ₹ 14,802,793 (Previous Year: ₹ 5,353,400).
- Contingent liabilities in respect of income-tax demands for which appeals have been filed ₹ 1,65,14,989 (previous year : ₹ 1,55,06,058) and VAT for which appeals have been filed ₹ 11,164,268 (previous year : ₹ 11,164,268)
- There are legal cases against the Company in the ordinary course of business. Management has evaluated the same and depending upon the facts and after due evaluation of legal aspects of each case, adequate amounts have been provided in respect of the claims made against the Company under these cases. Company does not expect any further liability and these litigations /lawsuits and claims may, individually or in aggregate, will not have any material adverse effect on the financial position of the Company.

Commitments:

- Estimated amount of Contracts remaining to be executed on capital account (net of advances) ₹ 7,982,136 (Previous Year ₹ 8,690,608).

(28) Employee Benefits (Non Funded)

Gratuity

In accordance with "The Payment of Gratuity Act, 1972", the Company provides for gratuity a defined benefit retirement plan (the "Gratuity Plan") covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment. The amount of payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation and this plan is unfunded. The Company had charged ₹ 11,40,688 (previous year Charge ₹ 2,837,851) during the year ended March 31, 2016 and the amount outstanding as at March 31, 2016 is ₹ 57,71,467 (previous year ₹ 5,003,216).

Compensated Absences

Eligible employees are entitled to accumulate compensated absences up to prescribed limits in accordance with the Company's policy and receive cash in lieu thereof. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date. Such measurement is based on actuarial valuation as at balance sheet date carried out by a qualified actuary. The Company had charged ₹ 10,46,027 (previous year charge ₹ 997,714) during the year ended March 31, 2016 and the amount outstanding as at March 31, 2016 is ₹ 31,84,222 (previous year ₹ 2,159,911).

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

The components of gratuity & compensated absences cost recognized, in accordance with AS-15 (Revised) on "Employee benefits", for the years ended March 31, 2016 and March 31, 2015 are enumerated as below:

Particulars	Gratuity		Compensated Absences	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Service cost	1,193,070	1,226,839	725,157	620,909
Interest cost	387,749	198,749	167,393	100,479
Benefits paid	—	—	—	—
Actuarial (gain)/loss, net	(440,131)	1,412,263	153,477	276,326
Cost recognized during the year	1,140,688	2,837,851	1,046,027	997,714

Details of the employee benefits obligation are provided below:

Particulars	Gratuity		Compensated Absences	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Obligation at the beginning of the year	5,003,216	2,338,220	2,159,911	1,182,102
Cost recognized during the year	1,140,688	2,837,851	1,046,027	997,714
Benefits paid during the year	(372,437)	(172,855)	(21,716)	(19,905)
Obligation at the end of the year	5,771,467	5,003,216	3,184,222	2,159,911

The assumptions used to determine cost include:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Discount rate	8.00%	7.75%
Salary escalation rate	5.00%	5.00%
Mortality table	IALM (2006-08)	IALM (2006-08)

(29) Employees Stock Options Schemes(ESOS)

Employees' Stock Option Schemes of the Company:

i. Store One Retail India Limited Employees Stock Option Scheme - 2009

The Shareholders vide postal ballot passed a special resolution on February 9, 2009 for issue of 1,500,000 (One Million five hundred thousands) shares towards issue of Employee Stock Option Scheme - 2009 in supersession of Resolution passed on May 12, 2008 for ESOP - 2008.

The Compensation Committee, constituted by the Board of Directors of the Company, at its meeting held on June 05, 2009, granted, under the "Indiabulls Retail Services Limited Employees Stock Option Scheme – 2009", 1,500,000 (One Million five hundred thousands) stock options representing an equal number of Equity shares of face value ₹ 10 each in the Company, to the eligible employees, at an exercise price of ₹ 30.45 per option, being the latest available closing market price on the National Stock Exchange of India Limited, as on June 04, 2009. The stock options so granted, shall vest in the eligible employees within 10 years beginning from June 06, 2010, the first vesting date. The stock options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.

Pursuant to the shareholders' authorization dated September 30, 2009 and receipt of fresh certificate of incorporation dated October 6, 2009, the name of the Company has been changed from Indiabulls Retail Services Limited to Store One Retail India Limited. Accordingly, the title of the Scheme stands changed from Indiabulls Retail Services Limited Employees Stock Option Scheme – 2009 to 'Store One Retail India Limited Employees Stock Option Scheme - 2009.

The Company follows the intrinsic value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share Based Payments ("Guidance Note") issued by the Institute of Chartered Accountants of India.

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Since, on the date of grant, the intrinsic value of the options granted was equal to the exercise price, no compensation expense in respect of the options granted was recorded by the Company.

The Fair value of the options under the plan using the Black-Scholes model based on the following parameters is ₹ Nil per option, as calculated by an independent firm of Chartered Accountants:

S. No	Particulars	ESOP – 2009
1	Expected volatility	206%
2	Expected forfeiture percentage on each vesting date	Nil
3	Option life (weighted average)	10.5 Years
4	Expected dividends yield	Nil
5	Risk free Interest rate	6.50%

Had the company followed the fair value method, there would not have been any impact on profit after tax and on basic and diluted earning per share of the company.

Employee stock options details as on the balance sheet date are as follows:

Particulars	2015-16 No. of shares	2014-15 No. of shares
Total number of option under Scheme	1,500,000	1,500,000
Number of options outstanding as at beginning of the year	–	150,000
Number of options granted during the year	–	–
Number of options vested during the year	–	–
Number of options exercised during the year	–	–
Number of options forfeited/cancelled during the year	–	150,000
Number of options lapsed during the year	–	–
Number of options outstanding as at end of the year	–	–
Out of the outstanding option number of options exercisable as at end of the year	–	–
Number of options available for grant as at end of the year	1,500,000	1,500,000
Exercise Price (₹ per option)	Nil	30.45
Remaining Contractual Life for options outstanding as at end of the year (months)	–	–

iii. Store One Retail India Limited Employees' Stock Options Scheme – 2009 (II)

Members of the Company in their annual general meeting held on September 30, 2009 have approved by way of special resolution the "Indiabulls Retail Services Employees Stock Option Scheme - 2009 (II) ("IBRSL ESOS - 2009") covering 3,000,000 (Three Millions) equity settled options for eligible employees of the Company, its subsidiaries, its fellow subsidiaries and Holding Company.

The options to be granted, under the above scheme representing an equal number of Equity shares of face value ₹ 10 each in the Company, to the eligible employees, will be granted at an exercise price which will be equal to latest available closing market price on the National Stock Exchange of India Limited, on the date of grant . The stock options so granted, shall vest in the eligible employees within 10 years beginning from their respective dates of grants . The stock options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.

Pursuant to the shareholders' authorization dated September 30, 2009 and receipt of fresh certificate of incorporation dated October 6, 2009, the name of the Company has been changed from Indiabulls Retail Services Limited to Store One Retail India Limited. Accordingly, the title of the Scheme stands changed from Indiabulls Retail Services Limited Employees Stock Option Scheme – 2009(II) to 'Store One Retail India Limited Employees Stock Option Scheme - 2009(II).

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

The Company follows the intrinsic value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share based Payments ("Guidance Note") issued by the Institute of Chartered Accountants of India. Since no options have been granted therefore there is no compensation expense which need to be recognised by the Company.

Other disclosures as to proforma effect had the fair value method been followed and other related disclosure is not applicable as no options have been granted.

(30) Disclosures in respect of Accounting Standard (AS) – 18 'Related party'

a) Name and Nature of Relationship with related parties:

Relationship	Name of Related parties
i) Related Party where control exist	
Holding Company	Indiabulls Wholesale Services Limited
ii) Other related parties:	
Wholly Owned Subsidiary	Store One Infra Resources Limited (from November 20, 2015)
Fellow Subsidiary Company*	Albasta Wholesale Services Limited (formerly known as Albasta Power Limited)
	Indiabulls Technology Solutions Limited (till July 18, 2014)
	Airmid Aviation Services Limited (from December 23, 2014)
Key management personnel	Mr. Vijay Kumar Agrawal, Chief Financial Officer
	Mr. Vikas Khandelwal, Company Secretary

* With whom transactions entered during the year

(b) Summary of significant transactions with related parties

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Issue of equity shares (Refer note-5 & 6)		
Holding Company:		
– Indiabulls Wholesale Services Limited	–	44,000,000
Paid up value of shares allotted	–	90,200,000
Securities Premium	–	90,200,000
Total	–	134,200,000
Proposed Dividend on Preference Shares		
Holding Company:		
– Indiabulls Wholesale Services Limited	1,781,550	1,781,550
Fellow Subsidiary Company:		
– Albasta Wholesale Services Limited	894,555	894,555
Total	2,676,105	2,676,105
Inter corporate deposit taken /(repaid), Net		
Holding Company:		
– Indiabulls Wholesale Services Limited	(3,500,000)	174,600,000
Fellow Subsidiary Company:		
– Albasta Wholesale Services Limited	(60,000,000)	95,400,000
Total	(63,500,000)	270,000,000
Non current investments:-		
Wholly owned Subsidiary:-		
– Store One Infra Resources Limited		
Investment in equity shares -fully paid up (at Cost)	500,000	–
Total	500,000	–

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Fixed assets		
<i>Wholly owned Subsidiary:-</i>		
– Store One Infra Resources Limited		
Sale of fixed assets (Written down value : 24,020,086)	19,000,000	–
Total	19,000,000	–
Interest accrued but not due on secured long -term borrowings		
<i>Holding Company:</i>		
– Indiabulls Wholesale Services Limited	–	10,595,170
<i>Fellow Subsidiary Company:</i>		
– Albasta Wholesale Services Limited	–	282,279
Total	–	10,877,449
Income from operation:-		
Equipment renting services		
<i>Fellow Subsidiary Company:</i>		
– Indiabulls Technology Solutions Limited	–	150,000
Total	–	150,000
Employee benefit expenses:-		
Staff welfare expenses		
<i>Holding Company:</i>		
– Indiabulls Wholesale Services Limited	124,128	–
Total	124,128	–
Other and operating expenses:-		
Travelling expenses		
<i>Fellow Subsidiary Company:</i>		
– Airmid Aviation Services Limited	133,030,625	30,934,000
Legal and professional charges		
<i>Fellow Subsidiary Company:</i>		
– Indiabulls Technology Solutions Limited	–	1,250,000
Total	133,030,625	32,184,000
Finance costs:-		
Interest on term loan		
<i>Holding Company:</i>		
– Indiabulls Wholesale Services Limited	33,759,369	10,595,170
<i>Fellow Subsidiary Company:</i>		
– Albasta Wholesale Services Limited	7,184,361	282,279
Total	40,943,730	10,877,449

(c) **Statement of maximum outstanding balance during the year:**

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Inter corporate deposit Taken		
<i>Holding Company:</i>		
– Indiabulls Wholesale Services Limited	639,600,000	276,400,000
<i>Fellow Subsidiary Company:</i>		
– Albasta Wholesale Services Limited	115,400,000	95,400,000
Total	755,000,000	371,800,000

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Short- Term Loan and Advance Given		
Fellow Subsidiary Company:		
– Indiabulls Technology Solutions Limited	–	2,500,000

(d) Outstanding balances :

Particulars	As at March 31, 2016	As at March 31, 2015
Inter corporate deposit taken		
Holding Company:		
– Indiabulls Wholesale Services Limited	171,100,000	174,600,000
Fellow Subsidiary Company:		
– Albasta Wholesale Services Limited	35,400,000	95,400,000
Total	206,500,000	270,000,000
Interest accrued but not due on secured long -term borrowings		
Holding Company:		
– Indiabulls Wholesale Services Limited	–	9,535,653
Fellow Subsidiary Company:		
– Albasta Wholesale Services Limited	–	254,052
Total	–	9,789,704
Trade payable		
Fellow Subsidiary Company:		
– Airmid Aviation Services Limited	25,762,500	34,138,763
Total	25,762,500	43,928,467
Other current liabilities		
Holding Company:		
– Indiabulls Wholesale Services Limited	124,128	-
Total	124,128	-
Short-term loans and advances		
Wholly owned Subsidiary:-		
-Store One Infra Resources Limited	1,555,414	-
Total	1,555,414	-

(e) Corporate Gurantee

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Corporate Gurantee given for Secured borrowings		
Holding Company:		
– Indiabulls Wholesale Services Limited	215,796,215	399,472,243

(31) Expenditure in Foreign Currency

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Purchase of fixed assets and spares and services	35,959,320	337,674,060

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

(32) Operating lease

The Company has taken premises on operating leases and lease rent of ₹ 12,218,833 (Previous year ₹ 12,377,011) in respect of the same has been charged to statement of profit and loss for the year ended March 31, 2016. The minimum lease rentals payable in respect of such operating leases, are as under:

Minimum lease rentals payable	As at March 31, 2016	As at March 31, 2015
Within one year	11,052,108	12,376,996
Later than one year but not later than five years	35,019,351	28,171,074
Total	46,071,459	40,548,070

(33) Corporate Social Responsibility Expenses

(i) Gross amount required to be spent by the company during the year of ₹ 6,764,170 (Previous year ₹ 5,975,391).

(ii) Amount spent during the year on:

Description	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	Nil	–	Nil
	<i>Nil*</i>	–	<i>Nil*</i>
(ii) On purposes other than (i) above	6,764,170	–	6,764,170
	<i>5975391*</i>	–	<i>5975391*</i>

* Figures in respect of previous year are stated in Italics.

(34) Segment Reporting:

Segment information for the Year ended March 31, 2016 and March 31, 2015; as per Accounting Standard 17 (AS 17) – ‘Segment Reporting’, as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, (as amended).

(a) Primary segment information (by business segments)

Particulars	Management and Maintenance Services		Equipment Renting Services		Construction, advisory and other related activities		Consolidated Total	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
(i) Segment Revenue								
External Revenue	730,862,112	736,973,019	709,384,242	554,574,653	1,155,003,798	52,094,673	2,595,250,152	1,343,642,345
Inter-Segment Revenue	–	–	–	–	–	–	–	–
Total Revenue	730,862,112	736,973,019	709,384,242	554,574,653	1,155,003,798	52,094,673	2,595,250,152	1,343,642,345
(ii) Segment Result								
Profit/(Loss) before Tax and Interest	216,156,354	137,527,979	196,205,963	148,452,449	218,902,535	46,880,051	631,264,852	332,860,479
Add: Unallocated expenditure net of other unallocated income							(32,432,063)	(89,246,141)
Operating Profit							598,832,788	243,614,338
Less: Interest expense							46,092,390	10,983,169
Less: Income taxes and Deferred tax							–	(199,353)
Total Profit from operating activities after tax							552,740,398	232,431,816

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	Management and Maintenance Services		Equipment Renting Services		Construction, advisory and other related activities		Consolidated Total	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
(iii) Segment Assets	38,729,861	706,120,356	1,728,224,077	1,842,621,287	6,685,800,000	-	8,452,753,939	2,548,741,643
Unallocated Corporate Assets							400,056,561	266,815,130
Total Assets							8,852,810,499	2,815,556,773
Segment Liabilities	432,490,274	122,236,123	455,543,353	666,659,082	5,294,762,500	-	6,182,796,127	788,895,205
Unallocated Corporate Liabilities							552,672,194	455,930,655
Total Liabilities							6,735,468,321	1,244,825,860
Capital Employed (Segment Assets-Segment Liabilities)							2,117,342,178	1,570,730,913
(iv) Capital Expenditure including capital advances	3,591,142	1,418,167	53,544,517	459,696,054	-	-	57,135,659	461,114,221
Unallocated Capital Expenditure including capital advances							7,750	6,200
Total Capital Expenditure including capital advances							57,143,409	461,120,421
(v) Depreciation and amortization expense	9,989,901	2,181,282	108,253,490	100,240,523	-	-	118,243,391	102,421,805
Unallocated Revenue							22,157,133	24,420,400
Total Depreciation and amortization expense							140,400,524	126,842,205
(vi) Non-Cash expenditure other than depreciation	-	-	-	-			-	-
Unallocated Non-Cash expenditure other than depreciation							7,206,803	9,577,139
Total Non-Cash Expenditure other than depreciation							7,206,803	9,577,139

- The Company's primary business segments are reflected based on principal business activities carried on by the Company. The Company operates in three reportable business segments i.e. Facility Maintenance Services, Equipment Hiring Services and Construction, advisory and other related activities. . Other non-reportable segments including wholesale trading has been shown under unallocated.
- The Company operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.
- Revenues and expenses directly attributable to segments are reported under each reportable segment. All other revenue and expenses which are not attributable or allocable to segments have been disclosed as unallocable revenue and expenses respectively. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

- (35) In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2016 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet after appropriate provision. Certain balances shown under loans and advances, sundry creditors and balances with banks are subject to confirmation/reconciliation. In the opinion of the Board of Directors, no provision is required to be made against the recoverability of such balances, other than as already provided in the financial statements.
- (36) The company has not entered into any foreign exchange derivative instruments during the year. There are no outstanding foreign currency exposures as at March 31, 2016.
- (37) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date

For **Agarwal Prakash & Co.**
Chartered Accountants
FRN - 005975N

For and on behalf of board of directors

Vikas Aggarwal
Partner

Pia Johnson
Whole Time Director
DIN: 00722403

Mehul Johnson
Director
DIN: 00016075

Vijay Kumar Agrawal
Chief Financial Officer

Vikas Khandelwal
Company Secretary

Place: Gurgaon
Date: May 6, 2016

Notes to Financial Statements (contd.)

Annexure: Statement containing salient features of the financial statement of subsidiaries

[Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 (Form AOC-I)]

Sl. No.	Name of Subsidiary	Reporting period	Reporting Currency	Share capital	Reserve & Surplus	Total Assets (other than investments)	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend (including corporate dividend tax)	% of Share-holding at the end of the reporting period
1	Store One Infra Resources Limited*	2015-16	INR	500,000	(1,044,583)	24,904,638	24,904,638	-	3,776,609	(1,044,583)	-	(1,044,583)	-	100.00%

* Subsidiary incorporated November 05, 2015

For and on behalf of the Board of Directors

Pia Johnson

Whole Time Director
DIN: 00016075

Mehul Johnson

Director
DIN: 03495880

Place: Gurgaon

Date: May 06, 2016

Vijay Kumar Agarwal
Chief Financial Officer

Vikas Khandelwal
Company Secretary

— STORE —
one

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New Delhi- 110 001
Website: www.storeone.in

Corporate Offices

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