KSS LIMITED

Date : September 5, 2017

To,

The Corporate Relation Department ,
BSE Limited,
PJ Tower, Dalal Street, Fort
Mumbai -400001
Scrip Code : 532081

National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra – Kurla Complex, Mumbai 400051
Scrip Code : KSERASERA.

Sub. Submission of annual report for the financial year 2016-17

Dear Sir/Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are enclosing herewith Annual Report of the Company for the Financial Year 2016-17 for your records.

Kindly take the above in your records and oblige.

Thanks & regards,

For KSS Limited
(formerly known as K Sera Sera Limited)

Deepak Tripathi
(company Secretary)

Encl : Annual report for Financial year 2016-17



KSS LIMITED

(Formerly known as K Sera Sera Limited)

22nd ANNUAL REPORT

2016-2017

KSS LIMITED

(Formerly Known as K Sera Sera Limited)

CIN : L22100MH1995PLC092438

Regd: Office : Unit No. 101A/102, 1st Floor, Morya Landmark II, Andheri (w) Mumbai -53

Tel No. 022-42088600 Fax. 022-40427601 Email: Infor@kserasera.com, Website :www.kserasera.com

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COMPANY INFORMATION

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

MR. SATISH RAMSWAROOP PANCHARIYA	- Executive Chairman & Director
MR. HARSH UPADHYAY	- Executive Director
MR. RAKESH ROOPRAM SHARMA	- Independent Director
MS. KUNTI RATTANSHI	- Non Executive Non Independent Women Director
MR. ADITYA PUROHIT	- Independent Director
MR. LALIT JOSHI	- Independent Director
MR. RAHUL KANANI	- Chief Executive Officer
MR. SHAMRAO DAULAT INGULKAR	- Chief Financial Officer
MS. DEEPAK K. TRIPATHI	- Company Secretary (w.e.f. 23/03/2017)

AUDITORS:

Statutory Auditor

M/S. Agrawal Jain And Gupta,
Chartered Accountants
FRN- 013538C
Near Mamta Ice Factory,
Opp. DharmKanta,Ringus Road,
Chomu,Jaipur - 303702.

Internal Auditor

Mr. Sunil Sureka
Chartered Accountants
M. No.- 139836
202/93 Poonam complex,
Shanti Park,
Mira Road East -401107

Secretarial Auditor

Mr. Sandeep Dubey
Practicing Company Secretary
M.No. 47940
B-204, 2nd Floor, Rajani Park,
SV Road, Near Sai Mandir,
Bhayander (East), Thane- 401105

BANKERS:

Kotak Mahindra Bank Limited
(ING Vysya Bank Limited)
Basement & Ground Floor,
Aditya Tower, Chandrawalkar Road,
Borivali (W)
Mumbai - 400092

ICICI Bank Limited
Grd. Floor, Holar Arcade

Four Bunglows, Andheri (w)
Mumbai - 400053

Axis Bank Limited
Laxmi Mall, Building No. 5,Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400053

REGISTERED OFFICE:
KSS Limited
(Formerly known as K Sera Sera Limited)
CIN:L22100MH1995PLC092438
Unit No. 101A and 102, 1st Floor,
Plot No. B-17, Morya Landmark II,
Andheri (West), Mumbai – 400053.
Tel : (022) 42088600 Fax: (022) 40427601
E-mail :info@kserasera.com
website :www.kserasera.com

REGISTRAR AND SHARE TRANSFER AGENTS:
Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp.Vasant Oasis, Makwana Road, Marol,
Andheri (E), Mumbai - 400 059.
Tel: 91-22-62638200 |91-22- 40430200| 91-22-2847 0653
Fax: 91-22-62638299
E-mail :investor@bigshareonline.com
website: www.bigshareonline.com

KSS LIMITED

NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Members of KSS Limited (CIN L22100MH1995PLC092438) will be held at Kailash Parbat, K-P Restaurant, 7A/8A, 'A' A-Wing, Crystal Plaza, New Link Road, Andheri West, Mumbai 400053, Maharashtra on Friday, September 29, 2017 at 9:30 A.M. to transact the following Business:

Ordinary Business

1. To receive, consider and adopt the audited financial statement of the Company for the year ended March 31, 2017 together with the reports of the Directors' and Auditors' thereon and the consolidated audited financial statement of the Company for the year ended March 31, 2017.

2. To appoint a director in place of Mr. Harsh Upadhyay (DIN: 07263779), who retires by rotation and being eligible offers himself for reappointment.

3. To ratify the appointment of Auditors and in this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**
   "RESOLVED THAT pursuant to the resolution passed by the members in the 21st Annual General Meeting of the Company held on 30th September, 2016 and pursuant to the provisions of section 139, 142 and all other applicable provisions, if any of the Companies Act, 2013, and the rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Agarwal Jain & Gupta (Firm Registration No.: 0135838C), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 23rd Annual General Meeting of the Company, at such remuneration as may be fixed by the Board of Directors of the Company in consultation with them."

Special Business

4. **Re- Appointment of Mr. Satish RamswaroopPanchariya (DIN No: 00042934) as a Chairman of the Board/Company. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 152, 196, and 197, and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to re-appointment of Mr. Satish RamswaroopPanchariya (DIN: 00042934) as the Chairman of the Board / Company for a period of five years effective from November 29, 2017 on the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting.

   "**RESOLVED FURTHER THAT** the Board of the Directors be and is hereby authorised to alter, vary and modify the terms and conditions which is hereby specifically approved, in the conformity with the requirements in such manner as may be agreed to between the Board and Mr. Satish RamswaroopPanchariya."

   "RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts things and deeds as may be necessary to give effect to the above resolution."

5. Re-Appointment of Mr. Rakesh Roopram Sharma (DIN.06384452) as a Non-Executive Independent Director.
To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and such other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 , Mr. Rakesh Roopram Sharma (DIN No.: 06384452), who was appointed as an Independent Director by the Company on December 29, 2012 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a notice in writing from him under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from November 29, 2017.

Date: 14.08.2017
Regd office:
Unit No. 101A and 102, 1st Floor,
Plot No. B-17, Morya Landmark II
Andheri (West), Mumbai- 400053
CIN: L22100MH1995PTC092438

By Order of the Board
For KSS Limited

Deepak K. Tripathi
Company Secretary

KSS LIMITED

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING OF THE COMPANY IS ENTITLED TO APPOINT ANOTHER PERSON AS PROXY/ PROXIES TO ATTEND AND VOTE AT THE MEETING (ON THE CALLING OF A POLL ONLY) INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Notice. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

2. The Register of Members and Share Transfer Registers of the Company will remain closed from September 22, 2017 to September 28, 2017.

3. Members are requested to sign at the place provided for the attendance slip annexed to the Proxy Form and handover the slip at the entrance to the place of the meeting.

4. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the Annual Report to the meeting.

5. Corporate Members are requested to send a duly certified copy of the board resolution authorizing their representatives to attend and vote at the Annual General Meeting

6. Information to Shareholders in pursuance of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 with reference to Appointment of Directors in item no. 4 and 5 of the notice is provided in the Explanatory Statement under section 102 of the Companies Act, 2013 and for Item No. 2 for re-appointment of Director is annexed herewith the notice.

7. The Company is pleased to offer e-Voting facility for its Members to enable them to cast their votes electronically. The business as set out in the Notice may be transacted and that:

a. The Company is providing facility for voting by electronic means in compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.
b. The Facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote may exercise their vote through ballot paper.
c. The Members who have cast their vote by remote e-voting shall not be entitled to cast their vote again. The procedure and instructions for members for voting electronically are as under:

i. The voting period begins at 9:00 A.M. on September 26, 2017 and ends at 5:00 P.M. on September 28, 2017. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 22, 2017, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue

Voting through electronic means

A. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. 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 National Securities Depository Limited (NSDL).

B. The facility for 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.

KSS LIMITED

C. The members who have 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.

D. The remote e-voting period commences on 26th September, 2017 (9:00 am) and ends on 28th September, 2017 (5:00 pm). During this period members' of the Company, holding shares eitherin physical form or in dematerialized form, as on the cut-off date of 22nd September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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

a) In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

i. Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

ii. Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/

iii. Click on Shareholder - Login

iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

v. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

vi. Select "EVEN" of " KSS Limited".
vii. Now you are ready for remote e-voting as Cast Vote page opens.
viii. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
ix. Upon confirmation, the message "Vote cast successfully" will be displayed.
x. Once you have voted on the resolution, you will not be allowed to modify your vote.
xi. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to**cs.sandeepdubey@gmail.com** with a copy marked to **evoting@nsdl.co.in**

G. In case a Member receives physical copy of the Notice of AGM for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy:

i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :
ii. EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN

iii. Please follow all steps from Sl. No. (ii) to Sl. No. (xi) above, to cast vote.

H. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

I. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

J. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

K. 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 of 22nd September, 2017.

L. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in, investor@bigshareonline.com or Issuer/RTA.

However, if you are already registered with NSDL 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 User Details/Password" option available on www.evoting.nsdl.comor email evoting@nsdl.co.in (with relevant details) or contact NSDL at the following toll free no.: 1800-222-990.

M. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM

N. 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.

O. Mr. Sandeep A. Dubey (Mem. No. ACS 47940) Practicing Company Secretary, has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

P. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter 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 three days 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 countersign the same and declare the result of the voting forthwith.

The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.Kserasera.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE / NSE Limited, Mumbai.

8. The Results shall be declared within 48 hours after the Annual General Meeting of the Company. The results declared along with the Scrutinizers Report shall be placed on the company's website www.kserasera.com and on the website of NSDL www.evoting.nsdl.com and the same shall also be communicated to BSE Limited and NSE, where the shares of the Company are listed.

9. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the registered office of the Company on all working days between 11.00 a.m. and 1.00 p.m. except Sundays and public holidays, up to the date of the AGM.

10. The members are requested to note:

i. **Change of Address/ Bank Details:** Members holding shares in physical form are requested to inform M/s Bigshare Services Private Limited (Company's Registrar & Transfer Agent), immediately of any change in their address and bank details. Members holding shares in dematerialized form are requested to intimate all changes with respect to their address, bank details, mandate etc. to their respective Depository Participants.These changes will then be automatically reflected in the Company's records. This will help the Company to provide efficient and better service to the members.The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market for transaction of transfer , transmission /transposition and deletion of name of deceased shareholder. Members holding shares in demat form are, therefore requested to update their PAN and Other necessary data to depository participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to Registrar & Share Transfer Agent M/s. Bigshare Services Private Limited accordingly for registration of transfer of shares, Demat, or transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to M/s. Bigshare Services Private Limited.

ii. Section 72 of the Companies Act, 2013, provides for Nomination by the Shareholders of the Company in the prescribed Form No. SH-13 for shares held in physical form. Blank forms will be supplied by M/s Bigshare Services Private Limited on request. Members holding shares in dematerialized form may contact their respective Depository Participants for recording of nomination.

iii. Members seeking any information with regards to the Accounts are requested to write to the Company at an early date, as to enable the Management to keep the information ready at the meeting.

iv. Members attending the Annual General Meeting are requested to bring with them the followings (as applicable):
   a. Members holding shares in dematerialized form, their DP & Client ID Numbers.
   b. Members holding shares in physical form their folio numbers.

KSS LIMITED

c. Copy of the Annual Report & Notice.
d. The Attendance slip duly completed as per the specimen signature lodged with the Company.
e. Member Companies/Institutions are requested to send a copy of the resolution of their Board/Governing Body, authorizing their representative to attend and vote at the Annual General Meeting.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("The Act")

Item No 4. Re-appointment of Mr Satish RamswaroopPanchariya (DIN No: 00042934) as a Chairman of the Board / Company.

Mr. Satish RamswaroopPanchariya was appointed as the Chairman of the Company by the Shareholders at the 17th Annual General Meeting of the Company held on 29th December, 2012 for a period of 5 years. . In view of appreciable performance of Mr. Satish RamswaroopPanchariya as the Chairman of the Company, the Board of Directors of the Company are of the opinion that it is in the interest of the Company to re-appoint Mr. Satish RamswaroopPanchariya as the Chairman of the Company to manage the day to day affairs of the Company and have therefore recommended the re-appointment of Mr. Satish RamswaroopPanchariya as the Chairman of the Company and the Remuneration Committee have recommended the re-appointment of Mr. Satish RamswaroopPanchariya for a period of 5 (Five) years effective from November, 29th 2017 with revised remuneration of Rs. 1,25,000 / month and on the terms and conditions agreed and accepted between Mr. Satish RamswaroopPanchariya and the Company.

S.No.	Name of the Director	Satish RamswaroopPanchariya
1.	Date of Birth	27/07/1970
2.	Nationality	Indian
3.	Date of Appointment on the Board	20/09/2012
4.	Expertise in specific functional area	Marketing, Media, Investment Advisory
5.	Number of Shares held in the Company	Nil
6.	Directorship held in other public companies (except foreign companies and Government Bodies)	K Sera SeraMiniplex Limited
7.	Chairman/ Member in the Committee's of the boards in which he/ she is Director (includes only Audit Committee, Stakeholders' Relationship Committee andNomination and Relationship Committee)	Nil
8	Detail of directorship in another public company	Alkaindia Limited, K Sera Sera Digital Cinema Limited

A copy of the draft letter of re-appointment of Mr. Satish RamswaroopPanchariya as a chairman would be available for inspection to the shareholders at the registered office of the Company on all working days (except Sundays and Public Holidays) between 11:00 a.m. and 1:00 p.m. till the date of the meeting.

The Notice and this Statement may also be regarded as a disclosure Regulation 36 (3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

Other than Mr. Satish RamswaroopPanchariya and except to the extent of their respective holdings (if any) in the equity shares of the Company, if any, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution.

The Board recommends this Resolution for your Approval.

Item No. 5 Re-Appointment of Mr. Rakesh Roopram Sharma (DIN.06384452) as a Non-Executive Independent Director.

Mr. Rakesh Roopram Sharma (DIN.06384452) was appointed as an Independent Director in the Annual General Meeting held on December 29, 2012. His appreciable knowledge in legal and economic field and its related matters

The Board of Directors has proposed the candidature of Mr. Rakesh Roopram Sharma as an Independent Director to be appointed under the provisions of Section 149 and 152 of the Companies Act, 2013. The Company has received from Mr. Rakesh Roopram Sharma Intimation in Form DIR- 8 in terms of Companies(Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and a declaration to the effect that he meets the criteria of independence as provided in sub-section (6)of Section 149 of the companies Act, 2013.

In the opinion of the Board of Directors, Mr. Rakesh Roopram Sharma proposed to be appointed, as an Independent Director, fulfills the conditions specified in the Companies Act, 2013 and the Rules made hereunder and also the provisions as laid down in listing regulation and he is independent.

The Notice and this Statement may also be regarded as a disclosure under SEBI regulations of the Listing Regulations. None of the Directors of the Company in anyway, except Mr. Rakesh Roopram Sharma in his personal capacity for whom the Resolution relates, are interested or concerned in the Resolution.

The resolution seeks the approval of members for the re-appointment of Mr. Rakesh RoopramSharmaan Independent Director of the Company for a term of 5 consecutive years pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made hereunder. He is not liable to retire by rotation.

The brief of his profile is as follows:

S.No.	**Name of the Director**	**Mr.** Rakesh Roopram Sharma
1.	Date of Birth	16.03.1968
2.	Nationality	Indian
3.	Date of Appointment on the Board	29/12/2012
4.	Qualification	Lawyer
5.	Expertise in specific functional area	Legal matters
6.	Number of Shares held in the Company	Nil
7.	Number of Board Meetings attended	Nil
8.	Directorship held in other public companies (except foreign companies and Government Bodies)	K Sera Sera Digital Cinema Limited
9.	Chairman/ Member in the Committee's of the boards in which he/ she is Director (includes only Audit Committee, Stakeholders' Relationship Committee and Nomination and Relationship Committee	Chairman of Audit Committee- KSS Limited,K Sera Sera Digital Cinema Limited Chairman of Nomination and Remuneration Committee- KSS Limited,K Sera Sera Digital Cinema Limited Stakeholders' Relationship Committee- KSS Limited,K Sera Sera Digital Cinema Limited

A copy of the draft letter of appointment of Mr. Rakesh Roopram Sharma as an Independent Director would be available for inspection to the shareholders at the registered office of the Company on all working days (except Sundays and Public Holidays) between 11:00 a.m. and 1:00 p.m. till the date of the meeting.

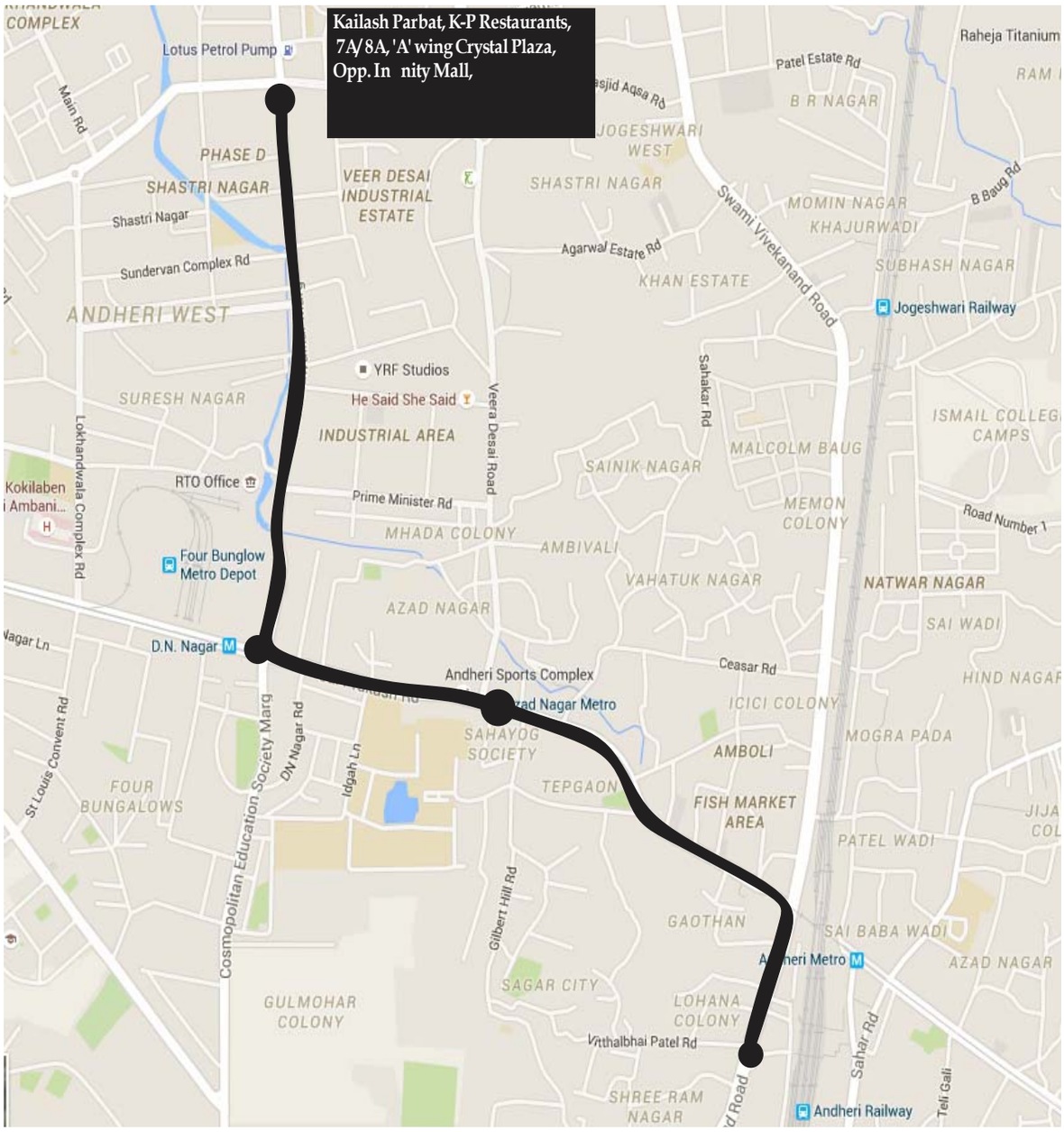
The Notice and this Statement may also be regarded as a disclosure Regulation 36 (3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

Other than Mr.RakeshRoopramSharmaand except to the extent of their respective holdings in the equity shares of the Company, if any, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution.

The Board recommends this Resolution for your Approval.

KSS LIMITED

ROUTE MAP FOR AGM VENUE



KSS LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 22nd Annual Report together with the Audited Statement of Accounts of KSS Limited for the year ended March 31, 2017.

1. SUMMARISED FINANCIAL HIGHLIGHTS **(Rs. In Lacs)**

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Revenue from operations & other operating income	175.00	97.88	3802.66	4477.07
Profit/ (Loss) Before taxation & Exceptional Items	50.91	(335.46)	176.69	(88.70)
Add: Exceptional Items	-	-	-	-
Profit/ (Loss) before Tax	50.91	(335.46)	176.69	(88.70)
Less: Tax expenses	(37.89)	(64.93)	(72.42)	(70.38)
Profit/ (Loss) after Taxation	88.80	(270.53)	104.28	(18.32)
Balance brought forward from the previous year	(4552.41)	(4281.88)	27185.67	27203.99
Balance carried forward to next year	(4463.60)	(4552.41)	27289.96	27185.67

2Highlights of the Performance of Company and its Subsidiaries:

On standalone basis total revenue of the Company stood at Rs. 175.00 Lacs during the period under review as compared to the total revenue of Rs. 97.88 Lacs in the previous financial year. The post tax profit / (loss) for the financial year 2016-17 and 2015-16 is Rs.88.80 and Rs.(270.53) Lacs respectively.

The Company has Six (6) Subsidiaries as on date, the financial highlights of the said subsidiaries are as follows:

a) K Sera Sera Digital Cinema Limited – The total revenue of the Company stood at Rs. 1850.42 Lacs during the period under review as compared to the total revenue of Rs. 1702.75 Lacs in the previous financial year. The post tax profit for the financial year 2016-17 and 2015-16 is Rs.64.39 Lacs and Rs. 48.96 Lacs respectively.

b) K Sera SeraMiniplex Limited- The total revenue of the Company stood at Rs. 801.26 Lacs during the period under review as compared to the total revenue of Rs. 865.65 Lacs in the previous financial year. The post tax profit / (loss) for the financial year 2016-17 and 2015-16 is Rs. (39.89) and Rs. 67.53 Lacs respectively.

c) K Sera Sera Box Office Private Limited- The total revenue of the Company stood is NIL during the period under review and corresponding previous financial year. The post tax loss for the financial year 2016-17 and 2015-16 is Rs. 0.58 Lacs and Rs. 4.18 Lacs respectively.

d) K Sera Sera Productions FZE- The total revenue of the Company stood at Rs. 174.89 Lacs during the period under review as compared to the total revenue of Rs. 1903.78 Lacs in the previous financial year. The post tax profit for the financial year 2016-17 and 2015-16 is Rs. 12.66 Lacs and Rs.. 140.14 Lacs respectively

e) Birla Jewels Limited – The total revenue of the Company stood at Rs. 754.74 Lacs during the period under review as compared to the total revenue of Rs. 1102.89 Lacs in the previous financial year. The post tax profit for the financial year 2016-17 and 2015-16 is Rs.2.16 Lacs and Rs. 5.86 Lacs respectively

f) Birla Gold and Precious Metals Limited – The total revenue of the Company stood at Rs. 368.03 Lacs during the period under review as compared to the total revenue of Rs. 1057.62 Lacs in the previous financial year. The post tax profit for the financial year 2016-17 and 2015-16 is Rs.3.18 Lacs and Rs.25.08 Lacs respectively

Considering the performance of the above mentioned subsidiaries during the financial year ended 31st March 2017, the total revenue on a consolidated basis was Rs. 3802.66 Lacs as compared to the total revenue of Rs. 4477.07 Lacs in the previous financial year. The Company has incurred post tax profit/(loss) of Rs. 104.28 Lacs in the financial year 2016-17 as compared to the post tax profit/(loss) of Rs. (18.31) Lacs in the previous financial year.

3. Transfer to reserves;

No amount is being transferred to the reserves during the Financial Year 2016-17.

4. Dividend:

The Board of Directors did not recommended any dividend for the year ended March 31, 2017

5. Management Discussion And Analysis Report

The Management Discussion and Analysis of financial condition, including the results of operations of the Company for the year under review as required under Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, is provided as a separate section forming part of the Annual Report.

6. **Consolidated Financial Statements**
The audited consolidated financial statement of the Company prepared in accordance with applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 is provided in the Annual Report.

7. **Subsidiaries:**
The Company has following subsidiaries:
K Sera Sera Digital Cinema Limited India
K Sera Sera Box Office Private Limited India
K Sera SeraMiniplex Limited India
K Sera Sera Productions FZE UAE
Birla Gold and Precious Metals Limited- India
Birla Jewels Limited - India
The Company has following step down subsidiaries:
Cherish Gold Private Limited India
KSS Speed Technology Private Limited
K Sera Sera Holdings Pty Limited Australia

The Company's Policy for determining material subsidiaries is available on the Company's website at www.kserasera.com under Investor Relations>Code of conduct> Policy on Determination of Material Subsidiary(ies).

The financial statements of all the subsidiary companies as on March 31, 2017, forms part of consolidated financial statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013 and the same are prepared in accordance with applicable accounting standards. The financial statements, both standalone and consolidated, are prepared in accordance with applicable accounting standards and as per Schedule III of the Companies Act, 2013 and applicable rules thereto.

In addition to the consolidated financial statements, a detailed financial statement containing the salient features of the financial statement of each of the subsidiary companies as included in the consolidation of financial statements as on March 31, 2017 is annexed herewith as **Annexure -I (AOC 1) and forms part of this Report.**

8. **Directors Responsibility Statement :**
Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

a. in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the statement of profit and loss and cash flow of the Company for the same period;
c. 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. the annual accounts have been prepared on a going concern basis;
e. they have laid down internal financial controls in the company that are adequate and were operating effectively.
f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively

9. **Corporate Social Responsibility**
The provisions of the Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the Company yet.

10. **Insurance:**
The Company's property, equipments and stocks are adequately insured against major risks after taking into account all the relevant factors.

11. **Internal Control Systems and their Adequacy**
The Company has in place adequate internal controls commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditors submits report to the Chairman of the Audit Committee of the Board. Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries.

Based on the report of Internal Auditors, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

12. Directors and Key Managerial Personnel

During the period under review Ms. Vineeta Dwivedi had tendered her resignation from the post of Chief Executive officer (CEO) w.e.f. from July 10th, 2016 and Board placed on record its deep appreciation and thanked her for significant contributions and valuable guidance during her association with the Company further Mr. Rahul Kanani was appointed as a chief Executive officer of the company from August 12, 2016. During the period under review Ms. Tanu Singh, Company Secretary of the company had resigned on September 30, 2016 , Board placed on record its deep appreciation and thanked her for their significant contributions and valuable guidance during her association with the Company and Ms. HitaVadgama was appointed as a company secretary from October 1st, 2016 to March 11, 2017 and from March 23rd, 2017 Mr. Deepak Tripathi have been appointed as a company secretary under section 203 of companies act 2013 and other applicable regulations & provisions of SEBI (Listing Obligation and Disclosure Requirement) 2015.

Declaration by Independent Director(s)

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149 (6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 read with Rule 8 (4) of the Companies (Accounts) Rules, 2014 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an annual performance evaluation of, the directors individually as well as the evaluation of the working of its Committees including the Chairman of the Board.

The board's performance for the current year was assessed on the basis of participation of directors, quality of information provided/available, quality of discussion and contribution etc. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering the aforesaid aspects of the Board's functioning. The overall performance of the Board and Committee's of the Board was found satisfactory.

The overall performance of Chairman, Executive Directors and the Non-executive Directors of the Company is satisfactory. The review of performance was based on the criteria of performance, knowledge, analysis, quality of decision making etc.

Familiarisation programme for Independent Directors

The Familiarisation Programme is formulated with the aim to make the Independent Directors of KSS Limited aware about their role, responsibilities and liabilities in the Company and to learn about the nature of the industry in which the company operates, business model of the Company, etc. The policy on Company's familiarization programme for Independent Director has been uploaded on the website of the Company at www.kserasera.com under Investor Relations> Code of Conduct>Familiarization Programme for Independent Directors

Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

13. Auditors & Auditors' Report

Statutory Auditor

M/s. Agrawal Jain & Gupta (Firm Registration No: 013538C), Chartered Accountants, were appointed as a Statutory Auditor of your Company for a term of four (4) years from the conclusion of the twentieth (20th) Annual General Meeting till the conclusion of the Twenty fourth (24th) Annual General Meeting, subject to ratification at every subsequent Annual general Meeting and are eligible for re-appointment.

They have confirmed their eligibility and willingness to be re-appointed. A resolution seeking ratification of their appointment is provided in the notice.

The Notes on financial statements referred to in the Auditors Report are self–explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Internal Auditor : During the year under review Mr. Sunil Sureka (Membership No. 139836) Charted Accountant is appointed as internal auditor of the company to conduct the internal audit of the company

Secretarial Auditor

The Secretarial Audit Report is annexed herewith marked as **Annexure II (Form MR-3)** to this Report. The Secretarial Audit Report does not contain any qualification, reservations or adverse remark.\

KSS LIMITED

14. Disclosures

Audit Committee

The Audit Committee as on March 31, 2017 comprises of the members namely, Mr. Rakesh Roopram Sharma (Chairman, Non Executive Independent Director), Mrs. Kunti Rattanshi (Non Executive Non Independent Director) and Mr. Lalit Joshi (Non Executive Independent Director). The Audit Committee played an important role during the year. It coordinated with the Statutory Auditors, Internal Auditors and other key personnel of the Company and has rendered guidance in the areas of internal audit and control, finance and accounts. All the recommendations made by the Audit Committee were accepted by the Board.

5 meetings of the Audit Committee were held during the year.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee as on March 31, 2017 comprises of the members namely, Ms. Kunti Rattanshi (Chairman, Non Executive Non Independent Director)Mr. Rakesh Roopram Sharma (Non Executive Independent Director), and Mr. Lalit Joshi (Non Executive Independent Director). With the compulsory dematerialization of the Company's shares and electronic mode of transfers, postal dispatches which led to usual complaints, have been minimized. At the year end, 97.35% of the total shares were dematerialized with no unresolved pending investor grievances.

2meetings of the Stakeholders' Relationship Committee were held during the year.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee as on March 31, 2017 comprises of the members namely, Mr. Rakesh Roopram Sharma (Chairman, Non Executive Independent Director), Ms. Kunti Rattanshi (Non Executive Non Independent Director) and Mr. Lalit Joshi (Non Executive Independent Director). The purpose of the Nomination and Remuneration Committee is to recommends to the Board the suitability of candidates for appointment as Key Managerial Personnel, Directors and the remuneration packages payable to them and other employees. Nomination and Remuneration Committee met two times during the year.

Vigil Mechanism / Whistle Blower Policy

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established.

The Vigil Mechanism Policy has been uploaded on the website of the Company at www.kserasera.com under Investor Relations> Code of Conduct>Vigil Mechanism Policy

Meetings of Board

The Board of Directors duly met 9 times during the financial year from April 01, 2016 to March 31, 2017. The dates on which meetings were held are as follows:
(i) 11.04.2016 (ii) 23.04.2016, (iii) 30.05.2016, (iv) 23.07.2016 (v) 12.08.2016, (vi) 11.11.2016 (vii) 30.01.2017 (viii 14.02.2017 (ix) 23.03.2017.

Particulars of Loans, Investments, Guarantees by the Company

The detailed particulars of loans, guarantees and investments made/given by the Company in the year 2016 -2017 as per Section 186 of the Companies Act, 2013 and Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is stated in the Notes to Account which forms part of this Annual Report.

Particulars of Contracts or Arrangements with Related Parties

None of the transactions with related parties falls under the scope of Section 188 (1) of the Companies Act, 2013. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8 (2) of the Companies (Accounts) Rules, 2014 are given in **Annexure -III in Form AOC-2** and the same forms part of this report.

Public Deposits

During the period under review Your Company has not accepted any Public Deposits falling within the purview of section 73 of the Companies Act, 2013. As such, no amount on account of principal or interests on public deposits was outstanding, as on March 31, 2017.

Policy on Related Party Transactions:

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and the Regulation 23 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

This Policy was considered and approved by the Board has been uploaded on the website of the Company at www.kserasera.com under Investor Relations> Code of Conduct>Policy on Related party Transaction.

Prevention, Prohibition and Redressal of Sexual Harassment at Workplace
Company has Sexual Harassment Policy in place and available on Company's website. During the year under review,there were no complaints from any of the employee.

15. Extract of Annual Return
The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as **Annexure-IV**.

16. Conservation of Energy, Technology Absorption, Foreign Exchange
The provisions of Section 134(3)(m) of the Companies Act, 2013, relating to conservation of energy and technology absorption are not applicable to the Company. However, the Company has been continuously and extensively using technology in its operations.

There were no foreign exchange earnings and foreign exchange outgo during the year and in previous year.

17. Particulars of Employees and Directors
The information required pursuant to Section 197 read with Rule, 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any re-enactment/modification thereof) in respect of employees of the Company is as follows:

During the period under review the company had two Executive Director, one Non Executive Non Independent Director and three Non Executive Independent Director and they were not paid any remuneration etc. Further, no sitting fees has been paid to any director during the year.

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

a) Employed throughout the year	Nil
b) Employed for part of the year	Nil

The remuneration paid to all Key Management Personnel was in accordance with remuneration policy adopted by the company.

The information required pursuant to section 197(12) read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect to remuneration to the Whole time directors and Key managerial Personnel, is prepared separately forming part of this report.

Having regard to the first proviso of section 136 (1) of the Companies Act, 2013 the Annual Report is being sent to the members of the Company excluding the aforesaid information. However the said information is available for inspection at the Registered Office of the Company before 21 days of the ensuing Annual General Meeting during business hours on working days.

18. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

The company has received Order from Custom department for outstanding demand of Rs. 15, 33, 67, 556 under section 142 of customs Act 1962 .

19. Share Capital
The paid up Equity Share Capital as on March 31, 2017 is Rs. 2,135,875,070.The Company had allotted 56,48,873 equity shares (pursuant to subdivision 56488730 equity shares of Re.1/- each) of face value of Rs. 10/- each at the rate of Rs. 14.16/- per share on preferential basis pursuant to the conversion of Optionally Convertible Redeemable Bonds (OCRBs) as on November 14, 2014. However the listing permission from the NSE and BSE for the aforesaid issue of equity shares is awaited

20. Unclaimed Shares
During the period under review, the Company had transferred 4340 unclaimed equity shares of Re. 1/- each to the Demat Suspense Account belonging to 3 shareholders on November 07, 2015. The said amount is lying at the end of the year as none of the shareholders approached for transfer of shares from suspense account during the year. Company is holding these shares in a 'Demat Suspense Account' with DP- Nirmal Bang Sec. Pvt Ltd. on behalf of the allottees of these shares.

The voting rights in respect of these shares would remain frozen till the rightful owner claims it as per the procedure laid down under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

21. Corporate Governance and Shareholders Information
Your Company has taken adequate steps to adhere to all the stipulations laid down in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance is included as a part of this

Annual report. Certificate from the Practicing Company Secretary, confirming the compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included as a part of this report.

22. Listing with Stock Exchanges

The Company confirms that it has paid the Annual Listing Fees for the financial year 2017-18 to NSE and BSE where the Company's shares are listed

23. Appreciation and Acknowledgements:

Your Directors wish to place on record their appreciation and sincere gratitude to the various Departments of the Central and State Government, Company's Bankers, clients, media and business constituents for their valuable assistance and support. The Directors also acknowledge the continued support received from investors and shareholders and the confidence reposed by them. The Directors place on record their appreciation for the sincere and dedicated services rendered by all the employees of the Company at all levels.

For and on behalf of Board of directors

Place: Mumbai
Date: August 14, 2017

Satish Panchariya	**Harsh Upadhyay**
Executive Chairman & Director	**Director**
DIN: 00042934	**DIN: 07263779**

KSS LIMITED

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ANNEXURE –I

FORM AOC-1

(Pursuant to first proviso to sub- section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

Part "A": Subsidiaries

	Indian Subsidiary					Foreign
Particulars	K Sera Sera Digital Cinema Limited	K Sera SeraMiniplex Limited	K Sera Sera Box Office Private Limited	Birla Gold and Precious Metals Ltd	Birla Jewels Ltd	K Sera Sera Productions FZE-UAE
Date of Acquisition of Subsidiary	June 04, 2009	Feb 02, 2010	Dec 06,2009	March 14, 2016	March 16, 2016	Nov 09,2009
Reporting Period for the subsidiary	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017
Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	AED (Rate of exchange to INR)
Share Capital	3,000.00	3,000.00	3,000.00	100	99.9	4994.63
Reserves & Surplus	(197.17)	(536.50)	(332.57)	(47.48)	0.70	35963.27
Total Assets	3968.41	3083.57	2747.62	556.29	584.78	41401.65
Total Liabilities	1165.59	620.07	80.20	503.77	484.08	443.75
Investments	300.07	1265.99	2711.50	0	0	8039.07
Turnover	1847.78	801.26	-	368.03	754.74	174.89
Profit before Taxation	100.90	34.56	(58.64)	2.21	1.38	12.66
Provision for Taxation	36.51	74.45	-	(0.96)	(0.77)	-
Profit after Taxation	64.38	(39.89)	(58.64)	3.18	2.16	12.66
Proposed Dividend	-	-	-	-	-	-
% of shareholding	100%	100%	91.42%	100%	100%	100%

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Part "B": Associates and Joint Ventures- Nil

For and on behalf of Board of directors

Place: Mumbai
Date: August 14, 2017

Satish Panchariya	**Harsh Upadhyay**
Executive Chairman & Director	**Director**
DIN: 00042934	**DIN: 07263779**

ANNEXURE -II

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED March 31, 2017
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]
To,
The Members,
KSS Limited
(formerly known as K SERA SERA LIMTIED)
I~~/We~~ have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KSS Limited (formerly known as K SERA SERA LIMITED)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me~~/us~~ a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my~~/our~~ verification of the **KSS Limited (formerly known as K SERA SERA LIMITED)** 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, I/~~We~~ hereby report that in my~~/our~~ opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/~~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 March 31, 2017 according to the provisions of:
(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
As per information and explanation given to me and documents provided for inspection, the Company has maintained minutes book, statutory registers as required by the Act. The Company has filed various E-Forms during the year as a part of Compliance with the Act. The requisite forms were filed with appropriate authority(ies) as and when required.
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
As per information provided the Company has complied with the stated rules.
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
As the shares of the Company are listed on BSE and NSE as per compliance requirement the shares of the Company are in demat form except 56656500 shares as on March 31, 2017 and Company complies with the depositories act. The Registrar of Share Transfer Agent of the Company is Big Share Services Private Limited.
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
As per information and explanation given to me, the Company does not have any transaction attracting FEMA provisions during the year.
The company, having IEC number 0306007649, export rights of several films produced by them and/or for which, the distribution rights were purchased/ acquired by them in the past. By exporting distribution rights of the films in the territories abroad, KSS did import of various capital goods including 400 digital cinematographic projectors under EPCG Scheme – concessional rate of duty 3% with the proper compliances. Under EPCG Scheme company have to export eight times (approx 4500.00 lacs) of duty saved within eight years, but till date company did not export under the said obligation.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; →Intimations were given to exchanges as and when applicability was identified.

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

The notice for the closure of trading window was given to the persons identified to be possessing the price sensitive information.

The said regulations are Complied with as the insider trading notice is issued to the persons possessing price sensitive information before every Board or Members meeting and in case of any Corporate Action or announcements made to Stock Exchanges as the case may be.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

The Company has converted 800 bonds into 56,48,873 equity shares during the year under review for which requisite forms were filed and intimations were given to the regulators. The listing procedure for the said equity shares is in under process, the said equity shares are pari-passu with existing equity shares of the Company.

KSS LIMITED

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; → Not Applicable
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; →Not Applicable

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

The Big share Services Pvt. Ltd is RTA of the Company and is compliant with the said regulations.

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; → Not Applicable

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; →Not Applicable

(iv) The list of other acts applicable is as under:
- Provident Fund and other Employee Benefit related Statutes

The EPF is not applicable to the company during the financial year under review, however, the Company has complied with other applicable Employee Benefit statutes as and when applicable.
- TDS and Service Tax related statutes

As per the information and explanation given to me, the company has been generally regular in depositing the applicable statutory dues (taxes) except delay in some cases which were then deposited with due late payment and interest as may be applicable.

- The Maharashtra Shops and Establishment Act, 1948.
- Prevention of Money Laundering Act.
- The Information Technology Act, 2000.
- The Indian Stamp Act, 1899/Bombay Stamp Act.
- Negotiable Instruments Act, 1881.
- Registration of any property purchase/sale/long lease.
- Wealth Tax Act, 1957.
- Maharashtra Profession Tax under various state level legislations.
- Indian Contract Act, 1872.

As per the information given to me the Profession Tax was paid by the Company. However with respect to MVAT and Customs there is a disputed
liability for which detailed note is given in Notes to Accounts.
As per information and explanation given, the Company has obtained various licenses as may be applicable during the year.
I~~/we~~ have also examined compliance with the applicable clauses of the following:
(i) Secretarial Standards issued by The Institute of Company Secretaries of India. During the period under review (F.Y. 2016-2017) has complied with the provisions ofthe secretarial standards as applicable.

(ii) The Listing Agreement has been entered by the Company with both theExchanges namely Bombay Stock Exchange and National Stock Exchange andCompany has complied with applicable Listing Regulations during the period under Review.

I~~/we~~ further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, along with detailed agenda, 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 as there were no dissenting views by the members.

I~~/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.

I~~/we~~ further report that during the period under review OCRB (Optionally Convertible Redeemable Bonds) were converted into equity shares. There were 800 bonds which were converted into 56,48,873 equity shares of Rs. 10 each, for which proper compliances were done but approval of the Exchange is still pending. These shares are pari-passu with existing equity Shares.

For **Sandeep Dubey & Associates**
(Practicing Company Secretary)

Place :Mumbai

Date :August 17, 2017

Sandeep Dubey
ACS 47940
CP No: 17902

KSS LIMITED

FORM AOC-2 **ANNEXURE -III**

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis**

SI.No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	-
b.	Nature of contracts/ arrangements/ transactions	-
c.	Duration of the contracts/ arrangements/ transactions	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e.	Justification for entering into such contracts or arrangements or transaction	-
f.	Date of Approval by the Board	-
g.	Amount paid as advances, if any	-
h.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

2. **Details of material contracts or arrangements or transactions at arm's length basis**

SI.No.	Particulars	Details
a.	Name (s) of the related party &	K Sera Sera Digital Cinema Ltd.
b.	Nature of relationship	Subsidiary
c.	Nature of contracts/ arrangements/ transactions	Holding company Assets used by
d.	Duration of the contracts/ arrangements/ transactions	Life of projector
e.	Salient terms of the contracts or arrangements or transaction including	Holding company Assets used by
f.	Amount paid as advances, if any	Nil
g.	Date of Approval by the Board	08.11.2010
h.	Amounts incurred during the year (Rs. In Lakhs)	204.40

For and on behalf of Board of directors

Place: Mumbai
Date: August 14, 2017

Satish Panchariya
Executive Chairman & Director
DIN: 00042934

Harsh Upadhyay
Director
DIN: 07263779

ANNEXURE -IV

EXTRACT OF ANNUAL RETURN
FORM MGT-9
(Pursuant to section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Company (Management & Administration) Rules, 2014

Financial Year ended 31.03.2017

I. REGISTRATION & OTHER DETAILS			
1	**CIN**	:	L22100MH1995PLC092438
2	**Registration Date**	:	06/09/1995
3	**Name of the Company**	:	KSS Limited (Formerly known as K Sera Sera Limited)
4	**Category/ Sub- Category of the Company**	:	Company having Share Capital
5	**Address of the Registered Office & contact details**	:	Unit No. 101A and 102, 1st Floor, Plot No. B-17, Morya Landmark II, Andheri (West), Mumbai-400053 Tel : (022) 42088600 Fax: (022) 40427601 E-mail :info@kserasera.com website :www.kserasera.com
6	**Whether listed Company**	:	Yes (NSE & BSE)
7	**Name , Address & contact details of the Registrar & Transfer Agent, if any.**	:	Bigshare Services Private Limited E 2/3 Ansa Industrial Estate Saki Vihar Road, Saki Naka, Andheri(East) Mumbai 400 072. Tel : (022) 42088600 Fax: (022) 40427601 E-mail :info@bigshareonline.com website: www.bigshareonline.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:

S.No.	**Name & Description of main products/ services**	**NIC Code of the Product/ service**	**% to total turnover of the Company**
1.	Movies Distribution	59131	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

S. No.	**Name & Address of the Company**	**CIN / Registration No.**	**HOLDING/SUBSIDIARY/ ASSOCIATE**
1.	K Sera Sera Box Office Private Limited Unit No. 101A and 102, 1st Floor, Plot No. B-17, Morya Landmark-II, Andheri (West), Mumbai- 400053	U22130MH2009PTC193284	Indian Subsidiary
2.	K Sera Sera Digital Cinema Limited Unit No. 101A and 102, 1st Floor, Plot No. B-17, Morya Landmark-II, Andheri (West),	U72900MH2009PLC192998	Indian Subsidiary

	Mumbai- 400053		
3.	K Sera SeraMiniplex Limited Unit No. 101A and 102, 1st Floor, Plot No. B-17, Morya Landmark-II, Andheri (West), Mumbai- 400053	U93090MH2010PLC199549	Indian Subsidiary
4.	Birla Gold and Precious Metals Limited Unit No. 101A and 102, 1st Floor, Plot No. B-17, Morya Landmark-II, Andheri (West), Mumbai- 400053	U51900MH2001PLC133454	Indian Subsidiary
5.	Birla Jewels Limited (formerly known as K Bazaar Online Trading Private Limited) Unit No. 101A and 102, 1st Floor, Plot No. B-17, Morya Landmark-II, Andheri (West), Mumbai- 400053	U74999MH2011PLC217746	Indian Subsidiary
6.	K Sera Sera Productions FZE-UAE P.O. Box 51822, ELOB Office No. E2-105F-63 Hamriyah Free Zone, Sharjah, UAE	5205	Foreign Subsidiary
7.	Cherish Gold Private Limited (formerly Known as K Kampus Education Private Limited Unit No. 101A and 102, 1st Floor, Plot No. B-17, Morya Landmark-II, Andheri (West), Mumbai- 400053	U74110MH2010PTC210556	Indian Step down Subsidiary
8.	KSS Speed Technology Private Limited (formerly known as K Sera Sera Consultancy Private Limited) Unit No. 101A and 102, 1st Floor, Plot No. B-17, Morya Landmark-II, Andheri (West), Mumbai- 400053	U93000MH2011PTC211848	Indian Step down Subsidiary
9.	K Sera Sera Holdings Pty Limited Level 9, 550, Bourke Street, Melbourne, VIC, 3000	146219865	Foreign Step down Subsidiary

IV. 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**
A. **Promoters**	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1. **Indian**									
Individual/ HUF	-	-	-	-	-	-	-	-	-
Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks/ FI	-	-	-	-	-	-	-	-	-

Any Other	-	-	-	-	-	-	-	-	-
SUB TOTAL: (A) (1)	-	-	-	-	-	-	-	-	-
2. **Foreign**									
NRI- Individuals	-	-	-	-	-	-	-	-	-
Other Individuals	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks/ FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
SUB TOTAL: (A) (2)	-	-	-	-	-	-	-	-	-
							-		
TotalShareholding of promoter (A)= (A) (1)+ (A) (2)	-	-	-	-	-	-	-	-	-
B. **Public Shareholding**									
1. **Institutions**									
a. Mutual Funds	-				-	-	-	-	
b. Banks/ FI	540	-	540	0.00	540	-	540	0.00	0.00
c. Central Government	-	-	-	-	-	-	-	-	
d. State Government	-	-	-	-	-	-	-	-	
e. Venture Capital Fund	-	-	-	-	-	-	-	-	
f. Insurance Companies	-	-	-	-					
g. FIIs	918720612	-	967820612	43.01	890953933	-	890953933	41.71	(1.30)
h. Foreign Portfolio Investor/VCF	49100000	-	49100000-	2.30-	49100000-	-	49100000-	2.30	0.00
i. Others	-	-	-	-	-	-	-	-	
SUB TOTAL: (B) (1)	967821152	-	967821152	45.31	940053933	-	940053933	44.01	(1.30)
2. **Non Institutions**									
a. Bodies Corporate (Indian & Overseas)	259981606	56488730	316470336	17.46	414590108	56488730	358101378	17.12	(0.34)
b. Individuals									
i. Individual shareholders holding	306565069	167770	306732839	14.36	335651590	167770	335819360	15.722	1.36

nominal share capital up to Rs. 2 Lakhs									
i. Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	409501860	-	409501860	19.17	420981862	-	420981862	19.71	0..54
c. Any Other (specify)									
Clearing Members	123193699	0	123193699	5.77	48931298	-	48931298	2.29	(3.48)
NRIs	12150844	0	12150844	0.57	24414927	-	24414927	1.14	0.57
Unclaimed Suspense Account	4340	-	4340	-	4340	-	4340	0.00	0.00
SUB TOTAL: (B) (2)	1111397418	56656500	1168053918	54.68	1244574125	56656500	1301230625	55.99	
Total Public Shareholding (B)= (B) (1)+ (B) (2)	2079218570	56656500	2135875070	100	2079218570	56656500	2135875070	100	-
C. **Shares held by custodian for GDRs & ADRs**	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2079218570	56656500	2135875070	100	2079218570	56656500	2135875070	100	-

ii. **Shareholding of Promoters:**

S.I. 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				
NIL								

iii. **Changes in Promoters' Shareholding (Specify if there is no change)**

SI. No.		Shareholding at the beginning of the year	Cumulative Shareholding during the year
1.	**At the beginning of the year**	Nil	
2.	**Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons No changes in Promoters shareholding during the year for increase/decrease(e.g. allotment /transfer/bonus/ sweat equity etc.)**	No changes in Promoters shareholding during the year	

3.	**At the end of the year**	Nil

iv. **Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters, & Holders of GDRs &ADRs)**

	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.	India Max Investment Fund Ltd	74857802	3.50	50416377	2.36
2.	Emerging Market opportunity Fund	18930000	8.86	185774746	8.70
3.	Aspire Emerging Fund	205800000	9.64	205800000	9.64
4.	Auctor Investments Ltd	200989500	9.64	200989500	9.41
5.	India Focus Cardinal Fund	9710000	4.55	97100000	4.55
6.	KII Limited	81707340	3.83	81707340	3.83
7.	Kuvera Fund Ltd	64200000	3.01	64200000	3.01
8.	Basmati Securities Pvt Ltd	47291590	2.21	47291590	2.21
9.	Darpad Trading Private Limited	70995205	3.39	69618680	3.26
10.	Maars Infratech Private Limited	43257445	2.03	43257445	2.03
11.	Manoditi Trading Private Limited	31938959	1.50	21938959	1.03
12.	Sunita Sarwankumar Saraf	23064300	1.08	23064300	1.08
13.	Birla Financial Distribution Limited	5648873	2.64	56488730	2.64

Note: The change in the shareholding in the above shareholders (pt. 1 to pt. 12) was due to buying/ selling of shares by the shareholders on various dates. The shareholding of Birla Financial Distribution Limited in pt. 13 represents the allotment of 56,48,873 equity shares of face value of Rs. 10/- each at the rate of Rs. 14.16/- issued on a preferential basis pursuant to the conversion of Optionally Convertible Redeemable Bonds (OCRBs) in the financial year 2014-15.

v. **Shareholding of Directors and Key Managerial Personnel as on March 31, 2017 :**

During the period under review none of the Directors or KMPs holds shares in the Company

vi. **Indebtness :**

Indebtness of the Company including interest outstanding / accrued but not due for repayment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	20.00	-	20.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	540.14	-	540.14
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	560.14	-	560.14
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

vii. **Remuneration of Directors and Key Managerial Personnel**

Remuneration to Managing Director, Whole-time Directors and/or Manager

SI, No	**Particulars of Remuneration**	**Name of MD/WTD/Manager**				**Total Amount**
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)Income Tax Act, 1961 c. Profits in lieu of salary under section 17(3) Income Tax Act, 1961	**-**	**-**	**-**	**-**	**-**
2.	Stock Option	**-**	**-**	**-**	**-**	**-**
3.	Sweat Equity	**-**	**-**	**-**	**-**	**-**
4.	Commission • As % of profit • Others, specify	**-**	**-**	**-**	**-**	**-**
5.	Others, please specify	**-**	**-**	**-**	**-**	**-**
	Total (A)	**-**	**-**	**-**	**-**	**-**
	Ceiling as per the Act	**-**	**-**	**-**	**-**	**-**

B. **Remuneration to other directors :**

SI. No	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)= (1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall ceiling as per the Act	-	-	-	-	-

C. **Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD**

SI, No	Particulars of Remuneration	Company Secretary	Total Amount
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)Income Tax Act, 1961 c. Profits in lieu of salary under section 17(3) Income Tax Act, 1961	4,72,342	4,72,342
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission • As % of profit • Others, specify	-	-
5.	Others, please specify	-	-
	Total (C)	4,72,342	4,72,342

viii. Penalties / Punishment / Compounding of Offences

SI, No	Type	Sections of the Companies Act	Brief Description	Details of Penalty Authority Appeal made,Companies Act / Punishment	Authority (RD/NCLT/ Court)	Total Amount
A. COMPANY		-	-	-	-	-
Penalty		-	-	-	-	-
Punishment		-	-	-	-	-
Compounding		-	-	-	-	-
B. DIRECTORS		-	-	-	-	-

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of Board of directors

Place: Mumbai
Date: August 14, 2017

Satish Panchariya
Executive Chairman & Director
DIN: 00042934

Harsh Upadhyay
Director
DIN:07263779

KSS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MACRO ECONOMIC ENVIRONMENT IN INDIA

Media and Entertainment Industry

The Indian media and entertainment industry in 2016 was able to sustain a healthy growth on the back of strong economic fundamentals and steady growth in domestic consumption coupled with growing contribution ofrural markets across key segments. These factors aided the industry to grow at 9.1 per cent on the back of advertising growth of 11.2 per cent, despite demonetisation shaving off 150 to 250 basis points in terms of growth across all sub-segments at the end of the year.

The Film Industry was also adversely impacted by demonetization growing merely by 3% in 2016, however it is expected to recover and grow by 7.7% CAGR till 2021 primarily driven by the growing acceptance for Regional movie content. The Indian media & entertainment sector is expected to grow at a Compound Annual Growth Rate (CAGR) of 13.9 per cent to touch Rs 2.42 trillion (US$ 37.57 billion) by 2021, while revenues from advertising is expected to grow at 15.3 per cent to Rs 1.08 trillion (US$ 16.74 billion).

Over FY 2016-21, radio will likely grow at a CAGR of 16.1 per cent, while digital advertising will grow at 30.8 per cent. The largest segment, India's television industry, is expected to grow at a CAGR of 14.7 per cent, while print media is expected to grow at a CAGR of 7.3 per cent. India is one of the highest spending and fastest growing advertising market globally.

The Foreign Direct Investment (FDI) inflows in the Information and Broadcasting (I&B) sector (including Print Media) in the period April 2000 – March 2017 stood at US$ 6.49 billion, as per data released by Department of Industrial Policy and Promotion (DIPP).

Gems and Jewellery Sector

The Gems and Jewellery sector plays a significant role in the Indian economy, contributing around 6-7 per cent of the country's GDP. One of the fastest growing sectors, it is extremely export oriented and labour intensive. Based on its potential for growth and value addition, India is deemed to be the hub of the global jewellery market because of its low costs and availability of high-skilled labour. India is the world's largest cutting and polishing centre for diamonds, with the cutting and polishing industry being well supported by government policies. Moreover, India exports 75 per cent of the world's polished diamonds, as per statistics from the Gems and Jewellery Export promotion Council (GJEPC). India's Gems and Jewellery sector has been contributing in a big way to the country's foreign exchange earnings (FEEs).

The gems and jewellery market in India is home to more than 500,000 players, with the majority being small players. India is one of the largest exporters of gems and jewellery and the industry is considered to play a vital role in the Indian economy as it contributes a major chunk to the total foreign reserves of the country. The overall net exports of Gems & Jewellery during April 2017 stood at US$ 3.2 billion, whereas exports of cut and polished diamonds stood at US$ 1.75 billion. Exports of gold coins and medallions stood at US$ 553.59 million and silver jewellery export stood at US$ 768.92 million during the year under review.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Media and Entertainment Industry

The Indian M&E industry is expected to grow at a CAGR of 14.3 per cent to INR 2260 billion by 2020 with advertising revenues expected to grow to INR 994 billion at a CAGR of 15.9 per cent.

Films are expected to grow at 10.5 per cent CAGR though largely on the back of growing acceptance of Regional and Hollywood content. Lack of screen density is a key constraint to sustained growth especially for Bollywood content.

The under-penetration of screens continues to limit the domestic performance of the Indian film industry. Having undergone a phase of consolidation, the exhibition players are now focusing on organic screen additions and miscellaneous revenue streams, such as in-cinema advertising and value added services, to drive growth. However, it is high time that both the government and the industry start thinking of innovative solutions to increase the

screen density, and unlock its true potential. In the coming years, digital is expected to emerge as a strong revenue stream as both the domestic as well as international digital platforms are building libraries for Indian audiences.

Gems and Jewellery Sector

The overall gross exports of Gems & Jewellery in April 2016 stood at US$ 3.23 billion, whereas exports of cut and polished diamonds stood at US$ 1.78 billion. Exports of gold coins and medallions stood at US$ 302.67 million and silver jewellery export stood at US$ 299.69 million in April 2016. The overall gross imports of Gems & Jewellery in April 2016 stood at US$ 2.90 billion.

According to a report by Research and Markets, the jewellery market in India is expected to grow at a Compound Annual Growth Rate (CAGR) of 15.95 per cent over the period 2014-2019.

The cumulative Foreign Direct Investment (FDI) inflows in diamond and gold ornaments in the period April 2000-December 2015 were US$ 751.37 million, according to Department of Industrial Policy and Promotion (DIPP).

The overall net exports of Gems & Jewellery during April 2017 stood at US$ 3.2 billion, whereas exports of cut and polished diamonds stood at US$ 1.75 billion. Exports of gold coins and medallions stood at US$ 553.59 million and silver jewellery export stood at US$ 768.92 million during the year under review.

Way Forward:

Media and Entertainment Industry

Compared to 2016, the industry is projected to grow at a faster pace of 14 per cent over the period of 2017-21, with advertising revenues expected to increase at a CAGR of 15.3 per cent.

Films are expected to grow at 10.5 per cent CAGR though largely on the back of growing acceptance of Regional and Hollywood content. Lack of screen density is a key constraint to sustained growth especially for Bollywood content.

2016 -17 additions to the ten highest grossing movies of all time

Movie	Collection
Bahubali 2	511.30 crores
Dangal	387.39 crores
Sultan	300.45 crores
M.S. Dhoni: the untold story	133.04 crores

Popularity of star-led films continues to drive overseas collections from diaspora markets. Besides, a few smaller content-driven films have also fared better, especially in the non-diaspora markets, contributing to further growth.

The Indian Media and Entertainment Size: SOURCE: FICCI KPMG REPORT, 2016 ON INDIAN MEDIA AND ENTERTAINMENT INDUSTRY

Film Industry (INR Billion)	**2016**	**2017P**	**2018P**	**2019P**	**2020P**	**CAGR (2016-20)**
Domestic Theatrical	**115.8**	**125.7**	**136.1**	**147.6**	**159.9**	**9.5%**
Overseas Theatrical	**11.4**	**12.4**	**13.5**	**14.5**	**15.6**	**10.9%**
Cable & Satellite Rights	**18.2**	**19.8**	**21.4**	**23.2**	**25.1**	**9.5%**
Home Video	**0.9**	**0.8**	**0.7**	**0.6**	**0.6**	**-12.2%**
Ancillary Revenue Streams	**12.5**	**15.4**	**18.3**	**21.9**	**6.1**	**21.1%**
Total	**158.7**	**174.1**	**190.0**	**207.8**	**227.3**	**10.50%**

Domestic theatricals continued to be the main source of revenue with a 73 per cent share in the total revenues for the Indian film industry. While, Bollywood had a soft year, Hollywood, with its tent pole franchise films and regional films with strong content, more than compensated for the former's downslide performance.

Bollywood films like Bahubali 2 , Dangal, Sultan , M.S. Dhoni: the untold story performed very well at the box office while Hollywood films like Zootopia, Warcraft , Captain America, etc were the highest grossing Hollywood films of 2016.

Further, regional films which are normally the mainstay of single screens, contributed up to 30 per cent in revenues at some national multiplexes during the second and the third quarter, indicating wide acceptance of good regional content. The fourth quarter was muted as a few films with leading actors failed to perform well at the box office. This trend across the quarters is reflected in the occupancy levels of national multiplex chains such as INOX, PVR and miniplex.

Regional Cinemas

The year 2015 stands as a testimony to the establishment of a strong foothold of regional cinema in both domestic as well as overseas market. Tamil and Telugu films, along with Bollywood, make about two thirds of the films produced every year It is expected that the cinema in southern India, especially Tamil and Telugu, shall soon surpass Bollywood in terms of the share of box office collections by language.

'Baahubali 2', a Telugu-language film, grossed INR 500 crores worldwide. It opened in approximately 2,000 screens in northern India market, ultimately contributing about 25 per cent to its overall domestic collections. This phenomenal success suggests that good content is breaking language barriers and fast gaining popularity among audiences.

Hollywood

The year 2016 witnessed a healthy growth in the Hollywood collections compared to 2015. The share of Hollywood in the total domestic collections for India has also witnessed an increase.

In-cinema advertising

One of the reasons for the fast growth of in-cinema advertising has been the effective targeting through captive audiences, unlike TV, Digital and Print. "The in-cinema advertising in India is currently approximately at 1% of the total ad-spends and it could grow at 20% to 25% per annum over the next five years. Innovation and Experiential Marketing will be key drivers.

In cinema advertising is largely driven by major box office clashes. Even factors like demonetisation, which affected ad spends in other domains, did not have any impact on in-cinema advertising. The point is that increasingly the cinema is becoming an alternate and reliable channel for the brands to interact with audiences.

Jewellery Industry

According to a report by Research and Markets, the jewellery market in India is expected to grow at a Compound Annual Growth Rate (CAGR) of 15.95 percent over the period 2014-2019.

According to India Retail Report 2015, total jewellery market is worth RS.2,01,344 Cr (US$ 33.56 bn) growing at 24-26 per cent and is expected to reach Rs.383,000 crore (US$ 63.87 bn) by 2017. Modern retail is estimated at 10 percent of this total market and is expected to grow at a little under 22 percent.

The jewellery market in India is expected to see reasonable growth in the coming years. There is a dynamic change in consumer preferences due to exposure which has made the customer more astute and aware about trends and quality.

Government Initiatives

The Reserve Bank of India has announced norms for gold monetisation scheme, which allows individuals, trusts and mutual funds to deposit gold with banks in return for interest, to help reduce gold imports and alleviate pressure on trade balance.

Indian Institute of Gems & Jewellery (IIGJ) Mumbai, a project of the Gem & Jewellery Export Promotion Council of India (GJEPC), has come-up with three-year Graduate Program in Jewellery Design & Manufacturing Techniques with an introduction to Management studies in collaboration with Welingkar Institute of Management.

Company Overwiew:

Your Company is engaged in the business of content distribution and exhibition of feature films and other activities through its subsidiaries viz., K Sera Sera Digital Cinema Ltd- handling the Digital Cinema Roll Out and K Sera SeraMiniplex Ltd- specializing in the Exhibition Business building Cinema Halls across India. During the period under review, the Company has diversified in the jewellery business by acquiring two new subsidiaries namely, Birla Gold and Precious Metals Limited and Birla Jewels Limited. Both the companies are the wholly owned subsidiaries of KSS Limited.

K Sera Sera Digital Cinema Limited (KSSDCL)

K Sera Sera has launched high definition Cinema Projection Technology, under Sky Cinex brand. The new technology enables to download high quality "digitally mastered content" via satellite to its highly secured servers installed in theatres. The company has heavily invested in Research and Development of this technology. K Sera Sera Digital Cinema currently has approx 300 screens under its umbrella and has grown its presence in the Hindi film market with growing reach in Delhi, UP, Punjab, Uttarakhand, Gujarat, Maharashtra, Himachal Pradesh, Chattisgarh, Madhya Pradesh, Andhra Pradesh Karnataka, West Bengal, Tamil Nadu, Bihar, Assam .

KSSDCL released all Hindi (Bollywood) films as well Bhojpuri, Gujarati, Telugu, Kannada, Bengali and other regional to a huge success. KSS Digital cinema provides state-of-the-art projection technology to E-Cinema across India and is known for its service and efficiency and therefore obtained the ISO 9001:2008 certificate.

The company has increased its collaboration with Digital Projection, UK – the technology partner and projector manufacturer and hired top talent from the industry in both technical and sales fields to grow the business.

The Company is further in the process of developing a fully secured content encryption as per the guidelines of Motion Pictures Solutions (MPS).This will be certified by MPS which will help us in procuring the Hollywood content for the Indian market.MPS is an association representing the DCI group for all the content mastered in DCP format for release in India and overseas. The aforesaid process will lead to increase the number of screens to 500 by March 31, 2017 and further lead to revenue growth of the Company by 30%.

State of Art Theatres – "K SERA SERA'S MINIPLEX"

The Company has conceptualized and designed state of art theatres, "K Sera Sera's Miniplex" with dual objective of entertainment and education which will maximize the utilization of the infrastructure. It has planned to establish 500 miniplex theatres in the 2 and 3 tier cities where there is limited scope of entertainment. These theatres will be located in approximately 527 districts headquarters across the length and breadth of India. The Company has already finalised over 100 plus locations with fit outs at various stages.

The company chalked out a huge expansion plan for its miniplex business over next five years with an investment of Rs 90 crores along with its franchisees. According to its plan KSS Ltd will roll out over 180 screens covering almost 50 locations in the country in next 5 years. KSS Miniplex, a division of KSS Ltd was set up in 2010 with the objective of setting up miniplexes in a JV with the local partners, proposition includes planning, setup, screening, operations and marketing. The partnership entails a profit share of 50:50 with the owner of the miniplex.

KSS Miniplex Ltd. is having around 70 screens under various stages of implementation. 20 screens are already operational in 9 locations, and 10 screens will be added and operational by end of March 2017 and additional 60 screens by March 2018 and remaining will be added by March 2020.

With this expansion plan, KSS Ltd is also expecting a quantum jump in its revenue. The profitability of the current portfolio (KSS Miniplex Ltd. Share) is around Rs 10 lac/screen per year. "With the number of operational screens set to grow many folds over next couple of years the company would witness a significant growth in the revenue, the scope of services also covers assistance in revenue generation from the box office, F&B, education and in-cinema advertising.

KSS Miniplex is also continuing its growth adding new partners and new screens to its portfolio. KSS Miniplex is now the country's 16th largest multiplex company in the country according to Theatre World. We continue to provide top quality entertainment to our audience and excellent support to our clients thus providing an essential service to the Indian cinema industry.

Birla Gold and Precious Metals Limited

Birla Gold and Precious Metals Limited is a service provider and retailer for all kinds of goods and merchandise including precious and semi-precious metals, stones, gold, silver, diamonds, Jewellery and all such other commodities.

Birla Gold and Precious Metals Limited has launched a Jewellery Purchase Product named "Cherish Gold Plan-CGP" – A Smart Savings Plan through which it aims to present to end customers the flexibility to purchase and accumulate fractional amount of 22 karat gold, rather than spending large sums of money to purchase it in one go. Participation of Individuals under this product is voluntary and individuals are free to purchase as much as jewellery at any time. "Cherish gold" is a product and brand/trade name owned by BGPML.

Cherishgold.com is an e-commerce portal/virtual Jewellery Mall wherein the largest collection of Gold, Diamond and Gemstone Jewellery, in the country, is made available. Cherish Gold would help customers to shop from anywhere, any time and offers door-step delivery. The products meet the stringent quality standards of purity, weight, shape, size and aesthetic look.

Birla Jewels Limited

Birla Jewels carries on business as Service provider for all kinds of goods and merchandise including gold, diamonds, jewellery and such other products. It is engaged in distribution and retail of branded jewellery, jewellery products and life style products from its current set of retail outlets, and through their franchisee model under the brand

name "BJewelz". It provides services to equip a jewellery retail outlet through franchisees to successfully run exclusive jewellery retail business under the banner of "BJewelz", a brand owned by Birla Jewels Limited.

The Company is currently focussing on the launching of "BJewelz" retail outlet through franchisee model in various states and down the year is planning to open the Company owned and Company operated retail store of its own.

Gold Mining – "Investment in Citigold Australia via our Australian Step Down Subsidiary" K Sera SeraHoldings Pty Ltd.

Financial Overview

Revenue of the group stood at Rs. 3901.42 Lacs and profit/ (loss) after tax and exceptional item stood at Rs. 104.28 Lacs. Reduction in revenue is mainly on account of paradigm shift in Company's focus and diversification. The diversification of the business are yet to bear fruit

Outlook, Opportunitiesand Threats Outlook:

The Company envisages a huge potential in motion picture production, distribution and television content production activities. The Company also proposes to expand its activities into overseas market. The Company is working towards diversification on and intends to de risk the business. Opportunities:

Exhibition Miniplex:

As previously expressed that metros cities, especially Mumbai and the NCR region have reached saturation K Sera Sera via Miniplex business focuses mainly on Tier 2 and Tier 3 cities which are reasonably well populated; absence of multiplex is pronounced; Market Dynamics in Favour of "SMALL IS BEAUTIFUL". With the dual objective of Entertainment and Education on the Miniplexes should have a positive impact on the profitability of the group.

Exhibition Digital Cinema:

As briefed earlier that digitisation has seen good progress in digital cinema as they are going to play a crucial role in the future of film industry and there is huge potential for conversion to digital cinema with its state of art technology our "Skycinex" should provide greater returns in the future. The company is presently focussing on development of DCI approved technology so that it can release the Hollywood movies

Jewellery Market- Retailer

- With a market size of almost INR 4,54100 crore, the sector has a sizeable share of the GDP at ~5.9 percent, apart from large-scale employment generation and foreign exchange earnings.
- A share of wallet analysis reveals that jewellery accounts for more than a fourth of the discretionary spending by consumers in India. This coupled with rising income levels in India is a major growth driver
- India has an estimated 229 million women aged 20–49. The number of women, the key customer category for jewellery, who are employed in professional sectors is rising very fast
- With more than 300 million people in the 25–29 age group in the period 2011–21, 150 million weddings are expected to take place in this period
- Tier-III inclusion. With landlords and money lenders being the primary source of financial credit in such areas, jewellers have emerged as an alternative, providing investment options through gold jewellery.

Threats:

Market competition, regulatory approvals and fast technological advancement remain a major threat. Piracy continues to dampen the growth, measures taken by the Company to go digital is helping reduce its extent. High Entertainment tax affects revenue to some extent. Film distribution is relatively risky business due to issue of under reporting by exhibitors.

RISK MANAGEMENT:

Some of the key strategic risks the Company faces, their impact and corresponding risk mitigation actions undertaken by the Company are discussed in the table:

KEY RISKS	IMPACT ON THE COMPANY	MITIGATION
Technology	Inability to cope with swift technological developments can	The company has expertise technical support staff who update the management regarding new

	impact business	impact business
Liquidity	Non availability of timely funds may affect our ability to operate and also delay our implementation plans for growth and expansion.	The Company has good Financial support of Banks and Financial Institutions helps the company to reduce its risks.
Regulatory	Unprecedented changes in government policies may impact business operations.	The company is suitably positioned to counter risks, posed by change in government policies.
Delay, cost overruns cancellation and abandonment or completion of films.	Such risks can significantly impact completion and release of films.	Enhanced industry corporatization enables the company to mitigate this risk. This is carried out by entering into specific agreements, fixing the responsibilities of the co-producers, better planning and execution.

Internal Control System and their Adequacy:

Adequate systems of internal controls that commensurate with the size of operation and the nature of business of the Company have been implemented. The Internal control systems are implemented to safeguard company's assets from unauthorized use or disposition, to provide constant check on cost structure, to provide adequate financial and accounting controls and implement accounting standards.

Human Resource Management:

The Company places major emphasis on providing a safe & a healthy working environment to all its employees. We encourage our employees to balance their work and personal relation. The field being one which requires absolute creativity, the performance of its employees is reviewed so as to provide them job enrichment opportunities.

The Directors recognize that continued and sustained improvement in the performance of the Company depends on its ability to attract, motivate and retain employees of the highest calibre. We are committed to the principle of equal employment opportunities.

Further we endeavor to create an environment where employee can use their capabilities in support of the business.

Cautionary Statement: Statement in this Management Discussion and Analysis Report, describing the Company's Objectives, projections, estimates, expectation may be forward looking statements' with the meaning of applicable laws and regulations, Actual results could diûer materially from those expressed or implied.

For and on behalf of Board of Directors

Date: **14.08.2017**
Place: **Mumbai**

Satish Panchariya
Executive Chairman & Director
DIN: 00042934

Harsh Upadhyay
Director
DIN: 07263779

KSS LIMITED

CORPORATE GOVERNANCE REPORT

Introduction Colleague

Corporate governance is about commitment to values and ethical business conduct. It is a set of laws, regulations, processes and customs affecting the way a company is directed, administered, controlled or managed. Effective corporate governance practices constitute the strong foundations on which commercial enterprises are built to last. These practices are categorized through a framework enforced by regulation. It develops through adoption of ethical practices in all of its dealings with a wide group of stakeholders encompassing regulators, employees, shareholders, customers and vendors. This includes its corporate and other structures, culture, policies and the manner in which it deals with various stakeholders. Some of the important best practices of corporate governance framework are timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company. It has become an integral part of the business aligning the organizations to the best practices of good governance.

The detailed report on compliance by the Company of the Corporate Governance Code as incorporated in regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out below:

1. Company's Philosophy on code of Corporate Governance

Corporate Governance encompasses the value systems of integrity, transparency and adoption of high ethical standards.

KSS's philosophy on Corporate Governance is to enhance the long term economic value of the Company and its Stakeholders including shareholders and society at large through attainment of highest levels of transparency, accountability, professionalism and equity in all facets of its operations.

The Company envisions being a globally preferred business associates with responsible concern for society and stakeholders value. The Company is committed to ethical values and self discipline through standards of good governance based on transparency, fairness, purposefulness, trust, responsibility, checks and balances directed at sustaining shareholders interest and overall organizational goals.

The Company makes best endeavors to uphold and nurture these core values in all facets of its operations and aims to increase and sustain its corporate value through growth and innovation.

The Company is fully committed to and continues to follow procedures and practices in conformity with the Code of Corporate Governance enshrined in the Listing Regulations.

2. Board of Directors

As on March 31, 2017 the Board of Directors comprises of two Executive Directors including Chairman of the Company, one non executive non independent director and three non executive independent directors

a. **Disclosure of relationship between Directors**

None of the Directors are related to each other in accordance with the section 2 (77) read with rule 4 of the Companies (Specification of Definition Details) Rules, 2014 of the Companies Act, 2013.

b. **Composition and category of Directors as of March 31, 2017**

Name of the Director	Category	No. of board meeting attended	Attendance at the last AGM	No. of Equity Shares held as on 31.03.17
Mr. Satish RamswaroopPanchariya	Executive Chairman & Director	9	Attended	Nil
Mr. Harsh Upadhyay	Executive Director	9	Attended	Nil
Mr. Rakesh Roopram Sharma	Non-Executive Independent Director	9	Attended	Nil
Ms. Kunti Rattanshi	Non Executive Non Independent Director	9	Not Attended	Nil

Ms. Lalit Joshi	Independent Director	5	Not Attended	Nil
Mr. Aditya Purohit	Independent Director	5	Not Applicable	Nil

c. **No. of Board meetings & date of holding the meeting:**

d. (i) 11.04.2016 (ii) 23.04.2016, (iii) 30.05.2016, (iv) 23.07.2016 (v) 12.08.2016, (vi) 11.11.2016 (vii) 30.01.2017 (viii) 14.02.2017 (ix) 23.03.2017

The Company has held at least one meeting in every three (3) months and the maximum time gap between two meetings was not more than 120 days.

e. **Particulars of Directorship of Directors in other Companies as on March 31, 2017**

Name and Designation of the Director	**Name of the Company**	**Position**
Mr. Satish RamswaroopPanchariya (Executive Chairman & Director)	Alka India Limited	Director
	K Sera Sera Digital Cinema Limited	Director
	K Sera Sera Box Office Private Limited	Director
	KSS Speed Technology Private Limited (Formerly known as K Sera Sera Consultancy Private Limited)	Director
	Cherish Gold Private Limited (formerly Known as K Kampus Education Private Limited)	Director
	Birla Gold and Precious Metals Limited	Director
	Birla Jewels Limited (Formerly known as K Bazaar Online Trading Private Limited)	Director
Mr. Harsh Upadhyay (Executive Director)	K Sera Sera Box Office Private Limited	Director
	K Sera SeraMiniplex Limited	Director
	KSS Speed Technology Private Limited (Formerly known as K Sera Sera Consultancy Private Limited)	Director
	Cherish Gold Private Limited (formerly Known as K Kampus Education Private Limited)	Director
Mr. Rakesh Roopram Sharma (Independent Director)	K Sera Sera Digital Cinema Limited	Director
Ms. Kunti Rattanshi (Non Executive Non Independent Women Director)	K Sera SeraMiniplex Limited	Director
Mr. Lalit Joshi (Independent) Director	K Sera SeraMiniplex Limited	Director
	Alka India Limited	Director
Mr. Aditya Purohit	Nityagata Advisor & Management consultant Private Limited	Director
	4capital Financial Services Private Limited	Director
	AlkaRestro Private Limited	Director

f. **No. of other Board Committees they are Members/ Chairman as on March 31, 2017**

Audit Committee	**Stakeholder Relationship Committee**	**Nomination and Remuneration Committee**

Mr. Rakesh Roopram Sharma	Ms. Kunti Rattanshi	Mr. Rakesh Roopram Sharma
Ms. Kunti Rattanshi	Mr. Rakesh Roopram Sharma	Mr. Lalit Joshi
Mr. Lalit Joshi	Mr. Lalit Joshi	Ms. Kunti Rattanshi

3. Independent Directors

The Company has complied with the definition of Independence as per regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and according to the provisions of section 149 (6) of the Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013

Training of Independent Directors

Whenever new Non Executive and Independent Directors are inducted in the Board they are introduced to the Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks, and management strategy.

The appointment letters of Independent Director has been placed on the Company's website at www.kserasera.com under Investor Relations>Code of conduct>letter of appointment of ID

Seperate meeting of the Independent Directors

The Independent Directors held one separate meeting without the attendance of the Non- Independent Directors and members of management. All the Independent directors were present at the meeting held on 21/03/2017. The following issues were discussed in detail:

i. Reviewed the performance of the Non Independent Directors and the Board as a whole
ii. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive and non executive directors
iii. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties

4. Audit Committee

a. **Terms of Reference**

The Audit Committee reviews the audit reports submitted by the Internal Auditors and Statutory Auditor, financial results, effectiveness of internal audit processes and the Company's risk management strategy. It reviews the Company's established systems and the Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18 read with part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

b. **Composition**

During the period under review the Audit committee comprises of two (2) independent and one (1) non-executive directors. All these directors possess knowledge of corporate finance, accounts and company law. Company Secretary acts as secretary to the committee.

c. **No. of Meetings held during the year**

During the period under review, 5 (Five) Audit Committee meetings were held on 30.05.2016; 12.08.2016; 11.11.2016; 30.01.2017 and 23.03.2017.

d. **Composition, name of Members and Attendance during the year**

Name of Member	Position	No. of meetings held	No. of Meetings Attended
Mr. Rakesh Roopram Sharma	Chairman	5	5
Ms. Kunti Rattanshi	Member	5	5
Mr. Lalit Joshi	Member	5	3

During the meeting held on 23.03.2017 Company repurchased minority interest / stake of K Sera SeraMiniplex Limited (Wholly owned subsidiary of KSS Limited)

5. Nomination and Remuneration Committee

a. **Terms of Reference:**

This Committee was constituted as on November 14, 2014 in compliance with the section 178 read with rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014. This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The Remuneration policy as adopted by the Company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The employees in the Company including those rendering clerical, administrative and professional service are suitably remunerated according to Industry norms. During the period under review the Company has not paid remuneration/sitting fees to any of its Directors.

b. **Composition:**

During the period under review the Nomination and Remuneration Committee of the Company consists of 3 Non Executive Independent Directors including Chairman.

c. **No. of meetings held during the year:**

During the year Company had two meeting i.e. on January 30, 2017 and March 23, 2017

d. **Composition, name of members and attendance of during the year:**

Name of the Director	Position	No. of Meetings held	No. of meetings Attended
Mr. Rakesh R Sharma	Chairman	2	2
Ms. Kunti Rattanshi	Member	2	2
Mr. Lalit Joshi	Member	2	2

6. Stakeholder Relationship Committee:

a. Terms of Reference:

The Company had constituted transfer cum shareholders grievance committee in 2002. The Committee normally meets as and when required. The nomenclature of the said committee was changed to Stakeholder Relationship Committee as on March 31, 2016. The Committee looks into redressal of shareholders complaints like non transfer of shares, non receipt of balance sheet etc. Further, the committee reviews the cases of transfer, issue of duplicate share certificates, dematerialized shares received by the registrar and transfer agents.

b. Composition of the Committee

During the period under review the Committee consisted of 1 Non – executive and 2 Independent Directors.

Name of the Director	Position	No. of Meetings held	No. of meetings Attended
Ms. Kunti Rattanshi	Chairman	2	2
Mr. Rakesh R Sharma	Member	2	2
Mr. Lalit Joshi	Member	2	2

c. No. of meetings held and attended during the year

During the period under review 2 Stakeholder Relationship Committee Meetings were held i.e. on 11.11.2016 and 30.01.2017.

d. Name and Designation of Compliance Officer

Mr. Deepak Tripathi
Company Secretary and Compliance Officer (w.e.f. 23.03.2017)

e. Details of Shareholders Complaints / queries:

There were only three shareholders complaint /queries received during the period under review and the same was resolved to the satisfaction of the shareholder during the year ended March 31, 2017, and thus there were no outstanding complaints as on March 31, 2017.

7. Subsidiary Companies:

As on March 31, 2017 the Company has 9 subsidiaries (including 6 direct subsidiaries and 3 step down subsidiaries). Out of 6 direct subsidiaries 5 are Indian and 1 is foreign subsidiary. The Board of Directors of the Company have also formulated a policy for determining 'material' subsidiaries and the same is being displayed on the website of the Company at www.kserasera.com under Investor Relations>Code of conduct>Policy on Determination of Material Subsidiary(ies).

Financial Statements in particular the investments made by the unlisted subsidiaries, statement containing all significant transactions and arrangements entered into by the unlisted subsidiaries forming part of the financials are being reviewed by the Audit Committee of your Company on a quarterly basis. Also statements of all significant transactions and arrangements entered into by the unlisted subsidiary companies, if any,are periodically brought to the attention of the Board by the management.

8. Related Party Transaction

A policy on materiality of Related Parties and dealings with Related Party Transactions has been formulated by the Board of Directors and has also been uploaded on the website of the Company of the Company at www.kserasera.com under Investor Relations>Code of conduct>Policy on Related party Transaction.

The objective of the Policy is to ensure due and timely identification, approval, disclosure reporting and transparency of transactions between Company and any of its Related Parties in compliance with the applicable laws and regulations, as may be amended from time to time.

9. General Body Meetings:

a. **Location and Time when last Three (3) Annual General Meetings were held:**

The details of the Annual General Meetings held in last three years are as under:

Financial Year	Day	Date	Time	Venue
2015-16	Wednesday	30.09.2016	9:30A.M.	La Patio, 802, Morya Landmark II, Off New Link Road, Opposite Infiniti Mall, Lokandwala, Andheri West, Mumbai, Maharashtra 400053
2014-15	Wednesday	30.09.2015	9:30A.M.	Kailash Parbat, K-P Restaurant, 7A/8A, 'A' Wing, Crystal Plaza, Link Road, Andheri (West), Mumbai – 400053.
2013-14	Tuesday	30.09.2014	9.00 A.M	Kailash Parbat, K-P Restaurant, 7A/8A, 'A' Wing, Crystal Plaza, Link Road, Andheri (West), Mumbai – 400053.

No Extra Ordinary General Meeting was held during the period under review.

b. **Special Resolutions passed at last Three (3) Annual General Meetings:**

Annual General Meeting Held On	Special Resolution Passed For
30.09.2016	1. To consider and determine the fees for delivery of any document through a particular mode of delivery to a member
30.09.2015	1. Adoption of new set of Articles of Association of the company containing Articles in conformity with the Companies Act, 2013 2. Ratification for Conversion of Optionally Convertible Redeemable Bonds (OCRBs) into Equity shares
30.09.2014	1. 1. Acceptance of Deposits in accordance with section 76 of the Companies Act, 2013 2. 2. Increase in borrowing power in terms of section 180 (1) © of the Companies Act, 2013

c. **Passing of resolution by postal ballot:** During the period under review, your Company has not passed any resolution through Postal Ballot process.

10. Disclosures:

a. Disclosures on materially significant related party transactions that may have Potential conflict with the interest of the Company at large :
During the year, there were no transactions of materially significant nature with the Promoters or Directors or the Management or the subsidiaries or relatives etc. that had potential conflict with the interests of the Company at large. however A statement of summary of related party transactions is duly disclosed in the Notes to accounts.

b. Disclosure of Accounting treatment:
No treatment different from the accounting standards, prescribed by the Institute of Chartered Accountants of India, has been followed in the preparation of financial statements.

c. Disclosure for Risk Management:
The Company has laid down procedures to inform the Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that the executive management controls risk through means of properly defined framework.

d. Proceeds from public issues, rights issue, preferential issues, etc.
During the period under review, the Company has not made any public issues, rights issue, preferential issues.

e. Details of non compliance by the Company, penalties, and restrictions imposed on the Company by stock exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years :
The Company has complied with all requirements of Listing Agreement/ SEBI LODR with the Stock Exchange & SEBI Regulations and Guidelines. Further, no penalty was imposed by SEBI, Stock Exchange or any statutory Authority on any matter related to capital markets during the last three years. However SEBI vide its interim ex-parte order dated September 21, 2011 pending investigation directed under sections 11(1), 11(4) and 11 b of the SEBI Act, 1992 in the matter of market manipulation using GDR issues directed to the company not to issue equity shares or any other instrument convertible into shares or alter their capital structure in any manner till further direction in this regard and SEBI has confirmed this ad interim ex-party order on December 30, 2011.

f. Details of compliance with mandatory requirements:
The Company is fully compliant with the applicable mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, relating to Corporate Governance.

g. Whistle Blower Policy:
The Company has laid down the Whistle Blower mechanism for employees and stakeholders of the Company to report to the management about any instances of unethical behaviour, actual or suspected fraud, illegal or unethical practices in the Company.

h. Code of Conduct:
The company has adopted a code of Code of Business Conduct and Ethics for Directors, Key Managerial Personnel & Senior Management Personnel of the company. The code of conduct has already been posted on the website of the company for general viewing. All Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the code on annual basis The Annual Report contains a declaration to this effect signed by the Chairman of the Company.

i. Code of Conduct for Prevention of Insider Trading:
The company has adopted a Code of conduct for Insider Trading and Fair Disclosure of Unpublished Price Sensitive Information pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 for directors, Key Managerial Personnel, Designated Employees of the Company and their dependants along with the Indian Subsidiary of the Company.

The Code is uploaded on the Company's website at www.kserasera.com under Investor Relations>Code of conduct>Code of Conduct for Insider Trading and fair disclosure of UPSI.

11. Secretarial Audit
As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the concerned stock exchanges. This audit report states that total listed and paid up capital differs due to the allotment of 56488730 equity shares of the face value of Re. 1/- each at the rate of Rs. 14.16/- per share on a preferential basis whose listing approval is awaited from the concerned stock exchanges pursuant to the conversion of Optionally Convertible Redeemable Bonds (OCRBs)

Further the Annual Secretarial Audit as required under Section 204 of the Companies Act, 2013 & applicable rules thereto is duly carried out

12. Certificate on Compliance of Conditions of Corporate Governance

In accordance with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from Practicing Company Secretary confirming the compliance of conditions of corporate governance as stipulated in the said clause has been obtained by the Company and the same forms a part of this Report.

13. Executive Chairman & Director and CFO Certification:

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 the Executive Chairman & Director and Chief Financial Officer have submitted a certificate to the Board of Directors in the prescribed format for the financial year ended March 31, 2017.

14. Green Initiative in Corporate Governance

The Company has undertaken a Green Initiative in Corporate Governance whereby the companies are allowed to send notices, documents and other communication(s) to the shareholders in electronic mode.

Your Company encourages its shareholders to support the "Green Initiative" by registering their e-mail addresses with the Company/Registrar & Transfer Agent/ respective Depository Participants (DP's) by specifying their Client Id and DP Id and intimating changes in the email id from time to time.

Discretionary Requirements under Regulation 27 of Listing Regulation

The status of compliance with discretionary recommendations of the Regulation 27 of the Listing Regulations with Stock Exchanges is provided below:

1. Non-Executive Chairman's Office: The Chairperson of the Company is Executive at present.
1. Shareholders' Rights: As the quarterly and half yearly financial performance along with significant events are published in the news papers and are also posted on the Company's website, the same are not being sent to the shareholders.

2. Modified Opinion in Auditors Report: The Company's financial statement for the financial year 2016-2017 does not contain any modified audit opinion.

3. Separate posts of Chairman and CEO: Separate persons have been appointed to the post of Chairman and Chief Executive Officer.

4. Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

16. General Shareholder Information:

a. Annual General Meeting - Date &Time : September 29, 2017 at 9:30 A.M. Venue : Kailash Parbat, K-P Restaurant, 7A/8A, 'A' A-Wing, Crystal Plaza, New Link Road, Andheri West, Mumbai 400053, Maharashtra

b. Financial reporting during the Year 2016-17

Financial Reporting for the quarter ending June 30,2016	On August 12, 2016
Financial Reporting for the quarter ending September 30 ,2016	On or before November 14 2016
Financial Reporting for the quarter ending December 31,2016.	On or before February 14, 2016
Financial Reporting for the quarter ending March 31, 2017	On or before May 30, 2017

c. Date of Book Closure:

From September 22, 2017 to September 28, 2017. (Both days Inclusive)

d. Dividend payment : Since no dividend is recommended, this is not applicable

e. Listing on Stock Exchanges:

Equity Shares	
BSE Limited	National Stock Exchange of India Limited "Exchange

PhirozeJeejeebhoy Towers, Dalal Street, Mumbai – 400 001.	Plaza", Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

f. Stock Code :

Stock Exchange	**Scrip code**
BSE Limited National Stock Exchange of India Limited	532081 KSERASERA
ISIN	INE216D01026

g. Market Price Data :

	NSE Limited			**Bombay Stock Exchange of India Limited (BSE Limited)**		
Month	**High (In Rs.)**	**Low (In Rs.)**	**Volume**	**High (In Rs.)**	**Low (In Rs.)**	**Volume**
April 2016	0.30	0.20	16337534	0.28	0.21	10714482
May 2016	0.25	0.15	8863202	0.23	0.19	5591590
June 2016	0.25	0.15	6733699	0.23	0.17	8482387
July 2016	0.25	0.15	6337814	0.22	0.19	5585173
August 2016	0.20	0.15	4439577	0.20	0.16	16869186
September 2016	0.25	0.15	13098865	0.21	0.17	9770911
October 2016	0.25	0.15	16806373	0.24	0.18	26568228
November 2016	0.25	0.15	6086853	0.21	0.16	13485110
December 2016	0.10	0.20	20123996	0.19	0.14	33295348
January 2017	0.15	0.20	3812182	0.18	0.15	23826600
February 2017	0.10	0.20	8907105	0.17	0.13	29294246
March 2017	0.10	0.20	33779276	0.18	0.12	43482100

Distribution of Shareholding as on March 31, 2017:

No of Equity Shares held	**No of Share Holders**	**% of Share holders**	**No of Shares held**	**% of Share holding**
1-5000	18338	61.9339	38125663	1.8335
5001-10000	4375	14.7759	38850102	1.8683
10001-20000	2563	8.6562	42168939	2.0280
20001-30000	1090	3.6813	28668861	1.3787
30001-40000	508	1.7157	18683490	0.8985
40001-50000	695	2.3473	33589790	1.6154
50001-100000	987	3.3334	78215465	3.7615
100001-9999999999	1054	3.5564	1857572760	86.9761
GRAND TOTAL	**29610**	**100.00**	**2,135,875,070**	**100.00**

Categories of Shareholders as on March 31, 2017

Sr. No	Category	No. of Shares Held	% of Share Capital
1.	Promoter holding	0.00	0.00
2.	Clearing Members	48931298	2.3532
3.	Bodies Corporate	308850080	14.8529
4.	Foreign Company	49100000	2.30
5.	FII's	890953933	42.8470
6.	Non Nationalised Banks	540	0.00
7.	Non Resident Indians	24414927	1.1741
8.	Public	756801222	36.3954
9.	Unclaimed Suspense Account	4,340	0.00
10.	Trusts	10000	0.000
11.	Shares held by Custodians and against which Depository Receipts have been issued	0.00	0.00
	GRAND TOTAL	**2,135,875,070**	**100.00**

Dematerialization of Shares and Liquidity as on March 31, 2017:
The securities of the Company are compulsory traded in dematerialised form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity Shares of the Company representing 97.35% of the Company's Equity Share Capital are in dematerialised form as on March 31, 2017.

Outstanding GDRs/Warrants/Convertible Instruments: None

Means of Communication:

a. The Board of Directors of the Company approves and takes on record quarterly, yearly & financial results in the prescribed format by Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Company has always promptly reported to BSE Limited and National Stock Exchange of India Limited declaration of quarterly and yearly financial results within the stipulated time prescribed as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

b. The approved Financial results are forthwith sent to the Stock exchanges and are published in one English daily newspaper (Financial Express) and one Regional language daily newspaper (ApaleMahanagar).

c. The Company's Financial Results, Annual Reports, and official news releases are displayed on the Company's website www.kserasera.com

d. The Company has formed grievanceredressal@kserasera.com exclusively for the purpose of redressal of investor's complaints.

e. Management Discussion and Analysis Report (MDA) forms part of the Annual Report, which is posted to the shareholders of the Company.

Address for Investor Correspondence

The Company has appointed M/s. Bigshare Services Private Limited as Registrar and Share Transfer Agents for physical and demat segment. The address for correspondence is as under:

Bigshare Services Private Limited
Bharat Tin Works Building, 1st Floor
Opp. Vasant Oasis, Makwana Road
Marol, Andheri East, Mumbai 400059,Maharashtra
Tel: 91-22-2862638200 |91-22- 40430200| 91-22-2847 0653
Fax: 91-22-2847 5207
E-mail :investor@bigshareonline.com
website: www.bigshareonline.com

Plant Locations:
Since the Company is engaged in service industry, there are no plants or manufacturing units.

Address for Correspondence:
KSS Limited
RegdOffice :
Unit No. 101A and 102, 1st Floor,
Plot No. B-17, Morya Landmark II,
Andheri (West), Mumbai – 400053.
Tel : (022) 42088600 Fax: (022) 40427601
E-mail :info@kserasera.com
website :www.kserasera.com

For and on behalf of Board of directors

Place: Mumbai
Date: August 14, 2017

Satish Panchariya
Executive Chairman & Director
DIN: 00042934

Harsh Upadhyay
Director
DIN:07263779

KSS LIMITED

EXECUTIVE CHAIRMAN & DIRECTOR AND CFO CERTIFICATIONS

The Board of Directors
KSS Limited

Dear Sirs,

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief :

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. 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.

B. there are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they 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 they have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:
1. signicant changes in internal control over financial reporting during the year;
2. signicant changes in accounting policies during the year and that the same have been disclosed in the notes to the nancial statements; and
3. instances of signicant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a signicant role in the company's internal control system over nancial reporting.

Yours sincerely,

Place: Mumbai
Date: August 14, 2017

ShamraoDaulatIngulkar
Chief Financial Officer

Satish RamswaroopPanchariya
Executive Chairman & Director

DECLARATION BY THE CHAIRMAN REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Regulation 17 (5), 34(3) & 53(F) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015/clause 49 of the Listing Agreement with the Stock Exchange, the Company has obtained affirmation from all the Directors and the Senior Management that they have complied with the Code of Business Conduct and ethics and posted on the website of the company , as applicable to them for the Financial Year ended March 31, 2017 .

Date: May 30, 2017
Place: Mumbai

Satish Panchariya
Executive Chairman & Director
DIN:00042934

KSS LIMITED

PRACTICING COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of KSS Limited

I have examined the compliance of conditions of Corporate Governance by KSS Limited ("the Company"), for the year ended on March 31, 2017, as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the nancial statements of the Company.

In my opinion and to the best of the information and explanations given, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with the stock exchanges.

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.

Place: Mumbai
Date: August 17, 2017

Sandeep Dubey
Practicing Company Secretary
Membership No. 47940
C.P. No. 17902

KSS LIMITED

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To
The Members of
KSS Limited.

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of KSS LIMITED ("the company"),which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, 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 financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 statement of affairs of the company as at 31st March 2017, and profit and loss account and its cash flow for the year ended on that date.

Emphasis of Matters

a) We draw attention to the Note 3.25-to the financial statement for a demand of Rs 734.06 Lacs excluding interest and penalty under section 142 of the Custom Act 1962. Custom department freeze/attached the various assets and bank accounts against the said recovery. Based on legal Opinion obtained, the company is of the view that said demand contesting. Hence, no provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter.

KSS LIMITED

b) We draw attention to the Note 3.25 to the financial statement for a demand of Rs 1052.82 Lacs including the interest and penalty under MVAT .In line with film industry consensus, the Company is of the opinion that there are no grounds for levying VAT Based on legal Opinion obtained; the company is of the view that said demand contesting. Hence, no provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter.

c) Notes to the financial statements which describe the uncertainty related to the outcome of the pendency's of appeals and legal matters filed by the company as well as against the company.

Our opinion is not modified in respect of these matters.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('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' statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;

c) The balance sheet, the statement of profit and loss, and 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 and the Companies (Accounting Standards) Amendment Rules, 2016;

f) In our opinion, n our opinion, the matter described under the Emphasis of Matter Para above may have an adverse effect on the functioning of the Company;

g) on the basis of written representations received from the directors as on 31st march, 2017, taken on record by the board of directors, none of the directors is disqualified as on 31st march, 2017, from being appointed as a director in terms of section 164(2) of the act;

h) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls refer to our separate report in 'annexure b'; and

i) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule 2014 in our opinion best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements Refer to Note No. 3.25;

ii. The Company does not have any long-term contracts including derivatives contracts for which any provision is required;

iii. The Company is not required to transfer amounts to the Investor Education and Protection Fund.

iv. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 3.32 to the standalone financial statements.

For Agrawal Jain and Gupta.
Chartered Accountants
Firm Reg. No. 013538C

CA Narayan Swami
PARTNER
Membership No. 409759
Place: Mumbai
Dated: 30th May, 2017

KSS LIMITED

Annexure A to the Standalone Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the KSS Limited on the standalone financial statements for the year ended 31 March 2017, we report that:

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of all fixed assets.
(b) The Company has regular programme of physical verification of its fixed assets at reasonable intervals; no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The Company is a service company. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the company.

(iii) The Company has granted loans corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(Amount in lacs)

S/no.	**Name of Company**	**Opening Balance**	**Loan given**	**Repay/Adjusted**	**Closing Balance**
1.	Birla Jewels Limited	13.29	145.19	NIL	158.48
2.	Birla Gold and Precious Metals Limited	161.60	275.80	118.26	319.14
3.	K Sera sera Box office Pvt Limited	77.42	2.23	NIL	79.65
4.	K Sera Sera Productions FZE *(Foreign exch. Gain)	452.93	NIL	*9.18	443.75

(a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.

(b) In the case of the loans granted to the bodies corporate listed in the register maintained under Section 189 of the Act have been regular in the payment of the principle and interest as stipulated.

(c) There are no overdue amounts in respect of the loan granted to body corporate listed in the register maintained under Section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of loans and advances given, investments made and, guarantees given have been complied with by the Company. The provisions of section 185 in respect of loans to directors including entities in which they are interested and provisions of section 186 with respect to securities given are not applicable to the Company and hence not commented upon

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 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.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) (a) According to the information and explanation given to us and records examined by us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us, there were no undisputed amounts payable in respect of Income Tax, and any other statutory dues outstanding as on 31st March, 2017 for a period more than six months from the date they became payable.

(b) According to the information and explanations given to us, the dues in respect of Income Tax, Sales Tax, wealth Tax, Value Added Tax, Service tax customs duty, have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are as given below:

(Amount in Lacs)

Nature of Statues	**Nature of Dues**	**Amount**	**Period for which amount related**	**Forum where dispute is pending**
MVAT- 2002	Value Added taxes	1052.82	2005-06 to 201011	Joint Commissioner of Sales Tax, Mumbai
Income tax Act-1961	Income tax	535.50	2004-05 to 2013-14	ITAT Mumbai
Custom Act 1962	Custom duty	734.06	2009-10 to 2010-11	Writ petition filed in Hon'ble high Court Mumbai Demand U/s 114A of Customs Act,

d) Demand of Rs 734.06 Lacs excluding the interest and penalty under section 142 of the Custom Act 1962. Custom department freeze/attached the various assets and bank accounts against the said recovery. Based on legal Opinion obtained, the company is of the view that said demand contesting. Hence, no provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter.

e) Demand of Rs 1052.82 Lacs including the interest and penalty under MVAT .In line with film industry consensus, the Company is of the opinion that there are no grounds for levying VAT Based on legal Opinion obtained; the company is of the view that said demand contesting. Hence, no provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter

(viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of our records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or person connected with him as referred to in section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Agrawal Jain and Gupta

Chartered Accountants

Firm Reg. No. 013538C

CA Narayan Swami

Partner

Membership No. 409759

Mumbai: 30th May 2017

KSS LIMITED

Annexure B to the Independent Auditors' Report of the even date on the standalone financial statement of KSS Limited

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

To the member of **KSS Limited**

We have audited the internal financial controls over financial reporting of **KSS LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

KSS LIMITED

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 Agrawal Jain and Gupta
Chartered Accountants
ICAI Firm Reg. No. 013538C

CA Narayan Swami
PARTNER
Membership No. 409759
Place: Mumbai
Dated: 30.05.2017

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Register office: Unit No. 101A & 102, Morya Landmark II, New Link Road, Andheri (West), Mumbai - 400 053

Balance sheet as at 31st March 2017 **(Amount in Lacs)**

Particulars	Note	As at March 31,	
		2017	2016
EQUITY AND LIABILITIES			
Shareholder's Funds			
(a) Share Capital	3.1	21,358.75	21,358.75
(b) Reserves and Surplus	3.2	5,419.08	5,522.07
Non-Current Liabilities			
(a) Long-Term Borrowings	3.3	1,500.00	1,567.00
(b) Other Long term Liabilities	3.4	-	110.95
Current Liabilities			
(a) Short-Term Borrowings	3.6	560.15	20.00
(b) Trade Payables	3.7	21.51	24.98
(c) Other Current Liabilities	3.8	10.68	47.31
(d) Short-Term Provisions	3.9	454.81	287.61
TOTAL		29,324.97	28,938.68
ASSETS			
Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	3.10(a)	831.59	1,222.46
(ii) Intangible Assets	3.10(b)	776.73	776.73
(b) Non-current investments	3.11	17,196.35	16,958.63
(c) Deferred tax assets (net)	3.5	348.41	310.52
(d) Long term loans and advances	3.12	4,747.14	4,322.47
Current Assets			
(a) Current investments	3.13	2,640.00	2,640.00
(b) Trade receivables	3.14	266.72	291.25
(c) Cash and cash equivalents	3.15	0.84	2.85
(d) Short-term loans and advances	3.16	2,517.18	2,413.77
TOTAL		29,324.97	28,938.68
The accompanying notes are an integral part of the financial statements.	-	0	0

As per our Report even date attached

For Agrawal Jain and Gupta
Chartered Accountants
ICAI Firm Reg. No.: 013538C

For and on behalf of Board of Directors of KSS Limited

CA Narayan Swami
Partner
Membership No. : 409759

Satish Panchariya
Director
DIN No.: 00042934

Harsh Upadhyay
Director
DIN No.: 07263779

Place: Mumbai
Date : 30.05.2017

Deepak Tripathi
Company Secretary

Shamrao Ingulkar
Chief Financial Officer

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Register office: Unit No. 101A & 102, Morya Landmark II, New Link Road, Andheri (West), Mumbai - 400 053

Statement of profit and loss for the year ended 31st March 2017

(Amount in Lacs)

Particulars	Note	As at March 31,	
		2017	2016
Income			
Revenue from Operations	3.17	175.00	97.88
Other Income	3.18	0.16	58.76
Total revenue (I)		175.16	156.64
Expenses:			
Cost of Operations	3.19	-	1.09
Employee Benefit Expense	3.20	4.72	4.92
Financial Costs	3.21	0.17	4.31
Depreciation and Amortization Expense	3.22	3.68	140.95
Other Administrative Expenses	3.23	115.67	340.83
Total Expenses (Ii)		124.24	492.10
Profit before exceptional and extraordinary items and tax (I - II)		50.91	- 335.46
Add/(less)			
Exceptional Items		-	-
Profit before tax		50.91	- 335.46
(Add)/less			
Tax expense:			
(1) Deferred tax expense		- 37.89	- 64.93
(2) Current Tax/ MAT /Wealth tax		-	-
Profit after tax		88.80	- 270.53
Earning per equity share:			
(1) Basic		0.00	- 0.13
(2) Diluted		0.00	- 0.13

The accompanying notes are an integral part of the standalone financial statements.

As per our Report of even date attached.

For Agrawal Jain and Gupta

Chartered Accountants

ICAI Firm Reg. No.: 013538C

For and on behalf of Board of Directors of KSS Limited

CA Narayan Swami
Partner
Membership No. : 409759

Satish Panchariya
Director
DIN No.: 00042934

Harsh Upadhyay
Director
DIN No.: 07263779

Place: Mumbai
Date : 30.05.2017

Deepak Tripathi
Company Secretary

Shamrao Ingulkar
Chief Financial Officer

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)
CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2017

Amount in Lacs

	Particulars	As at March 31,	
		2,017	2,016
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit Before Tax	50.91	- 335.46
	Adjustments For:		
	Depreciation/Amortisation	208.08	443.40
	Interest Cost	-	4.31
	Interest Received	-	- 2.54
		208.08	445.17
	Operating Cash Flow Before Changes In Working Capital	259.00	109.71
	Adjustments For:		
	(Increase)/Decrease In Trade Recivables	24.53	66.09
	(Increase)/Decrease In Loans And Advances	- 340.29	122.97
	Increase/(Decrease) In Liabilities And Provisions	16.13	- 40.21
	Net Changes In Working Capital	- 40.64	258.57
	Taxes Paid	-	-
	Miscellaneous Expenditure	- 191.80	-
	Extraordinary Items	-	-
	Cash Generated From/(Used In) Operations	- 232.44	258.57
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase Of Fixed Assets	- 5.00	-
	Sale/Surrender Of Fixed Assets	-	-
	Purchase Of Investments	- 237.72	- 232.03
	Sale of Investements	-	
	Interest Received	-	2.54
	Cash Generated /(Used In) From Investing Activities	- 242.72	- 229.49
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest Paid	-	- 4.31
	Share application money repay /adjusted	-	-
	Proceeds From Borrowing	-	-
	Repayment Of Borrowings	473.15	- 38.20
	Cash Generated /(Used In) From Financing Activities	473.15	- 42.51
	Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)	- 2.01	- 13.43
	Cash And Cash Equivalents At The Beginning Of The Year	2.85	16.28
	Cash And Cash Equivalents At The End Of The Year	0.84	2.85
	Note:		
1	**Cash and cash equivalents at the year end comprise:**		
	Cash On Hand	0.84	0.87
	Balance With Scheduled Banks In		
	- Current Accounts	0.00	1.98
	- Deposit Accounts		
		0.84	2.85
2	The Cash Flow Statement Has Been Prepared Under Indirect Method As Set Out In Accounting Standard 3, 'Cash Flow Statement' Issued By The Institute Of Chartered Accountants Of India		

The accompanying notes are an integral part of the standalone financial statements.
As per our Report of even date attached.

For Agrawal Jain and Gupta
Chartered Accountants
ICAI Firm Reg. No.: 013538C

For and on behalf of Board of Directors of KSS Limited

CA Narayan Swami
Partner
Membership No.: 409759

Satish Panchariya
Director
DIN No.: 00042934

Harsh Upadhyay
Director
DIN No.: 07263779

Mumbai
Date : 30.05.2017

Deepak Tripathi
Company Secretary

Shamrao Ingulkar
Chief Financial Officer

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Notes to financial statements for the year ended 31 March 2017

3.1 Share Capital

Particulars	31 March 2017		31 March 2016	
	Nos.	Amount	Nos.	Amount
AUTHORIZED CAPITAL				
2,30,000,000 (March 31, 2016 : 2,30,000,000) Equity Shares of Rs. 1/- each	23,000.00	23,000.00	23,000.00	23,000.00
	23,000.00	23.00	23,000.00	23,000.00
ISSUED , SUBSCRIBED & PAID UP SHARES				
2,13,587,5070 (March 31, 2016 : 2,13,587,5070) Equity Shares of Rs. 1/- each Fully Paid Up	21,358.75	21,358.75	21,358.75	21,358.75
Total issued, subscribed and fully paid-up share capital	21,358.75	21,358.75	21,358.75	21,358.75

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	31 March 2017		31 March 2016	
	Nos.	Amount	Nos.	Amount
Number of shares outstanding at the beginning of the year	21,358.75	21,358.75	21,358.75	21,358.75
Number of shares Outstanding at the end of the year	21,358.75	21,358.75	21,358.75	21,358.75

(b) Terms/ rights attached to equity shares

he Company has only one class of equity shares having per value of ` 1/- per share. Each holder of equity shares having par value of ` 1/- per equity share is entitled to one vote per equity share. n the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares

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

Name of the shareholder	31 March 2017		31 March 2016	
	Nos.	% holding in the class	Nos.	% holding in the class
Aspire Emerging Fund	2,058.00	9.64%	2,058.00	9.64%
Auctor Investement Limited	2,009.90	9.41%	2,009.90	9.41%
Emerging Market Opportunities Fund	1,857.75	8.70%	1,891.00	8.85%

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

3.2 Reserve & Surplus

Particulars	31 March 2017	31 March 2016
Securities Premium reserve		
Balance as per the last year's financial statements	10,074.48	10,074.48
Less: Misc. Expenses written off	191.80	-
Closing Balance	9,882.68	10,074.48
Surplus/ (deficit) in the statement of profit and loss		
Balance as per the last year's financial statements	-4,552.41	-4,281.88
Add: Profit for the period	88.80	-270.53
Less: Difference in WDV	-	-
Net deficit in the statement of profit and loss	-4,463.60	-4,552.41
Total	5,419.08	5,522.07

3.3 Long Term Borrowings

Particulars	31 March 2017	31 March 2016
8% Optionally convertible redeemable Bonds (Unsecured)	1,500.00	1,567.00
Total	1,500.00	1,567.00

Company issued 2,300 (Two Thousand three Hundred sixty seven) Optionally Convertible Redeemable Bond of Rs 1,00,000/- each. out of them 800 OCRBs converted into 56,48,873 fully paid equity shares alloted in Financial Year 2014-15. And reamining 1500 (One Thousand Five Hundred) Optionally Convertible Redeemable Bond not converted till the reporting date.

3.4 Other Long term Liabilities

Particulars	31 March 2017	31 March 2016
Other Long Term Liabilities	-	110.95
Total	-	110.95

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Notes to financial statements for the year ended 31 March 2017

3.5 Deferred tax liability/(asset) (net)

Particulars	31 March 2017	31 March 2016
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-348.41	-310.52
Gross deferred tax liability/ (asset)	-348.41	-310.52
Impact of expenditure charged to the statement of profit and loss in	0.00	0.00
Deferred tax asset on carried forward losses	0.00	0.00
Net deferred tax liability/ (asset)	-348.41	-310.52

As per Accounting Standard 22 issued by ICAI Deferred tax assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

3.6 Short Term Borrowings

Particulars	31 March 2017	31 March 2016
Interest free advance and deposit from related parties repayable on demand (unsecured)	560.15	20.00
Total	560.15	20.00

Company has not accepted public deposit during the financial year As per section 76 (1) of the Companies Act, 2013 and rule 2 (1) (e) of Companies (Acceptance of Deposits) Rules, 2014 .

3.7 Trade Payable

Particulars	31 March 2017	31 March 2016
Sundry Creditors - More Than 1 year	9.95	13.94
Sundry Creditors - others	11.55	11.04
Total	21.51	24.98

3.8 Other Current Liabilities

Particulars	31 March 2017	31 March 2016
Salary payable	0.67	0.42
Service tax payable	8.21	46.90
Tds payable	1.80	-
Total	10.68	47.31

3.9 Short Term Provisions

Particulars	31 March 2017	31 March 2016
Provision for Expenses	454.81	287.61
Total	454.81	287.61

Provision for Expenses 454.80 lacs as ROC Fees and Stamp duty payable includes additional fees for increase in authorized capital from 75 Crore to 205 on dated 29th July 2009, and 205 to 220 Crore on dated 19th November 2009. Said ROC Fees and Stamp duty Not paid till the reportindg date.

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)
Notes to financial statements for the year ended 31 March 2017
Note 3.10 (a):

	Computer & Peripherals	Office Equipment	Motor Vehicles	Digital Technology Assets	Total
Tangible Fixed Assets					
Gross block					
Balance as at 1 April 2015	18.39	15.98	80.19	2,405.27	2,519.83
Addition	-				-
Adjustments/ disposals	-				-
Balance as at 31 March 2016	18.39	15.98	80.19	2,405.27	2,519.83
Addition	5.00	-	-	-	5.00
Adjustments/ disposals	-	-	-	187.79	187.79
Balance as at 31 March 2017	23.39	15.98	80.19	2,217.49	2,337.04
Accumulated Depreciation					
Balance as at 1 April 2015	18.34	14.84	63.94	893.03	990.15
Depreciation charge	0.03	0.52	4.22	302.45	307.21
Adjustments/ disposals	-	-	-	-	-
Balance as at 31 March 2016	18.37	15.35	68.16	1,195.48	1,297.36
Depreciation charge	0.29	0.28	3.11	204.40	208.08
Adjustments/ disposals	-	-	-	-	-
Balance as at 31 March 2017	18.66	15.63	71.27	1,399.88	1,505.45
Net block					
Balance as at 31 March 2016	0.02	0.63	12.03	1,209.79	1,222.46
Balance as at 31 March 2017	4.73	0.34	8.91	817.61	831.59

Note 3.10 (b):

	Motion Picture Rights	Trade Marks	Total
Intangible Fixed Assets			
Gross block			
Balance as at 1 April 2015	906.72	6.21	912.92
Addition	-	-	-
Adjustments/ disposals	-	-	-
Balance as at 31 March 2016	906.72	6.21	912.92
Addition	-	-	-
Adjustments/ disposals	-	-	-
Balance as at 31 March 2017	906.72	6.21	912.92
Accumulated Depreciation			
Balance as at 1 April 2015			
Depreciation charge	136.19	-	136.19
Adjustments/ disposals	-	-	-
Balance as at 31 March 2016	136.19	-	136.19
Depreciation charge	-	-	-
Adjustments/ disposals	-	-	-
Balance as at 31 March 2017	136.19	-	136.19
Net block			
Balance as at 31 March 2016	770.53	6.21	776.73
Balance as at 31 March 2017	770.53	6.21	776.73

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)
Notes to financial statements for the year ended 31 March 2017

3.11 Non Current Investment

Particulars	31 March 2017	31 March 2016
Investment in Subsidiaries		
2,74,24,999 (31 March 2016: 2,74,24,999) Equity shares of Rs.10 each fully paid in K Sera Sera Box Office Private Limited	2,742.50	2,742.50
2,99,99,999 (31 March 2016: 2,79,04,999) Equity shares of Rs.10 each fully paid in K Sera Sera Miniplex Limited	3,000.00	2,790.50
2,99,99,998 (31 March 2016: 2,99,99,998) Equity shares of Rs.10 each fully paid in K Sera Sera Digital Cinema Private Limited	3,000.00	3,000.00
1,154 (31 March 2016: 1154) Equity Shares of AED 35,000 each fully paid up of K Sera Sera Productions FZE	4,994.63	4,994.63
9,99,000 (31 March 2016: 9,99,000) Equity shares of Rs.10 each fully paid in Birla Jewels Ltd	99.90	99.90
10,00,000 (31 March 2016: 10,00,000) Equity shares of Rs.10 each fully paid in Birla Gold & Precious Metals Ltd	100.00	100.00
	-	-
Investment in joint venture-Citigate Trade FZE	582.72	594.90
Share Application Money - KSS FZ LLC	-	18.45
50 Equity Shares of AED 1,000 each fully paid up of K Sera Sera Productions FZ	-	6.15
	-	-
Investment in equity instruments (unquoted)	2,676.60	2,611.60
Total	17,196.35	16,958.63

Current investments are carried in the financial statements at cost and Long-term investments are also carried at cost. However, provision for diminution in value is not recognize other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

3.12 Long Term Loans and Advances

Particulars	31 March 2017	31 March 2016
Security deposit (Unsecured and considered good)		
Other security deposit (Custom)	213.70	-
Other security deposit (Sales tax)	31.70	25.70
	245.40	25.70
Advances recoverable in cash or kind		
Share application money	80.00	80.00
Unsecured, Considered Good	485.99	339.64
Unsecured, Considered doubtful	3,935.74	3,877.14
Less Provision for loans and advances	-	-
	4,501.74	4,296.77
Total	4,747.14	4,322.47

(a) In line with film industry consensus, the Company is of the opinion that there are no grounds for levying VAT on film distribution activity and hence no provision is made in the books of accounts for these years. The same is disclosed as contingent liability of Rs 1052.82 Lacs under Notes to Accounts, 31.70 lacs other security deposit for MVAT.

(b) The company, having IEC number 0306007649, company import of various capital goods including 400 digital cinematographic projectors under EPCG Scheme – concessional rate of duty 3%. Under EPCG Scheme company have to export eight times (approx 4500.00 lacs) of duty saved within eight years, but till date company did not export under the said obligation.Licance details in Note No. 3.25

(c) Other security deposit (Custom) Rs 213.70 Lacs The total cost of the assets and account freeze by the departement shown in Deposit. against the Recovery of Goverment dues under section 142 of the Custom Act 1962 Rs 734.06 Lacs exculding interest and penalties. Custom departement freeze/attached the varios assets and bank account of KSS Group agaist the said recovery .

KSS LIMITED

3.13 Current investment

Particulars	31 March 2017	31 March 2016
2,64,00,000 (31 March 2014: 2,64,00,000) Equity shares of Rs.10 each fully paid up in Kamla Landmark Infrastructure Pvt. Limited	2,640.00	2,640.00
Total	2,640.00	2,640.00

Current investments are carried in the financial statements at cost and Long-term investments are also carried at cost. However, provision for diminution in value is not recognize other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

3.14 Trade Receivables

Particulars	31 March 2017	31 March 2016
Outstanding for more than six months		
a) Unsecured, Considered Good :	-	-
b) Doubtful-More than 6 Months	266.72	274.21
Others	-	-
a) Unsecured, Considered Good :	-	17.04
b) Doubtful	-	-
Total	266.72	291.25

3.15 Cash and bank balances

Particulars	31 March 2017	31 March 2016
In current accounts with schedule Banks	0.00	1.98
Cash on hand	0.84	0.87
Total	0.84	2.85

3.16 Short Terms Loans and Advances

Particulars	31 March 2017	31 March 2016
Interest free advances to related parties		
Unsecured, Considered Good	1,001.04	426.07
(Unsecured Advances to K Sera Sera FZE , Dubai as on 31.03.2017 Rs 443.75 Lacs (P.Y. ended 31.03.2016 Rs 452.93) Diffrences due to Foreign exchange gain/Loss for the year.	1,001.04	426.07
Advance Recoverable in cash or in kind		
Unsecured, Considered Good	1,028.57	1,497.85
Advance for properties	399.46	404.46
	1,428.03	1,902.31
(Unsecured, Considered Good inculdes Rs 1000.00 lacs paid to SBI Global Factors comply with the Supreme Court order(P.Y. 1000.00 Lacs 31.03.2016).		
Others		
TDS and Advance Income Tax	88.11	84.01
Advance to creditors	-	0.18
Insurance claim receivable	-	1.20
	88.11	85.38
Total	2,517.18	2,413.77

KSS LIMITED

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Notes to financial statements for the year ended 31 March 2017

3.17 Revenue from operations

Particulars	31 March 2017	31 March 2016
Income from Operations	175.00	97.88
Total	**175.00**	**97.88**

3.18 Other Income

Particulars	31 March 2017	31 March 2016
Foreign Exchange Revaluation Gain	-	56.01
Interest income	-	2.54
Royalty Income	0.16	0.22
Total	0.16	58.76

3.19 Cost Of Operations

Particulars	31 March 2017	31 March 2016
Cost of operation	-	1.09
Total	-	1.09

3.20 Employment Benefit Expenses

Particulars	31 March 2017	31 March 2016
Salaries and wages	4.72	4.87
Bonus	-	0.02
Staff welfare	-	0.03
Total	4.72	4.92

3.21 Financial Cost

Particulars	31 March 2017	31 March 2016
Interest paid	-	-
Bank Charges	0.17	4.31
Total	0.17	4.31

3.22 Depreciation & Amortized Cost

Particulars	31 March 2017	31 March 2016
Depreciation	208.08	443.40
Reverse Cost Charge-KSSDCPL	- 204.40	- 302.45
Total	3.68	140.95

Company has provided depreciation on Digital Technology Assets @20% on WDV basis. Income from use of such assets is booked in K Sera Sera Digital Cinema Limited.
Digital Technology Assets are used by K Sera Sera Digital Cinema Private Limited ("KSS Digital") a WOS company of KSS Limited. Deprecation on the above assets is cross charge to K Sera Sera Digital Cinema Private Limited ("KSS Digital") without transferring the assets.KSS limited is sole owner of the said equipments shall cross charge the amount of deprecation / normal charge of wear and tear to KSS Digital at cost and same shall be recouped by KSS in agreed manner

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Notes to financial statements for the year ended 31 March 2017

3.23 Other Administrative Expenses

Particulars	31 March 2017	31 March 2016
Rent Rates and taxes	1.59	13.22
Power and fuel	4.94	4.77
Communication costs	4.50	0.42
Brokerage & Commission	17.50	7.99
Insurance Expenses	-	0.30
Printing & Stationery Expenses	0.34	0.42
Advertisement & Publicity	14.47	259.43
Foreign Exchange Revaluation Loss	21.16	-
Travelling and conveyance	0.01	0.46
Legal and professional fees	33.60	42.42
Auditors Remuneration		
Statutory Audit Fees	3.00	3.00
Other professional fees	1.00	1.00
Internal Audit Fees	0.20	0.20
Interest & Penalties Paid	9.92	0.85
Postage & Telegrams Expenses	0.02	0.05
Loss on sale of fire	0.06	3.17
Swachh Bharat Cess	0.34	0.09
Other expenses	3.03	3.04
Total	115.67	340.83

Notes to Financial Statement as at and for the year ended 31st March 2017.

1. CORPORATE INFORMATION

KSS Limited (BSE Scrip Code: 532071; NSE Scrip Code KSERASERA) in a global player within the Indian media and entertainment.
KSS Limited ('K Sera Sera Limited' or 'the Company') along with its wholly owned subsidiaries K Sera SeraMiniplex Limited ("KSS Miniplex"), K Sera Sera Digital Cinema Private Limited ("KSS Digital"), K Sera Sera Box Office Private Limited ("KSS Box Office") Birla Gold and Precious Metals Ltd, Birla Jewels Ltd. and K Sera Sera Productions FZE ("KSS FZE"), and step down subsidiaries Cherish Gold Private Limited , KSS Speed Technology Private Limited, K Sera Sera Australia Holding (Pty) Limited ("KSS Australia"), is the most diversified media company. The Company through its subsidiaries and step down subsidiaries is into the business of Miniplexes, Digital Cinema, Online Trading in Gold & Jewellery, Project Consultancy and General Trading (UAE).

2. BASIS OF PREPARATION

The financial statements of the company have been prepared under historical cost convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act 2013 and comply in all material aspects with the accounting principles generally accepted in India, under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

The accounting policies have been consistently applied unless otherwise stated. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. The Company considers 12 months to be its normal operating cycle.

2.1 Summary of significant accounting policies

(A) Basis of Preparation of Financial Statements

During the year ended 31 March 2017, the Schedule III notified under the Companies Act, 2013 has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of Schedule III does not impact recognition and measurement principles followed for preparation of financial statements.

(B) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(C) Property pant and Equipments

Property plant and Equipments are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. the Company depreciate them separately based on their specific useful lives.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories. Subsequent expenditure related to an item of Property Plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

All other expenses on existing property plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.
Gains or losses arising from derecognition of an Property Plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. The Company identifies and determines cost of each component separately, if the component has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

(D) Depreciation Tangible Fixed Assets.

Depreciation on fixed assets is calculated on a written down value method at based on the useful lives estimated by the management, or those prescribed under the Schedule II of the Companies Act, 2013, The company has used the following rates to provide depreciation on its fixed assets.

Particulatrs	**Useful life**
Plant and Equpements	5 Years
Furniture and Fixtures	10 years
Computers and laptops	3 Years
Vehicles	10 Years
Digital Assets	13 years

Company has provided depreciation on Digital technology assets @20% (13 years) on WDV basis. Income from use of such assets is booked in K Sera Sera Digital Cinema Private Limited.

A digital technology asset is used by K Sera Sera Digital Cinema Private Limited ("KSS Digital") a WOS company of KSS Limited. Deprecation on the above assets is cross charge to K Sera Sera Digital Cinema Private Limited ("KSS Digital") without transferring the assets. KSS limited is sole owner of the said equipments shall cross charge the amount of deprecation / normal charge of wear and tear to KSS Digital at cost and same shall be recouped by KSS in agreed manner.

(E) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

The Company recognizes / creates rights in motion pictures as intangible asset in the form of Intellectual Property Rights (IPR's). The same is in consideration of the future economic benefits and availability of the aforesaid rights for re-distribution after the expiry of initial period of distribution agreement. The recognition / creation of IPR's are made at a fixed proportion of the production cost depending on the date of release of the motion picture on the following basis:

i. At 30% of the production cost of the motion picture in case the picture is released within 90 days before the year end.
ii. At 10% of the production cost of the motion picture in case the picture is released more than 90 days before the year end.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following:

1. The technical feasibility of completing the intangible asset so that it will be available for use or sale
2. Its intention to complete the asset
3. Its ability to use or sell the asset
4. How the asset will generate future economic benefits
5. The availability of adequate resources to complete the development and to use or sell the asset
6. The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project, i.e., the estimated useful life of ten years. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

A summary of depreciation/ amortization policies applied to the company's intangible assets is as below:

The amortization of motion picture rights is made taking into consideration the following factors:

The date of release/sale of the respective motion picture as referred above and the tenure of the distribution agreement.

Based on above, the amortization of Intellectual Property Rights is carried out on the following basis:

Particulars	**Picture is released within 90 days before the year end**	**Picture is released more than 90 days before the year end**
In the immediately succeeding year of release/sale *	**2/3rd**	**-**
Over the balance period of distribution agreement*	**1/3rd**	**1/3rd**
*The above amortization of Intellectual Property rights is subject to the management estimate of future revenue potential.		

(F) Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(G) Impairment of Tangible and Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

(H) Investments

Investments are classified as current investments and long-term investments as per information and explanation given by the management.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at cost or FMV whichever is lower and Long-term investments are carried at cost. However, provision for diminution in value is not recognizing other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(I) Inventories

Inventories comprise of traded goods, stores and spares are valued at cost or at net realisable value whichever is lower. Cost of traded goods, stores and spares is determined on weighted average basis. Stores and spares, which do not meet the definition of property, plant and equipment, are accounted as inventories. Net realizable value is the estimated selling price in the ordinary course of business and estimated costs necessary to make the sale.

(J) 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:

i. *In house production of motion pictures*

Revenue on assignment of distribution rights of motion pictures to third parties is recognized on the date of release/exhibition of the motion picture. Overflow from the distributors is accounted for as and when due or on receipt basis in case of uncertainty in collection. Revenue from outright sale of motion pictures is recognized on the date of agreement to sell the rights.

ii. *Other rights*

Revenue from other rights of motion pictures such as satellite rights, overseas rights, music rights, video rights, etc. is recognized on the date of execution of the agreement to assign these rights for exploitation or the release of the movie whichever is earlier.

iii. *Interest*

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

(K) Accounting for Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized for deducted timing difference only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is "virtual certainty" (as defined in Accounting Standard 22) supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date the Company re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for credit available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(L) Foreign Currency Translation

Foreign currency transactions and balances

(i) Initial recognition

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

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

(M) Retirement and Other Employee Benefits

Company doesn't have any employee who has completed 5 year of continues services for provision for gratuity and other benefits. And Contributions payable by the Company to the concerned government authorities in respect of provident fund, family pension fund and employee state insurance are charged to the profit and loss account if any.

(N) Segment reporting

The company's business activity falls within a single primary segment the disclosure requirements of Accounting Standard (AS-17) "segment reporting is not applicable.

(O) Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

(P) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(Q) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule of the Companies Act, 2013, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit / (loss) from continuing operations.

In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expenses.

- **Earnings Per Share**

The basic earnings per equity share are computed by dividing the net profit attributable to the equity shareholders for the reporting period by the weighted average number of equity shares outstanding during the reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive.

The earnings per share are calculated as under:

Particulars	31-Mar-17	31-Mar-16
Net profit/(loss) after tax for the year	88.80	(270.53)
Equity shares outstanding as the year end	21358.75	21358.75
Nominal value per share (Rs.)	1	1
Earnings per share		
- Basic	(0.01)	(0.01)
- Diluted	(0.01)	(0.01)

(R)Leases

Where the Company is the lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Assets subject to operating leases are included in property plant and equipment. Lease income on an operating income is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

3.24 Related Party Transaction

As per accounting standard on Related Party Disclosure (AS-18) as notified by the Companies Accounting Standard Rules, 2006 (as amended), the names of the related parties of the Company are as follows:

Subsidiaries

K Sera Sera Box Office Private Limited

K Sera SeraMiniplex Limited

K Sera Sera Digital Cinema Limited

K Sera Sera Productions FZE

Birla Jewels Limited

Birla Gold and Precious Metals Ltd

Step down subsidiaries/Limited Liability Partnerships

KSS Speed Technology Private Limited

Cherish Gold Private Limited

K Sera Sera Holding PTY Limited

Key Managerial Personnel

Satish Panchariya, Chairman & Director

Deepak Tripathi, Company Secretary

Related parties with whom transactions have taken place during the year:

(Amount in Lacs)

Nature of transaction	2017	2016
a. Transactions during the year		
Depreciation cross charged K Sera Sera Digital Cinema Private Limited	204.40	302.45
10,95,000 Equity share of K Sera SeraMiniplexLtd purchases from Ashok panchariya @ 10 per share	109.50	NIL
10,00,000 Equity share of K Sera SeraMiniplexLtd purchases from Birla financial Distributions Ltd @ 10 per share	100.00	NIL
Advances/ loan repayment paid		
K Sera Sera Box Office Private Limited	2.23	0.08
K Sera Sera Productions FZE-Foreign exchange Gain/Loss	(9.18)	24.40
Birla Jewels Limited	145.20	13.29
Birla Gold and Precious Metals Limited	157.54	161.60
K Sera SeraMiniplex Limited	167.96	Nil
Advances/ loan repayment received		
K Sera Sera Digital Cinema Private Limited	448.94	82.41
K Sera SeraMiniplex Limited	Nil	138.56
b. Closing balance		
Short term borrowings		
K Sera Sera Digital Cinema Limited	531.35	82.41
K Sera SeraMiniplex Limited	28.79	196.76
Investment in subsidiaries		
K Sera Sera Box Office Private Limited	2742.50	2742.50
K Sera SeraMiniplex Limited	2999.99	2790.50
K Sera Sera Digital Cinema Private Limited	2999.99	2999.99
K Sera Sera Productions FZE	4994.63	4994.63
Birla Jewels Limited	99.90	99.90
Birla Gold and Precious Metals Limited	100.00	100.00
Loans and advances		
K Sera Sera Productions FZE	443.76	452.93
K Sera Sera Box Office Private Limited	79.65	77.42

Birla Jewels Limited	158.48	13.29
Birla Gold and Precious Metals Limited	319.14	161.60
Remuneration to key managerial personal		
Deepak Tripathi (Appointed wef. 23/03/2017)	0.20	NIL
Tanu Singh (Resigned wef. 30/09/2016)	2.50	4.87
HitaVadgama (Appointed wef. 01/10/2016 and Resigned wef. 11/03/2017)	2.01	Nil

3.25 Contingent liabilities

(a) A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements**.**

The Maharashtra Government had issued a notification on August 30, 2005, as per which entities leasing copyrights of cinematographic films are required to pay value added tax (VAT) @ 4% retrospectively wef. May 1, 2000. Subsequently, upon the representation of 'The Cinematograph Exhibitor's Association of India' ('The Association'), the levy of the said tax was waived for the period May 1, 2000 to March 31, 2005. The revised notification extending similar relief up to the period commencing from April 1, 2005 is being pursued by the association. The Company, in line with the view taken by the Industry, is of the opinion that VAT is not applicable to the activities carried by the Company and has also taken a legal opinion in this regard. The Company has also not received any demand notice from the VAT authorities. As a matter of prudence, the Company has made ad hoc payments of Rs 15.00 Lacs under protest, and 16.70 lacs against the demand which is disclosed under 'Loans and Advances'.

Having regard to the above facts, the Company does not expect any liability on this account. In line with film industry consensus, the Company is of the opinion that there are no grounds for levying VAT on film distribution activity and hence no provision is made in the books of accounts for these years. The same is disclosed as contingent liability under Notes to Accounts.

(b) The company, having IEC number 0306007649, export rights of several films produced by them and/or for which, the distribution rights were purchased/ acquired by them in the past. By exporting distribution rights of the films in the territories abroad, KSS did import of various capital goods including 400 digital cinematographic projectors under EPCG Scheme – concessional rate of duty 3% with the proper compliances. Under EPCG Scheme company have to export eight times (approx 4500.00 lacs) of duty saved within eight years, but till date company did not export under the said obligation. Company imports various digital cinema equipments under the 9(nine) licenses and duty saved 550.81 Lacs and expiry of said license between September 2018 to August 2019.

Demand of Rs 734.06 Lacs excluding interest and penalty under section 142 of the Custom Act 1962. Custom department freeze/attached the various assets and bank accounts against the said recovery. Based on legal Opinion obtained, the company is of the view that said demand contesting. Hence, no provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter. The security deposit (Custom) Rs 213.70 Lacs shown total cost of the assets and account freeze by the custom department, against the Recovery of Government dues under section 142 of the Custom Act 1962 Rs 734.06 Lacs excluding interest and penalties. Custom department freeze/attached the various assets and bank account of KSS Group against the said recovery.

(c) The Company has cases pending at the Securities Exchange Board of India. The departments are yet to pass final order hence the liability for the same is currently unascertainable

I. **Contingent liabilities not provided for in respect of**:

(Amount in lacs)

Particulars	**March 31, 2017**	**March 31, 2016**
Guarantees issued by bank		
- In respect of the Company	NIL	NIL
- In respect of a wholly owned subsidiary	160.39	160.39
Custom duty not acknowledged as debts and contested by the company.	734.06	734.06
Income tax demands not acknowledged as debts and contested by the company.	535.49	461.56
MVAT not acknowledged as debts and contested by the company	1052.82	1035.04
Total	**2482.77**	**2189.57**

ii. The details of the suit filed against the company pending for disposal is as under:

1.	Standard Chartered Bank	OA. 62 of 2008	Against outstanding Bank Guarantee given to Twenty Twenty Television Company Ltd. Of Rs. 160.39 Lacs in DRAT at Mumbai.
2	Income Tax	ITXA(L)/223/2013 (No.1027/2013)	Appeal Filed by the Income tax Department to Hon'ble high CourtMumbai against ITAT Order For A.Y. 2009-10 Rs 471.14 Lacs.
3	Income Tax	ITXA/476/2016	Appeal Filed by the Income tax Department to Hon'ble high CourtMumbai against ITAT Order For A.Y. 2010-11 Rs 578.69 Lacs.

iii. The details of the suit filed by the company pending for disposal is as under:

S. No.	**Name of the Parties**	**Suit No.**	**Particulars**
1	Percept Picture Company	Before Arbitrator	Arbitration proceedings initiated for recovery of Rs.80.00 lacs plus 12% interest thereon.
2	Maharashtra Stage & Cultural Development	290/SS/03	The Company has filed a suit and initiated action under section 138 of the Negotiable Instruments Act, against the said Corporation for recovery of its claim of Rs.108.76 lacs advance against the content of television

			serials which were not completed.
3	Eros Multimedia limited	2356/2009	Suit for Damages for Rs.960.00 lacs
5	GO Bananas Entertainment Pvt. Ltd. & Others	C.C. no. 2517/SS/11	The Company has filed a suit and initiated action under section 138 of the Negotiable Instruments Act, for recovery of its claim of Rs.14.12 lacs
6	Amit Mehrotra & Others	C.C. No. 2184/SS/11	The Company has filed a suit and initiated action under section 138 of the Negotiable Instruments Act, for recovery of its claim of Rs.2.5 lacs
7.	Hydrocarbon Development Company Pvt. Ltd.	1720/SS/2011	138 under N.I. Act – Cheque Bouncing case Amount of cheque Rs. 500.00 lacs.
8.	Joint Commissioner of Sales Tax, Mumbai		For F.Y. 2005-06, 2007-08, 2008-09 and 2010-11 Amount Rs 1052.82 lacs
9.	Income Tax Appellate Mumbai		Income Tax Appellate Tribunal (Mumbai) For A.Y. 2004-05 33.11 lacs, A.Y. 2005-06 Rs 15.96 Lacs, A.Y. 2006-07 Rs 45.50 lacs, A.Y. 2007-08 Rs 183.36 lacs , 2008-09 71.36 Lacs and 2011-12 Rs 186.19 Lacs
10.	Custom Duty, The Custom Act 1962 CBEC		Writ petition filed in Hon'ble high Court Mumbai Demand Rs 734.06 Lacs U/s 114A of Customs Act, 1962.

3.23.26 Auditors' Remuneration

Particulars (excluding service tax)	**31-Mar-17**	**31-Mar-16**
Statutory audit	3.00	3.00
Limited review and other certifications	0.75	0.75
Other Services	0.25	0.25
Total	**4.00**	**4.00**

3.27 Earning And Expenditure In Foreign Currency (On Accrual Basis)

Particulars	**31-Mar-17**	**31-Mar-16**
Earning:	NIL	NIL
Expenditure/Capital expenditure for assets	NIL	NIL

3.28 Deferred Tax Liability / (Asset)
(Amount in Lacs)

Particulars	**As at April 1, 2016**	**Current year (charge) / credit**	**As at March 31, 2017**
Difference between book base and tax base of fixed assets	(310.52)	(37.89)	(348.41)

Carried forward losses	0.00	0.00	0.00
Total	**(310.52)**	**(37.89)**	**(348.41)**

3.29 Un-Hedged Foreign Currency Exposure

The following is the details of un-hedged foreign currency exposure:

Particulars	Amount
Receivables	
US$ @ closing of 1 USD Rs 64.7468	
(Previous year US $ @ closing rate of 1 USD = Rs. 66.10)	USD $9.00 lacs
AED @ closing of 1 AED Rs 17.6243	
(Previous year AED @ closing rate of 1 AED = Rs. 17.99)	AED 25.16 Lacs
Payables	
US$ @ closing of 1 USD Rs 64.7468	
(Previous year US $ @ closing rate of 1 USD = Rs. 66.10)	USD $0.15 Lacs

3.30 Subsidiary Company Business

Balances in respect of certain sundry debtors, sundry creditors and loans and advances are taken as shown by the books of account and are subject to confirmation and consequent adjustments and reconciliation, if any.

Sr No.	Name of the Company	Date of Incorporation	% of holding	Amount Invested	Advance to Subsidiaries	Previous Year
1.	K Sera Sera Productions FZE	19.11.2009	100%	4,994.63	443.76	452.93
2.	K Sera Sera Digital Cinema Ltd	04.06.2009	100%	2999.99	(531.35)	(82.41)
3.	K Sera Sera Box Office Pvt Ltd	12.06.2009	91.42%	2742.50	79.65	77.42
4.	K Sera SeraMiniplex Ltd	02.02.2010	99.99%	2790.50	(28.79)	(196.76)
5.	Birla Gold and Precious Metals Ltd	24.09.2001	100%	100.00	319.14	161.60
6.	Birla Jewels Ltd	23.05.2011	100%	99.90	158.48	13.29

3.31 i. As per Management opinion Current assets, loans and advances have a value on realization which in the ordinary course of the business would not be less than the amount at which they are stated in the balance sheet and the provisions for all known and determined liabilities are adequate and not in excess of the amount reasonably required.

ii. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 There are no micros, small and medium enterprises, to which the Company owes dues, which are outstanding for more than 45 days as at March 31, 2016. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

3.32 Disclosure on Specified Bank Notes (SBNs)

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

(Amount in Rupees)

Particular	Specified Bank notes (SBNs)	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	-	86162	86162
Add: Permitted receipts	-	5000	5000
Less: Permitted Payments	-	2600	2600
Less: Amount deposited in banks	-	NIL	NIL
Closing Cash in hand as on 30th December, 2016	-	88562	88562

Note: For the purpose of this clause, the term Specifed Bank Notes (SBNs) means the bank notes of denominatons of the existng series of the value of fve hundred rupees and one thousand rupees as defned under the notfcaton of the Government of India, in the Ministry of Finance, Department of Economic A airs no. S.O. 3407(E), dated the 8 November, 2016.

3.33 Figures for the previous year have been regrouped / amended wherever necessary.

For and on behalf of the board of directors

For **Agrawal Jain & Gupta**

Chartered Accountants

Firm Registration No. 013538C

Satish Panchariya

DIN 00042934

Harsh Upadhyay

DIN 07263779

CA Narayan Swami

Partner

M. No - 409759

Mumbai

Date: 30.05.2017

KSS LIMITED

CONSOLIDATED INDEPENDENT AUDITORS' REPORT

TO

THE MEMBERS OF

KSS LIMITED (Formerly Known as K seraSera Limited)

Report on the Consolidated Financial Statements

We have audited the attached Consolidated Financial statements of KSS Limited ('the Company'), and its subsidiaries (herein after collectively referred to as 'the Group') which comprises of Balance Sheet as at March 31, 2017 and the Consolidated Profit and Loss account and the Consolidated Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and 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 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 consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the consolidated 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 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 statement of affairs of the company as at 31st March 2017, and profit and loss account and its cash flow for the year ended on that date.

Emphasis of Matters

f) We draw attention to the Note 3.29 to the financial statement for a demand of Rs 734.06 Lacs excluding interest and penalty under section 142 of the Custom Act 1962. Custom department freeze/attached the various assets and

bank accounts against the said recovery. Based on legal Opinion obtained, the company is of the view that said demand contesting. Hence, no provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter.

g) We draw attention to the Note 3.29 to the financial statement for a demand of Rs 1052.82 Lacs including the interest and penalty under MVAT .In line with film industry consensus, the Company is of the opinion that there are no grounds for levying VAT Based on legal Opinion obtained; the company is of the view that said demand contesting. Hence, no provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter.

h) Notes to the financial statements which describe the uncertainty related to the outcome of the pendency's of appeals and legal matters filed by the company as well as against the company.

Our opinion is not modified in respect of these matters.

Report on other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associates as noted in the 'other matter' paragraph 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;

b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;

c) The consolidated balance sheet, the consolidated statement of profit and loss, and consolidated cash flow statement dealt with by this report are in agreement with the books of account;

d) In our opinion, the consolidated balance sheet, statement of consolidated profit and loss and consolidated cash flow statement comply with the accounting standards referred to in section 133 of the companies act, 2013, read with rule 7 of the companies (accounts) rules, 2014;

e) The matter described under the emphasis of matters paragraph above, in our opinion, may have an adverse effect on the functioning of the group;

f) On the basis of written representations received from the directors as on 31st march, 2017, taken on record by the board of directors, none of the directors is disqualified as on 31st march, 2017, from being appointed as a director in terms of section 164(2) of the act;

g) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls refer to our separate report in 'annexure b'; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the group & its associates. Refer to Note No 3.29 to the consolidated financial statements

ii) The Group and its associates did not have any material foreseeable losses, if any, on long-term contracts including derivative contracts during the year ended 31st March, 2017 and

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its Subsidiaries incorporated in India.

iv) The Group has provided requisite disclosure in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedures performed by us on the companies audited by us we report that the disclosure (Refer note 3.40 to the consolidated financial statements) is in accordance with books of account maintained by the Group and as produced to us by the Management of the Holding Company.

Other Matter

We did not audit the financial statements of following subsidiaries stated as follows:

(Rupees in Lacs)

Sr. No.	Subsidiary Companies	Assets	Revenue
1	K Sera Sera Productions FZE	41425	174.89
2	Birla Gold and Precious Metals Ltd.	556.29	368.03
3	Birla Jewels Ltd.	584.78	754.74

These financial statements have been incorporated in the consolidated financial statements on the basis of audited financial statements as provided by the management of the said subsidiary. Our opinion in so far as it relates to the amount included in the consolidated financial statements in respect of these subsidiaries, is based solely on the audited separate financial statement of these subsidiaries.

Our above opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management

FOR Agrawal Jain and Gupta.

Chartered Accountants

Firm Reg. No. 013538C

CA Narayan Swami

Partner

Membership No. 409759

Place: Mumbai

Dated: 30th May, 2017

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Register office No.Unit No. 101A & 102, Morya Landmark - II, Plot B-17, Andheri (West), Mumbai - 400 053

Consolidated Balance sheet as at 31st March 2017

(Amount in Lacs)

Particulars	Note No.	As at March 31,	
		2017	2016
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3.1	21,358.75	21,358.75
(b) Reserves and Surplus	3.2	40,235.14	39,649.60
Minority Interest		228.95	393.79
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3.3	1,911.33	1,828.00
(b) Other Long term Liabilities	3.4	529.06	636.27
(c) Long-Term Provisions	3.6	23.91	3.75
(3) Current Liabilities			
(a) Short-Term Borrowings	3.7	153.19	50.78
(b) Trade Payables	3.8	629.22	2,278.81
(c) Other Current Liabilities	3.9	321.70	316.50
(d) Short-Term Provisions	3.10	471.85	353.41
Total Equity & Liabilities		**65,863.10**	**66,869.67**
II.ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	3.11(a)	3,032.77	3,557.41
(ii) Intangible Assets	3.11(b)	812.69	812.69
(iii) Capital Work in Progress	3.11(c)	146.95	-
(b) Non-current investments	3.12	15,524.78	15,471.16
(c) Deferred tax assets (net)	3.5	639.31	711.85
(d) Long term loans and advances	3.13	14,515.27	14,007.74
(2) Current Assets			
(a) Current investments	3.14	2,640.00	2,640.00
(b) Inventories	3.15	277.82	4.02
(c) Trade receivables	3.16	24,874.50	27,138.30
(d) Cash and cash equivalents	3.17	139.81	144.79
(e) Short-term loans and advances	3.18	3,165.84	2,354.12
(f) Other current assets	3.19	93.36	27.59
Total Assets		**65,863.10**	**66,869.67**
The accompanying notes are an integral part of the financial statements.		0 -	0

As per our Report even date attached

For Agrawal Jain and Gupta
Chartered Accountants
ICAI Firm Reg. No.: 013538C

For and on behalf of Board of Directors of KSS Limited

CA Narayan Swami	**Satish Panchariya**	**Harsh Upadhyay**
Partner	*Exe. Chairman & Director*	*Director*
Membership No. : 409759	DIN: 00042934	DIN No.: 07263779
Mumbai	**Deepak Tripathi**	**Shamrao Ingulkar**
Date: 30.05.2017	*Company Secretary*	*CFO*

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Register office No.Unit No. 101A & 102, Morya Landmark - II, Plot B-17, Andheri (West), Mumbai - 400 053

Consolidated Statement of profit and loss for the year ended 31st March 2017

(Amount in Lacs.)

Particulars	Note No.	As at March 31,	
		2017	2016
Income			
Revenue from Operations	3.20	3,802.66	4,477.07
Other Income	3.21	98.75	58.90
Total revenue (I)		**3,901.41**	**4,535.97**
Expenses:			
Cost of Operations	3.22	1,970.71	2,470.48
Employee Benefit Expense	3.23	532.06	498.15
Financial Costs	3.24	54.64	30.10
Depreciation and Amortization Expense	3.25	582.98	763.18
Other Administrative Expenses	3.26	584.32	862.76
Total Expenses (II)		**3,724.72**	**4,624.66**
Profit before exceptional and extraordinary items and tax (I - II)		**176.70**	**(88.69)**
Add/(less)			
Exceptional Items		-	-
Profit before tax		**176.70**	**(88.69)**
(Add)/less			
Tax expense:			
(1) Deferred Tax Expense		72.48	(70.38)
(2) Current Tax/ MAT		1.74	-
(3) Tax Expense relating to Prior Year		(1.81)	-
Profit after tax		**104.28**	**(18.31)**
Earning per equity share:			
(1) Basic		0.005	(0.00)
(2) Diluted		0.005	(0.00)

The accompanying notes are an integral part of the financial statements.

As per our Report even date attached

For Agrawal Jain and Gupta
Chartered Accountants
ICAI Firm Reg. No.: 013538C

For and on behalf of Board of Directors of KSS Limited

CA Narayan Swami
Partner
Membership No. : 409759

Satish Panchariya
Exe. Chairman & Director
DIN: 00042934

Harsh Upadhyay
Director
DIN No.: 07263779

Mumbai
Date: 30.05.2017

Deepak Tripathi
Company Secretary

Shamrao Ingulkar
CFO

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2017

Amount in Lacs

	Particulars	As at March 31,	
		2017	2016
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit Before Tax	**176.70**	**(88.69)**
	Adjustments For:		
	Depreciation/Amortisation	582.98	763.18
	Loss On Sale Of Assets	-	3.96
	Interest Cost	54.64	30.10
	Interest Received	(2.36)	(2.56)
	Loss on sale of investement	-	-
		635.26	794.68
	Operating Cash Flow Before Changes In Working Capital	**811.96**	**705.98**
	Adjustments For:		
	(Increase)/Decrease In Inventories	(273.80)	(0.40)
	(Increase)/Decrease In Sundry Debtors	2,263.80	(3,731.93)
	(Increase)/Decrease In Loans And Advances	(1,131.47)	256.25
	Increase/(Decrease) In Current Liabilities And Provisions	(1,612.99)	1,967.00
	Net Changes In Working Capital	57.50	(803.09)
	Taxes Paid	-	-
	Translation adjustement Reserve	417.80	688.19
	Miscellaneous Expenditure	(191.80)	3.42
	Cash Generated From/(Used In) Operations	**283.50**	**(111.48)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase Of Fixed Assets	(444.75)	(1,383.50)
	Sale/Surrender Of Fixed Assets	104.97	11.16
	Sale Of Investments	(53.62)	1,084.14
	Interest Received	2.36	2.56
	Cash Generated /(Used In) From Investing Activities	**(391.03)**	**(285.64)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest Paid	(54.64)	(26.26)
	Minority interest	(28.55)	4.36
	Repayment Of Borrowings	-	-
	Proceeds From Borrowings	185.73	309.68
	Cash Generated /(Used In) From Financing Activities	**102.55**	**287.79**
	translation adjustment	-	-
	Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)	**(4.99)**	**(109.33)**
	Cash And Cash Equivalents At The Beginning Of The Year	144.79	257.97
	Cash And Cash Equivalents At The End Of The Year	139.81	144.79
	Note:		
1	**Cash and cash equivalents at the year end comprise:**		
	Cash On Hand	69.58	34.98
	Balance With Scheduled Banks In		-
	- Current Accounts	70.23	109.81
	- Deposit Accounts	-	
		139.81	**144.79**
		0.00	(0.00)
2	The Cash Flow Statement Has Been Prepared Under Indirect Method As Set Out In Accounting Standard 3, 'Cash Flow Statement' Issued By The Institute Of Chartered Accountants Of India		

The accompanying notes are an integral part of the standalone financial statements.
As per our report of even date attached

For Agrawal Jain and Gupta
Chartered Accountants
ICAI Firm Reg. No.: 013538C

For and on behalf of Board of Directors of KSS Limited

CA Narayan Swami
Partner
Membership No.: 409759

Satish Panchariya
(Director)
DIN No.: 00042934

Harsh Upadhyay
(Director)
DIN No.: 07263779

Mumbai
Date : 30.05.2017

Deepak Tripathi
Company Secretary

Shamrao Ingulkar
Chief Financial Officer

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Consolidated Notes to financial statements for the year ended 31 March 2017

3.1 Share Capital

Particulars	31 March 2017		31 March 2016	
	Nos.	Amount	Nos.	Amount
AUTHORIZED CAPITAL				
2,30,000,000 (March 31, 2016 : 2,30,000,000) Equity Shares of Rs. 1/- each	23,000.00	23,000.00	23,000.00	23,000.00
	23,000.00	23,000.00	23,000.00	23,000.00
ISSUED , SUBSCRIBED & PAID UP SHARES				
2,13,587,507 (March 31, 2016 : 2,13,587,507) Equity Shares of Rs. 1/- each Equity Share of Rs.1/- each Fully Paid Up	21,358.75	21,358.75	21,358.75	21,358.75
Total issued, subscribed and fully paid-up share capital	**21,358.75**	**21,358.75**	**21,358.75**	**21,358.75**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	31 March 2017		31 March 2016	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	21,358.75	21,358.75	21,358.75	21,358.75
Outstanding at the end of the year	**21,358.75**	**21,358.75**	**21,358.75**	**21,358.75**

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having per value of ` 1/- per share. Each holder of equity shares having par value of ` 1/- per equity share is entitled to one vote per equity share. n the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of the shareholder	31 March 2017		31 March 2016	
	Nos.	% holding in the class	Nos.	% holding in the class
Aspire Emerging Fund	2,058.00	9.64%	2,058.00	9.64%
Auctor Investement Limited	2,009.90	9.41%	2,009.90	9.41%
Emerging Market Opportunities Fund	1,857.75	8.70%	1,891.00	8.85%

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

3.2 Reserve & Surplus

Particulars	31 March 2017	31 March 2016
Securities Premium reserve		
Balance as per the last year's financial statements	10,074	10,074.48
Less: Misc. Expenses written off	192	
Closing Balance	**9,883**	**10,074.48**
Surplus/ (deficit) in the statement of profit and loss		
Balance as per the last year's financial statements	27,186	27,203.99
Add: Profit for the period	104	(18)
Net deficit in the statement of profit and loss	**27,290**	27,186
Minority Interest	28.55	(4)
Capital Reserve / (Goodwill)	(52.12)	(52)
Translation adjustments Reserve	3,086.07	2,446
Total	**40,235.14**	**39,649.60**

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Consolidated Notes to financial statements for the year ended 31 March 2017

3.3 Long Term Borrowings

Particulars	31 March 2017	31 March 2016
8% Optionally convertible redeemable Bonds (Unsecured)	1,500.00	1,567.00
Secured Loan		
Secured Vehicle Loan- SBI	3.83	-
Rupee loan from banks (secured against Maruti Celerio ZXI-MH-02 EE-7244 of the Company) Loan having interest rate 9.75% p.a. is repayable in 36 monthly installments of Rs 15,658/- each inculding interest start from 04 Aug 2016		
Term loans	-	-
Term loan from Axis Bank Limited	407.50	261.00
Rupee loan from banks (secured against fixed assets of the Company) Term loan having interest of bank base rate plus 2.00% @ 11.75% p.a. is repayable in 120 monthly installments of Rs		
Total	**1,911.33**	**1,828.00**

(a) Company issued 2,300 (Two Thousand three Hundred sixty seven) Optionally Convertible Redeemable Bond of Rs 1,00,000/- each. out of them 800 OCRBs converted into 56,48,873 fully paid equity shares alloted in Financial Year 2014-15. And reamining 1500 (One Thousand Five Hundred) Optionally Convertible Redeemable Bond not converted till the reporting date.

3.4 Other Long term Liabilities

Particulars	31 March 2017	31 March 2016
Other Long Term Liabilities	-	110.95
Deposits	529.06	525.31
Total	**529.06**	**636.27**

(a) Total deposit inculdes of Rs 70.32 lacs Indore Cinema- indore thearter due to non operation and legal dispute with the Franchise Note No. 3.29. Fixed assets Gross Block Rs 82.72 and Net Block Rs 51.04 Depreciation Provide upto 31.03.2013. Depreation not provided on indore thearter due to non operation and legal dispute.

(c) Deposit for Miniplex Rs 448.67 -Expenses of Rs 296.35 related to new Miniplex pending for allocation and its adjustable/recoverable from deposit for Miniplex.Said expenses shown under the head Long term loans and advances Note no. 3.4.

3.5 Deferred tax Assets (Liabilities)

Particulars	31 March 2017	31 March 2016
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	639.31	529.13
Gross deferred tax liability	**639.31**	**529.13**
Impact of expenditure charged to the statement of profit		
Deferred tax asset on carried forward losses	-	182.73
	-	**182.73**
Net deferred tax liability/ (asset)	**639.31**	**711.85**

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Consolidated Notes to financial statements for the year ended 31 March 2017

As per Accounting Standard 22 issued by ICAI Deferred tax assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually

Note : 3.6 Long Term Provisions

Particulars	31 March 2017	31 March 2016
Provision for Expenses	23.91	3.75
Total	**23.91**	**3.75**

3.7 Short Term Borrowings

Particulars	31 March 2017	31 March 2016
Cash Credit Loan facility	-	-
Cash Credit Loan facility from Axis Bank Limited	69.74	-
Short Term Borrowings others	83.45	-
Loan From Directors	-	50.78
Total	**153.19**	**50.78**

Company has not accepted public deposit during the financial year As per section 76 (1) of the Companies Act, 2013 and rule 2 (1) (e) of Companies (Acceptance of Deposits) Rules, 2014 .

3.8 Trade Payable

Particulars	31 March 2017	31 March 2016
Sundry Creditors	571.14	2,219.48
Sundry Creditors-More than 1 year	58.08	59.34
Total	**629.22**	**2,278.81**

3.9 Other Current Liabilities

Particulars	31 March 2017	31 March 2016
Salary Payable	67.72	34.83
Other Liabilities-Statutory	127.95	158.55
Advance from Customer	116.48	113.66
Deposits from Theatres	8.60	9.06
Other Liabilities	0.96	0.40
Total	**321.70**	**316.50**

3.10 Short Term Provisions

Particulars	31 March 2017	31 March 2016
Others		
Provision for Expenses	470.05	351.84
Provision for Income - Taxation	1.79	1.58
Total	**471.85**	**353.41**

Provision for Expenses 454.80 lacs as ROC Fees and Stamp duty payable includes additional fees for increase in authorized capital from 75 Crore to 205 on dated 29th July 2009, and 205 to 220 Crore on dated 19th November 2009. Said ROC Fees and Stamp duty Not paid till the reportindg date.

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Note 3.11 (a): Tangible Fixed Assets

	Computer & Peripherals	Office Equipment	Office Building	Furniture & Fixtures	Motor Vehicles	Digital Technology Assets	Total
Tangible Fixed Assets							
Gross block							
Balance as at 1 April 2015	633.74	388.12	-	695.25	287.39	3,449.38	5,453.88
Addition	31.53	10.08	1,174.71	12.74	-	191.50	1,420.57
Adjustments/ disposals	463.64	203.71	-	398.53	204.45	-	1,270.34
Balance as at 31 March 2016	201.63	194.50	1,174.71	309.45	82.94	3,640.88	5,604.11
Addition	27.51	13.29	-	101.36	5.82	296.77	444.75
Adjustments/ disposals	-	-	-	-	-	292.76	292.76
Balance as at 31 March 2017	229.14	207.78	1,174.71	410.81	88.76	3,644.89	5,756.09
Accumulated Depreciation							
Balance as at 1 April 2015	595.23	207.39	-	429.61	159.14	1,301.31	2,692.67
Depreciation charge new rate debited to reserve a/c	-	-	-	-	-	-	-
Depreciation charge	22.84	68.78	-	79.44	20.99	421.17	613.21
Adjustments/ disposals	463.64	203.71	-	387.38	204.45	-	1,259.18
Balance as at 31 March 2016	154.43	72.46	-	121.67	- 24.33	1,722.47	2,046.70
Depreciation charge new rate debited to reserve a/c							-
Depreciation charge	27.81	58.30	-	79.03	28.70	379.09	572.94
Adjustments/ disposals	(10.04)	(40.59)	0.00	(6.42)	(46.64)	0.00	(103.68)
Balance as at 31 March 2017	192.29	171.35	-	207.11	51.01	2,101.56	2,723.32
Net block							
Balance as at 31 March 2016	47.20	122.04	1,174.71	187.78	107.27	1,918.41	3,557.41
Balance as at 31 March 2017	**36.85**	**36.43**	**1,174.71**	**203.70**	**37.75**	**1,543.33**	**3,032.77**

Note 3.10(b): Tangible Fixed Assets

	Motion Picture Rights	Trade Marks	Total
Intangible Fixed Assets			
Gross block			
Balance as at 1 April 2015	941.61	6.22	947.83
Addition	-	1.04	1.04
Adjustments/ disposals	-	-	-
Balance as at 31 March 2016	941.61	7.27	948.88
Addition	-	-	-
Adjustments/ disposals	-	-	-
Balance as at 31 March 2017	941.61	7.27	948.88
Accumulated Depreciation			
Balance as at 1 April 2015	-	-	-
Depreciation charge	136.19	-	136.19
Adjustments/ disposals	-	-	-
Balance as at 31 March 2016	136.19	-	136.19
Depreciation charge	-	-	-
Adjustments/ disposals	-	-	-
Balance as at 31 March 2017	136.19	-	136.19
Net block			
Balance as at 31 March 2016	805.42	7.27	812.69
Balance as at 31 March 2017	**805.42**	**7.27**	**812.69**

Note 3.10(c): Capital Work in Progress

Particulars	Total
Balance as at 1 April 2016	-
Addition	146.95
Capitalised/ Adjustments	-
Balance as at 31 March 2017	146.95

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Consolidated Notes to financial statements for the year ended 31 March 2017

3.12 Non Current Investment

Particulars	31 March 2017	31 March 2016
Investment in Joint Venture - Citigate Trade FZE	582.72	594.90
Investment in equity instruments (quoted)	-	-
9,64,63,530 (31 March 2016: 9,64,63,530) Equity shares of Citigold Corporation Limited (Australia)	4,917.36	4,917.36
(closing market price of City Gold Corpoation Limited is AUD 0.011 (31 March 2016: AUD 0.016)per share on ASX. Valuation as per Market price is RS 5,25,66,836 (31 March 2016: 7,82,20,347) converted at AUD 1/INR 49.54 (P.Y. 48.50).	-	-
Investment in equity instruments (unquoted)	10,024.69	9,958.90
Total	**15,524.78**	**15,471.16**

(a) Current investments are carried in the financial statements at cost and Long-term investments are also carried at cost. However, provision for diminution in value is not recognize other than temporary in the value of the investments.On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(b) Non Current Investement in Equity Instriumnet(Un-quoted) are shown net off after after adjusting Rs 1096.92 lacs payable for land purchases in previous year. Company had given unquoted invetement as gurantee of the said payment.

3.13 Long Term Loans and Advances

Particulars	31 March 2017	31 March 2016
Security deposit (Unsecured and considered good)		
Security deposit	321.30	99.27
	321.30	**99.27**
Advances recoverable in cash or kind		
Share application money	80.00	80.00
Unsecured, Considered Good	1,485.99	1,339.64
Unsecured, Considered doubtful	12,627.98	12,488.83
(unsecured considered doubtful inculdes Expenses of Rs 296.35 lacs related to new Miniplex pending for allocation and its adjustable/recoverable from deposit for Miniplex shown in Note No 3.4 above.		
	14,193.97	**13,908.47**
Total	**14,515.27**	**14,007.74**

(a) In line with film industry consensus, the Company is of the opinion that there are no grounds for levying VAT on film distribution activity and hence no provision is made in the books of accounts for these years. The same is disclosed as contingent liability of Rs 1052.82 Lacs under Notes to Accounts, 31.70 lacs other security deposit for MVAT.

(b) The company, having IEC number 0306007649, company import of various capital goods including 400 digital cinematographic projectors under EPCG Scheme – concessional rate of duty 3%. Under EPCG Scheme company have to export eight times (approx 4500.00 lacs) of duty saved within eight years, but till date company did not export under the said obligation.Licance details in Note No. 3.25

(c) The security deposit (Custom) Rs 213.70 Lacs shown total cost of the assets and account freeze by the custom department, against the Recovery of Government dues under section 142 of the Custom Act 1962 Rs 734.06 Lacs excluding interest and penalties. Custom department freeze/attached the various assets and bank account of KSS Group against the said recovery .

3.14 Current investment

Particulars	31 March 2017	31 March 2016
Investment in shares (unquoted)		
2,64,00,000 (31 March 2013: 2,64,00,000) Equity shares of Rs.10 each fully paid up in Kamla Landmark Infrastructure Pvt. Limited	2,640.00	2,640.00
Total	**2,640.00**	**2,640.00**

Current investments are carried in the financial statements at cost and Long-term investments are also carried at cost. However, provision for diminution in value is not recognize other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Consolidated Notes to financial statements for the year ended 31 March 2017

3.15 Inventories

Particulars	31 March 2017	31 March 2016
Inventories	277.82	4.02
Total	**277.82**	**4.02**

3.16 Trade Receivables

Particulars	31 March 2017	31 March 2016
Outstanding for more than six months		
a) Unsecured, Considered Doubtful : More than six months (inculding Foreign Debtors Rs 2364.28 Lacs of K Sera Sera Fze)	23,909.93	24,527.87
b) Unsecured, Considered Good : More than six months	241.02	2,570.19
c) Unsecured, Considered Good : Others	37.39	24.53
d) Doubtful	686.16	15.72
Total	**24,874.50**	**27,138.30**

3.17 Cash and bank balances

Particulars	31 March 2017	31 March 2016
Bank balance		
- In Current Accounts with Bank		
i) In India with Scheduled Banks	70.23	109.42
ii) Outside India	-	0.39
	70.23	**109.81**
Cash on hand	69.58	34.98
Total	**139.81**	**144.79**

3.18 Short Terms Loans and Advances

Particulars	31 March 2017	31 March 2016
Advance Recoverable in cash or in kind		
Interest free advances to related parties	-	-
Unsecured, Considered Good	2,409.01	1,500.78
Advance for Properties	399.46	404.46
(Unsecured, Considered Good inculdes Rs 1000.00 lacs paid to SBI Global Factors comply with the Supreme Court order agaist the 8% Optionally convertible redeemable Bonds (P.Y. 1000.00 Lacs 31.03.2016).	**2,808.48**	**1,905.25**
Other Advances	-	3.39
Advance Income Tax	200.29	234.98
Service tax input credit	-	4.97
Provision for income	44.24	-
Advance to Suppliers	43.88	48.01
Prepaid Expenses	37.37	46.81
Advance to Staff	31.57	110.71
	357.36	**448.87**
Total	**3,165.84**	**2,354.12**

3.19 Other Current assets

Particulars	31 March 2017	31 March 2016
Misc. Expenses not written off	17.64	37.96
Add: Expenses incured during the year	75.72	3.42
Less: w/off during the year	-	13.78
Total	**93.36**	**27.59**

KSS LIMITED

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Notes to financial statements for the year ended 31 March 2017

3.20 Revenue from operations

Particulars	31 March 2017	31 March 2016
Income From Advertisements	785.87	651.59
Content distributions charges-SEDC	571.56	591.23
Ticket Sale Collection	701.65	738.15
Other operations	572.61	494.44
Income Films Distributions, Exhibitions and others	349.89	2,001.66
Sales Gold Jewellery	821.07	-
Total	**3,802.66**	**4,477.07**

3.21 Other Income

Particulars	31 March 2017	31 March 2016
Foreign Exchange Revaluation Gain	0.15	56.01
Interest income	2.36	2.56
Royalty Income	0.16	0.22
Other Income	96.08	0.12
Total	**98.75**	**58.90**

3.22 Cost Of Operations

Particulars	31 March 2017	31 March 2016
Opening Stock	4.02	3.63
Add:- Purchases	1,407.19	185.15
Less:- Closing Stock	(277.82)	(4.02)
Sub-total (a)	**1,133.39**	**184.76**
DIRECT/PRODUCTIONS EXPENSES		
Content Delivery, Installation, Survey, Transportations	80.78	80.54
Consumables	16.02	17.44
Commission on advertisement share	27.82	28.01
Distributors Share	275.07	307.13
Other operating expenses	437.63	1,852.61
Sub-total (b)	**837.32**	**2,285.72**
Total	**1,970.71**	**2,470.48**

KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Notes to financial statements for the year ended 31 March 2017

3.23 Employment Benefit Expenses

Particulars	31 March 2017	31 March 2016
Salaries and wages	452.15	454.33
Director Remuneration/Setting Fees	15.03	1.01
Gratuity	20.16	4.86
Leave encashment	0.17	1.16
Staff welfare	23.49	13.57
Incentive/Bonus	3.28	3.49
Employer Contribution to PF & ESIC	17.78	19.72
Total	**532.06**	**498.15**

3.24 Financial Cost

Particulars	31 March 2017	31 March 2016
Finance Charges & Bank Charges	54.64	30.10
Total	**54.64**	**30.10**

3.25 Depreciation & Amortized Cost

Particulars	31 March 2017	31 March 2016
Depreciation	572.94	749.40
Preliminary Expenses W/O	10.04	13.78
Total	**582.98**	**763.18**

3.26 Other Administrative Expenses

Particulars	31 March 2017	31 March 2016
Rent	82.45	55.40
Rates and taxes	2.09	13.31
Power and fuel	29.12	19.27
Communication costs	18.42	10.88
Brokerage & Commission	31.65	8.73
Insurance Expenses	8.44	10.90
Printing & Stationery Expenses	6.15	5.75
Membership & Subscriptions Fees	4.21	4.95
Advertisement & Publicity	87.54	463.17
Loss on sale of fixed assets (net)	-	3.96
Travelling and conveyance	29.97	30.69
Hotel Boarding & Restaurant	9.42	7.41
Legal and professional fees	136.72	153.86
Internet & Website Expenses	14.55	15.32
Repairs and maintenance (others)	10.15	4.90
Auditors Remuneration	12.36	11.31
Foreign Exchange Loss	21.16	0.07
Interest & Penalties Paid	24.60	6.24
Postage & Telegrams Expenses	2.00	2.17
Swachh Bharat Cess	3.96	2.76
Security Charges	8.38	7.65
Discount & Rebate	9.41	- 0.00
Office Expenses	31.58	24.05
Total	**584.32**	**862.76**

KSS LIMITED

KSS LIMITED

SIGNIFICANT ACCOUNTING POLICY AND NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2017

1 CORPORATE INFORMATIONS

KSS Limited (BSE Scrip Code: 532071; NSE Scrip Code KSERASERA) in a global player within the Indian media and entertainment.

KSS Limited ('K Sera Sera Limited' or 'the Company') along with its wholly owned subsidiaries K Sera SeraMiniplex Limited ("KSS Miniplex"), K Sera Sera Digital Cinema Limited ("KSS Digital"), K Sera Sera Box Office Private Limited ("KSS Box Office") Birla Gold and Precious Metals Ltd, Birla Jewels Ltd. and K Sera Sera Productions FZE ("KSS FZE"), and step down subsidiaries Cherish Gold Private Limited , KSS Speed Technology Private Limited, K Sera Sera Australia Holding (Pty) Limited ("KSS Australia"), is the most diversified media company. The Company through its subsidiaries and step down subsidiaries is into the business of Miniplexes, Digital Cinema, Online Trading in Gold & Jewellery, Project Consultancy and General Trading (UAE).

2 Basis of Preparation

The financial statements of the company have been prepared under historical cost convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act 2013 and comply in all material aspects with the accounting principles generally accepted in, under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

The accounting policies have been consistently applied unless otherwise stated. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. The Company considers 12 months to be its normal operating cycle.

2.1 Summary of significant accounting policies

(a) Presentation and disclosure of financial statements

During the year ended 31 March 2017, the Schedule III notified under the Companies Act, 2013 has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of Schedule III does not impact recognition and measurement principles followed for preparation of financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

(b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(c) Principles of Consolidation

The consolidated financial statements relate to KSS Ltd. ('the Parent' or 'the company') and its subsidiary K Sera Sera Productions FZE, K Sera Sera Box Office Private Limited, K Sera Sera Digital Cinema Limited, K Sera SeraMiniplex Limited, Birla Gold and Precious Metals Ltd, & Birla Jewels Ltd together referred to as 'the Group'. The consolidated financial statements have been prepared in accordance with the principles and procedures required for the preparation and presentation of financial statements as laid down under the accounting standards issued by the Institute of financial statements of the company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and transactions and resulting unrealized gain/losses. The Group accounts for investments by the equity method of accounting where it is able to exercise significant influence over the operating and financial policies of the investee. The Group's share of profit/loss of associate firms is included in the profit and loss account. Inter company profits and losses have been proportionately eliminated until realized by the investor or investee.

CFS comprise the financial statements of KSS Limited and its subsidiaries as below:

(Rs. In Lacs)

Sr No	Name of the Company	Date of Incorporation	% of holding	Amount Invested
1.	K Sera Sera Productions FZE	19.11.2009	100%	4,994.63
2.	K Sera Sera Digital Cinema Ltd	04.06.2009	100%	2999.99
3.	K Sera Sera Box Office Pvt. Ltd.	12.06.2009	91.42%	2742.49
4.	K Sera SeraMiniplex Ltd.	02.02.2010	99.99%	2999.90
5.	Birla Gold & Precious Metals Ltd.	24.09.2001	100%	100.00
6.	Birla Jewels Ltd.	23.05.2011	100%	99.90

(d) Property pant and Equipments

Property plant and Equipments are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The Company depreciates them separately based on their specific useful lives.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories. Subsequent expenditure related to an item of Property Plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

All other expenses on existing property plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.
Gains or losses arising from derecognition of an Property Plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. The Company identifies and determines cost of each component separately, if the component has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

(e) Depreciation Tangible fixed assets.

Depreciation on fixed assets is calculated on a written down value method at based on the useful lives estimated by the management, or those prescribed under the Schedule II of the Companies Act, 2013, The company has used the following rates to provide depreciation on its fixed assets.

(f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

The Company recognizes / creates rights in motion pictures as intangible asset in the form of Intellectual Property Rights (IPR's). The same is in consideration of the future economic benefits and availability of the aforesaid rights for re-distribution after the expiry of initial period of distribution agreement. The recognition / creation of IPR's are made at a fixed proportion of the production cost depending on the date of release of the motion picture on the following basis:

i At 30% of the production cost of the motion picture in case the picture is released within 90 days before the year end.

ii At 10% of the production cost of the motion picture in case the picture is released more than 90 days before the year end.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The amortization of Intellectual Property Rights is carried out on the following basis:

Particulars	**Picture is released within 90 days before the year end**	**Picture is released more than 90 days before the year end**
In the immediately succeeding year of release/sale *	**2/3rd**	**-**
Over the balance period of distribution agreement*	**1/3rd**	**1/3rd**
*The above amortization of Intellectual Property rights is subject to the management estimate of future revenue potential.		

(g) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(h) Impairment of tangible and assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

(i) Investments

Investments are classified as current investments and long-term investments as per information and explanation given by the management.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities.

Current investments are carried in the financial statements at cost or FMV whichever is lower and Long-term investments are carried at cost. However, provision for diminution in value is not recognizing other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(j) Inventories

Inventories comprise of traded goods, stores and spares are valued at cost or at net realisable value whichever is lower. Cost of traded goods, stores and spares is determined on weighted average basis. Stores and spares, which do not meet the definition of property, plant and equipment, are accounted as inventories. Net realizable value is the estimated selling price in the ordinary course of business and estimated costs necessary to make the sale.

(k) 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:

iv. In house production of motion pictures

Revenue on assignment of distribution rights of motion pictures to third parties is recognized on the date of release/exhibition of the motion picture. Overflow from the distributors is accounted for as and when due or on receipt basis in case of uncertainty in collection. Revenue from outright sale of motion pictures is recognized on the date of agreement to sell the rights.

v. Distribution of motion pictures produced by third parties

Revenue is recognized based on ticket sales on exhibition of the motion pictures at the exhibition centers.

vi. Other rights

Revenue from other rights of motion pictures such as satellite rights, overseas rights, music rights, video rights, etc. is recognized on the date of execution of the agreement to assign these rights for exploitation or the release of the movie whichever is earlier.

vii. Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

viii. Digital Cinema:

- Virtual print fees (VPF) received from distributors of the films from D-Cinema and E-Cinema is recognized in the period in which the services are rendered.
- Advertisement income is recognized in the period during which advertisement is displayed.
- Income from digitization charges is recognized on rendering of services.
- Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are recorded net of returns, trade discounts, and value added tax. The Group recognizes revenue from sales of equipment, traded goods and spares as and when these are dispatched/issued to customers

ix. Miniplex:

- <u>Income from ticket collection</u>
  Revenue from ticket collection is recognized as per DCR (daily collection Report) of all screens available. Revenue from ticket sale is recognized on receipts basis
- <u>Other Incomes</u>
  Revenue from Advertisement is recognized as and when such advertisement shown on screen. And revenue from food court collection is recognized as and when food and beverages are sold.

x. Birla Jewels:

- <u>Income from sale of Gold/Jewelry</u>

Revenue from sale of gold/jewelry is recognized when significant risk and reward incidental of the goods is transferred to the customers, It can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services adjusted for discounts net of taxes and goods return.

xi. Birla Gold and Precious Metals:

- Company business modal and revenue recognition policies are briefly described as under as per explanation and information given by the management:

The company proposes to present to end customers the flexibility to purchase and accumulate fractional amount of gold, rather than spending large sums of money to purchase it in one go, hence it introduced a physically backed Gold purchase plan named "Cherish Gold Plan-(CGP)" (formerly known as "Birla Gold Savings Plan"). With this plan, the company shall entail the purchase of gold based on the daily averaging methodology through payment in installments, which shall give an opportunity to the general public to buy and accumulate gold. The Gold shall be sold to the customer on an outright basis and daily sales basis.

Customer is free to purchase as much as gold, at any time as he may so desire. The Customer shall purchase the gold with a plan of 11 Months and shall have the option to close the account subject to the pre-maturity charges levied as per the terms and conditions of the plan. The Customer has full access to their account detailing daily gold accumulations, price at which gold is purchased daily, total gold grammage accumulated, money yet remaining to be utilized in gold purchase etc.

So as per the business modal and nature of business plan revenue is recognized on daily basis even though the reasonable risks and rewards incidental to the ownership are not transferred to the customer. Revenue from operations includes sale of goods, services adjusted for discounts net of taxes and goods return

(l) Accounting for taxes on income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized for deducted timing difference only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is "virtual certainty" (as defined in Accounting Standard 22) supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date the Company re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for credit available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(m) Foreign currency translation

Foreign currency transactions and balances

i. Initial recognition

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

ii. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.3

iii. **Exchange Rates (1 AED = Rs):**

Average Rate : 18.20

Closing Rate : 17.62

Historical Rate : 12.00

Foreign currency monetary items are retranslated using the exchange rate prevailing at the rate of closing day.

iv. Exchange differences

The company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

1. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. For this purpose, the company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination.
2. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.
3. All other exchange differences are recognized as income or as expenses in the period in which they arise.

(n) Retirement and other employee benefits

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss account and corresponding liability recognized in the balance sheet for the respective plans.

Table 1 : Amounts in Balance Sheet	**31-Mar-17**
Defined Benefit Obligation (DBO)	2,391,013.00
Fair Value of Plan Assets	-
Funded Status - (Surplus)/Deficit	2,391,013.00
Unrecognized Past Service Cost / (Credit)	-
Unrecognised Asset due to Limit in Para 59(B)	-
Liability/(Asset) recognised in the Balance Sheet	2,391,013.00

Table 2 : Amount Recognised in the Statement of Profit & Loss	**31-Mar-17**
Current Service Cost	716,705.00
Interest Cost	

	131,398.00
Expected Return on Plan Assets	-
Past Service Cost	-
Net Actuarial Losses/(Gains)	(118,685.00)
(Gain)/Loss due to Settlements/	-
Curtailments/Acquisitions/Divestitures	-
Unrecognised Asset due to Limit in Para 59(B)	-
Total Expense/(Income) included in "Employee Benefit Expense"	729,418.00

Table 4 : Change in Present Value of Benefit Obligation during the Period	**31-Mar-17**
Defined Benefit Obligation, Beginning of Period	374,630.00
Current Service Cost	716,705.00
Interest Cost	131,398.00
Actual Plan Participants' Contributions	-
Actuarial (Gains)/Losses	(118,685.00)
Acquisition/Business Combination/Divestiture	-
Actual Benefits Paid	-
Past Service Cost	1,286,965.00
Changes in Foreign Currency Exchange Rates	-
Loss / (Gains) on Curtailments	-
Liabilities Extinguished on Settlements	-
Defined Benefit Obligation, End of Period	2,391,013.00

Reconciliation of Amounts in Balance Sheet	**31-Mar-17**
Opening Balance Sheet (Asset)/Liability	374,630.00
Total Expense/(Income) Recognised in P&L	2,016,383.00
Actual Benefits Paid	-

Acquisition/Business Combination/Divestiture	-
Closing Balance Sheet (Asset)/Liability	2,391,013.00

(o) Segment reporting

Identification of segments

The company's operating businesses are organized and managed separately according to the nature of products and services provided, 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.

Inter-segment transfers

The company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

S. No.	SEGMENT INFORMATION	Year Ended 31.03.2017	Year Ended 31.03.2016
1	**SEGMENT REVENUE**		
	Movie Digitization	1,847.78	1,702.76
	MiniplexTheater	800.97	865.65
	Retail Gold Jewellery	917.03	-
	Film Production & Distribution	350.05	2,001.66
	Others	18.31	7.01
	Total	**3,934.14**	**4,577.08**
	Less :Inter Segment Revenue	35.65	100.00
	Revenue From operations	**3,898.49**	**4,477.08**
2.	**SEGMENT RESULTS**		
	Movie Digitization	160.76	184.17
	MiniplexTheater	0.72	(60.34)
	Retail Gold Jewellery	3.82	-

	Film Production & Distribution	63.74	(235.85)
	Others	(0.63)	(5.42)
	Total	**228.41**	**(117.44)**
	Less: Finance Cost	54.64	30.03
	Less: Other Unallowable Income Net of Exp.	2.94	58.76
	Profit before Tax & Exceptional Items	**176.71**	**(88.71)**
	Less: Exceptional Items	**-**	**-**
	Profit /(loss) before Tax	**176.71**	**(88.71)**
3.	**SEGMENT ASSETS**		
	Movie Digitization	1,897.42	1,544.13
	MiniplexTheater	555.06	585.56
	Retail Gold Jewellery	875.71	440.99
	Film Production & Distribution	41,286.13	45,567.19
	Others	45.23	48.75
	Unallocated	21,203.56	18,683.03
	Total	**65,863.11**	**66,869.65**
4.	**SEGMENT LIABILITIES**		
	Movie Digitization	1,165.59	640.86
	MiniplexTheater	620.07	669.38
	Retail Gold Jewellery	264.53	130.06
	Film Production & Distribution	1,532.19	3,731.44
	Others	3.07	8.17
	Unallocated	454.81	287.61
	Total	**4,040.26**	**5,467.52**

Notes:

Companies main segment are a) Movie Digitization which consist of processing, content distribution of movies & advertisement Income b) MiniplexTheater which operates theater in eight different locations in india c) Retail Gold Jewellery which is engaged in retail business of Gold & Diamond jewellery by owned stores & franchisee basis d) Film Production &Distrbution in india& abroad.

(p). Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

(q). Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(r). Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expenses.

(s) Related Party Transaction

As per accounting standard on Related Party Disclosure (AS-18) as notified by the Companies Accounting Standard Rules, 2006 (as amended), the names of the related parties of the Company are as follows:

Subsidiaries

K Sera Sera Box Office Private Limited

K Sera SeraMiniplex Limited

K Sera Sera Digital Cinema Limited

K Sera Sera Productions FZE

Birla Jewels Limited

Birla Gold and Precious Metals Ltd

Step down subsidiaries/Limited Liability Partnerships

KSS Speed Technology Private Limited

Cherish Gold Private Limited

K Sera Sera Holding PTY Limited

Key Managerial Personnel

Satish Panchariya, Chairman & Director

Deepak Tripathi, Company Secretary

Rahul Kanani-CEO

Harsh Upadhyay-Director

Nikita Rattanshi-Director

Siddharth kumar-Director

Zubin Pravez Garda

Related parties with whom transactions have taken place during the year:

(Amount in Lacs)

Nature of transaction	2017	2016
a. Transactions during the year		
10,95,000 Equity share of K Sera SeraMiniplexLtd purchases from Ashok panchariya @ 10 per share	109.50	NIL

10,00,000 Equity share of K Sera SeraMiniplexLtd purchases from Birla financial Distributions Ltd @ 10 per share	100.00	NIL
Advances/ loan repayment paid		
Satish Panchariya	96.82	80.32
Advances/ loan repayment received		
Satish Panchariya	66.03	109.00
Closing balances Loans and advances		
Satish Panchariya	NIL	(30.78)
Remuneration to key managerial personal		
SatsihPanchariya	12.00	NIL
Harsh Upadhyay	3.75	1.09
Siddharth kumar	15.50	15.83
Zubin PravezGardra(appointed on 01.03.2017)	1.00	NIL
Nikita Rattanshi	12.00	9.00
VineetaDivwadi (Resigned wef. 30/06/2017)	3.39	25.00
Rahul Kanani (Appointed wef. 10/07/2017)	17.35	NIL
Deepak Tripathi (Appointed wef. 23/03/2017)	0.20	NIL
Tanu Singh (Resigned wef. 30/09/2016)	2.50	4.87
HitaVadgama (Appointed wef. 01/10/2016 and Resigned wef. 11/03/2017)	2.01	Nil

3.27 Earnings per share

The basic earnings per equity share are computed by dividing the net profit attributable to the equity shareholders for the reporting period by the weighted average number of equity shares outstanding during the reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive.

The earnings per share are calculated as under: **Rs in lacs**

Particulars	31-Mar-17	31-Mar-16
Net profit/(loss) after tax for the year	104.28	(18.31)
Equity shares outstanding as the year end	21358.87	21358.87
Nominal value per share (Rs.)	1	1
Earnings per share		
- Basic	0.005	(0.001)
- Diluted	0.005	(0.001)

3.28 Leases

The Company has entered into leases for its office premises. These leases have an average life of between three and five years with no renewal option included in the contracts. There are no restrictions placed upon the company by entering into these leases.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

Particulars	31-Mar-17	31-Mar-16
Within one year	Nil	Nil
After one year but not more than five years	Nil	Nil
More than five years	Nil	Nil

3.29 Contingent liabilities

(a) A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements**.**

The Maharashtra Government had issued a notification on August 30, 2005, as per which entities leasing copyrights of cinematographic films are required to pay value added tax (VAT) @ 4% retrospectively wef. May 1, 2000. Subsequently, upon the representation of 'The Cinematograph Exhibitor's Association of India' ('The Association'), the levy of the said tax was waived for the period May 1, 2000 to March 31, 2005. The revised notification extending similar relief up to the period commencing from April 1, 2005 is being pursued by the association. The Company, in line with the view taken by the Industry, is of the opinion that VAT is not applicable to the activities carried by the Company and has also taken a legal opinion in this regard. The Company has also not received any demand notice from the VAT authorities. As a matter of prudence, the Company has made ad hoc payments of Rs 15.00 Lacs under protest, and 16.70 lacs against the demand which is disclosed under 'Loans and Advances'.

Having regard to the above facts, the Company does not expect any liability on this account. In line with film industry consensus, the Company is of the opinion that there are no grounds for levying VAT on film distribution activity and hence no provision is made in the books of accounts for these years. The same is disclosed as contingent liability under Notes to Accounts.

(b) The company, having IEC number 0306007649, export rights of several films produced by them and/or for which, the distribution rights were purchased/ acquired by them in the past. By exporting distribution rights of the films in the territories abroad, KSS did import of various capital goods including 400 digital cinematographic projectors under EPCG Scheme – concessional rate of duty 3% with the proper compliances. Under EPCG Scheme company have to export eight times (approx 4500.00 lacs) of duty saved within eight years, but till date company did not export under the said obligation. Company imports various digital cinema equipments under the 9(nine) licenses and duty saved 550.81 Lacs and expiry of said license between September 2018 to August 2019.

Demand of Rs 734.06 Lacs excluding interest and penalty under section 142 of the Custom Act 1962. Custom department freeze/attached the various assets and bank accounts against the said recovery. Based on legal Opinion obtained, the company is of the view that said demand contesting. Hence, no provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter. The security deposit (Custom) Rs 213.70 Lacs shown total cost of the assets and account freeze by the custom department, against the Recovery of Government dues under section 142 of the Custom Act 1962 Rs 734.06 Lacs excluding interest and penalties. Custom department freeze/attached the various assets and bank account of KSS Group against the said recovery.

(c) The Company has cases pending at the Securities Exchange Board of India. The departments are yet to pass final order hence the liability for the same is currently unascertainable

I **Contingent liabilities not provided for in respect of**:

(Amount in lacs)

Particulars	**March 31, 2017**	**March 31, 2016**
Guarantees issued by bank		
1. In respect of the Company	NIL	NIL
2. In respect of a wholly owned subsidiary	160.39	160.39
Custom duty not acknowledged as debts and contested by the company.	734.06	734.06
Income tax demands not acknowledged as debts and contested by the company.	535.49	461.56
MVAT not acknowledged as debts and contested by the company	1052.82	1035.04
Other contingent Liabilities		80.19
Total	**2482.77**	**2189.57**

ii. The details of the suit filed against the company pending for disposal is as under:

1.	Standard Chartered Bank	OA. 62 of 2008	Against outstanding Bank Guarantee given to Twenty Twenty Television Company Ltd. Of Rs. 160.39 Lacs in DRT at Mumbai.
2	Income Tax	ITXA(L)/223/2013 (No.1027/2013)	Appeal Filed by the Income tax Department to Hon'ble high CourtMumbai against ITAT Order For A.Y. 2009-10 Rs 471.14 Lacs.
3	Income Tax	ITXA/476/2016	Appeal Filed by the Income tax Department to Hon'ble high CourtMumbai against ITAT Order For A.Y. 2010-11 Rs 578.69 Lacs.
4.	M/s MGM Dental Clinic	11012/533 of 2012	Consumer Complaint claiming for refund of Rs. 5 lacs with interest
5	Siddharth Jain	110 of 2013 Jabalpur (sagar) MP	Consumer Complaint claiming for refund of Rs. 5 lacs with interest
6.	Rajeah Gala & 1 Ant	LD 149 of 2015	for peaceful poseesion
7.	Arun Kumar Dua	57/2015 consumer court	Consumer Complaint claiming for refund of Rs. 3 lacs with

		Rourkela	interest
9	Bharti airtel Limited	410 of 2015 & 409 of 2015	Claim of Internet charges Rs 78.89 Lacs with interest.
10	Krishna Prabhu Pal &Ors	CP/104/2016	High Court, Bombay Claim Amount Rs. 51.60 lacs.

iii. The details of the suit filed by the company pending for disposal is as under:

S.	**Name of the Parties**	**Suit No.**	**Particulars**
1	Percept Picture Company	Before Arbitrator	Arbitration proceedings initiated for recovery of Rs.80.00 lacs plus 12% interest thereon.
2	Maharashtra Stage & Cultural Development	290/SS/03	The Company has filed a suit and initiated action under section 138 of the Negotiable Instruments Act, against the said Corporation for recovery of its claim of Rs.108.76 lacs advance against the content of television serials which were not completed.
3	Eros Multimedia limited	2356/2009	Suit for Damages for Rs.960.00 lacs
5	GO Bananas Entertainment Pvt. Ltd. & Others	C.C. no. 2517/SS/11	The Company has filed a suit and initiated action under section 138 of the Negotiable Instruments Act, for recovery of its claim of Rs.14.12 lacs
6	Amit Mehrotra & Others	C.C. No. 2184/SS/11	The Company has filed a suit and initiated action under section 138 of the Negotiable Instruments Act, for recovery of its claim of Rs.2.5 lacs
7.	Hydrocarbon Development Company Pvt. Ltd.	1720/SS/2011	138 under N.I. Act – Cheque Bouncing case Amount of cheque Rs. 500.00 lacs.
8.	Joint Commissioner of Sales Tax, Mumbai		For F.Y. 2005-06, 2007-08, 2008-09 and 2010-11 Amount Rs 1052.82 lacs
9.	Income Tax Appellate Mumbai		Income Tax Appellate Tribunal (Mumbai) For A.Y. 2004-05 33.11 lacs, A.Y. 2005-06 Rs 15.96 Lacs, A.Y. 2006-07 Rs 45.50 lacs, A.Y. 2007-08 Rs 183.36 lacs , 2008-09 71.36 Lacs and 2011-12 Rs 186.19 Lacs
10.	Custom Duty, The Custom Act 1962 CBEC		Writ petition filed in Hon'ble high Court Mumbai Demand Rs 734.06 Lacs

			U/s 114A of Customs Act, 1962
11	M/s. Anil Enterprises - Indore	ARBAP/83/2013	Arbitration Application Claim Amount Rs. 112 lacs.
12	Digital Cinema and technology Private Limited-DCAT	ARBAPL/1966/2016	High Court, Bombay Claim Amount Rs. 281.40 lacs.

3.30 Un-Hedged Foreign Currency Exposure

The following is the details of un-hedged foreign currency exposure:

Particulars	**Amount**
Receivables	
US$ @ closing of 1 USD Rs 64.7468	
(Previous year US $ @ closing rate of 1 USD = Rs. 66.10)	USD $9.00 lacs
AED @ closing of 1 AED Rs 17.6243	
(Previous year AED @ closing rate of 1 AED = Rs. 17.99)	AED 25.16 Lacs
Payables	
US$ @ closing of 1 USD Rs 64.7468	
(Previous year US $ @ closing rate of 1 USD = Rs. 66.10)	USD $0.26 Lacs

3.31 Auditors' remuneration (exclusive of service tax)

Particulars	**31-Mar-17**	**31-Mar-16**
Statutory audit, Tax Audit, and Other services	12.36	11.31
Total	**12.36**	**11.31**

3.32 Earning and expenditure in foreign currency (on accrual basis)

Particulars	**31-Mar-17**	**31-Mar-16**
Earning:	NIL	NIL
Outgo:		
Expenditure/Capital expenditure for assets	135..25	117.55
Foreign Travelling & Hotels	0.78	2.08

3.33 Deferred tax liability / (asset)

(Amount in Lacs)

Particulars	**As at April 1, 2016**	**Current year (charge) / credit**	**As at March 31, 2017**
Difference between book base and tax base of fixed assets	(529.13)	(110.18)	(639.31)
Carried forward losses	(182.73)	182.73	Nil
Total	**(711.85)**	**(72.54)**	**(639.31)**

3.34 Subsidiary company business

Amount in Lacs)

Sr	**Name of the Company**	**Date of Incorporation**	**% of holding**	**Amount Invested**	**Advance to Subsidiaries**	**Previous Year**
1.	K Sera Sera Productions FZE	19.11.2009	100%	4,994.63	443.75	452.93
2.	K Sera Sera Digital Cinema Ltd	04.06.2009	100%	2999.99	(531.35)	(82.41)
3.	K Sera Sera Box Office Pvt Ltd	12.06.2009	91.42%	2742.50	79.65	77.42
4.	K Sera SeraMiniplex Ltd	02.02.2010	99.99%	2999.90	(28.79)	(196.76)
5.	Birla Gold and Precious Metals Ltd	24.09.2001	100%	100.00	319.14	161.60
6.	Birla Jewels Ltd	23.05.2011	100%	99.90	158.48	13.29

Based on the fundamentals of the subsidiary company business, the management is of the opinion that it is strategically desirable for KSS Limited to continue to support the subsidiary through funding (including equity/debt infusion), through either fresh funds or conversion of existing loans into equity.

3.35 Balances in respect of certain sundry debtors, sundry creditors and loans and advances are taken as shown by the books of account and are subject to confirmation and consequent adjustments and reconciliation, if any.

3.36 As per Management opinion Current assets, loans and advances have a value on realization which in the ordinary course of the business would not be less than the amount at which they are stated in the balance sheet and the provisions for all known and determined liabilities are adequate and not in excess of the amount reasonably required.

3.37 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

There are no micros, small and medium enterprises, to which the Company owes dues, which are outstanding for more than 45 days as at March 31, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

3.38 Figures in brackets represent those of the previous year.

3.39 Figures for the previous year have been regrouped / amended wherever necessary.

KSS LIMITED

3.40 Disclosure on Specified Bank Notes (SBNs)

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

(Amount in Rupees)

Particular	**SBNs**	**Other Denomination notes**	**Total**
Closing cash in hand as on 8th November, 2016	1,27,15,000	3,72,743	1,30,87,743
Add: Permitted receipts	-	*40,62,104	40,62,104
Less: Permitted Payments	*3,18,000	11,10,548	14,28,548
Less: Amount deposited in banks	1,23,97,000	*25,42,310	1,49,39,310
Closing Cash in hand as on 30th December,2016	**-**	**7,81,989**	**7,81,989**

Note:

1. For the purpose of this clause, the term Specified Bank Notes (SBNs) means the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic A airs no. S.O. 3407(E), dated the 8 November, 2016
2. *Permitted payment of INR 3,18,000 indicate payment made towards Municipal Corporation AhemdabadMiniplextheaters property tax.
3. **Permitted Receipt (Other denomination notes) includes INR 25,42 ,310/- collected at various theaters PAN INDIA basis, since the said amount has been directly deposited by theaters, hence it is not possible to segregate between SBN and Other Denomination Notes.

For and on behalf of the board of directors

Satish Panchariya
DIN 00042934

Harsh Upadhyay
DIN 07263779

For Agrawal Jain & Gupta
Chartered Accountants
Firm Registration No. 013538C

CA Narayan Swami
Partner
M. No - 409759
Mumbai
Date: 30.05.2017

KSS LIMITED

(Formerly known as K Sera Sera Limited)

CIN No. L22100MH1995PLC092438

Unit No. 101A and 102, 1st Floor, Plot No. B-17, Morya Landmark II, Andheri (West)- 400053,Mumbai
Tel: 022 42088600 Fax: 022 40427601 Web: www. kserasera.com Email:info@kserasera.com

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting venue)

Ledger Folio No. / Client ID no. _____

No. of shares held_____

DP ID no. _____

I certify that Iam a Member/ Proxy for the member of the Company

I/ We record my/ our presence at the Twentieth Annual General Meeting of the Company held at at Kailash Parbat, K-P Restaurants, 7A/ 8A, 'A' wing Crystal Plaza, New Link Road, Andheri (West), Mumbai -400053 on Friday the September 29, 2017 at 9:30 A.M.

_____ _____

_ Member's/ Proxy's name in BLOCK LETTERS Signature of Member/ Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the venue for the meeting. Members are requested to bring their copies of the Annual report at the meeting

KSS LIMITED

(Formerly known as K Sera Sera Limited)

CIN No. L22100MH1995PLC092438

Unit No. 101A and 102, 1st Floor, Plot No. B-17, Morya Landmark II, Andheri (West)- 400053,Mumbai

Tel: 022 40427600/42088600 Fax: 022 40427601 Web: www. kserasera.com Email:info@kserasera.com

PROXY FORM

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

Name of the Member (s):	
Registered Address:	
E-mail id:	
Folio No./ Client Id:	
DP ID:	

I/We, being the Member(s) of …….....shares of KSS Limited, hereby appoint

1. _____of_____ having e-mail id _____, or failing him
2. _____of_____ having e-mail id _____, or failing him
3. _____of_____ having e-mail id _____, or

as my/ our proxy to a end and vote (on a poll) for me /us and on my/ our behalf at the 22nd Annual General Meeting of KSS Limited to be held at "Kailash Parbat, K-P Restaurants, 7A/ 8A, 'A' wing Crystal Plaza, New Link Road, Andheri (West), Mumbai - 400053 at 09.30 am on Friday September 29, 2017 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above proxy to vote in the manner as indicated in the box below:

Sr. No.	Resolutions	For	Against
1.	Consider and adopt the audited financial statement of the Company for the year ended March 31, 2017 together with the reports of the Directors' and Auditors' thereon and the consolidated audited financial statement of the Company for the year ended March 31, 2017		
2.	Re-appointment of Mr. Harsh Upadhyay (DIN: 07263779), who retires by rotation		
3.	Ratification of Statutory Auditors and fixation of their remuneration		
4.	Reppointment of Mr. Satish R. Panchariya (DIN: 00042934) as Chairman of the Board		
5.	Reappointment of Mr. Rakesh R. Sharma (DIN: 06384452) as an Independent Director		

*Applicable for investors holding shares in electronic form

Affix Revenue Stamp

Signed this_____ day of ……...2017.

Signature of Shareholder _____

Signature of Proxy holder(s) _____ _____ _____

(first proxy holder) (second proxy holder) (third proxy holder)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be member of the Company
3. This **is** only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as/she thinks appropriate.