
INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
M/s FOUR SEASON DRY-CLEANING CO. PVT LIMITED
Report on the Financial Statements

We have audited the accompanying financial statements of **FOUR SEASON DRY-CLEANING CO. PVT. LIMITED** ("the company") which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

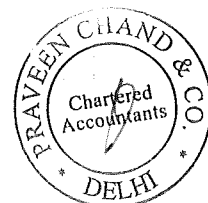
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act' 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 explanation to us, the aforesaid financial statements give the information required by the Act in the manner so requires and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2016
- b. In the case of the statement of Profit & Loss , of the loss of the company for the year ended on that date and
- c. In the case of cash flow statement, of the cash flow of the company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

1. 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.
2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
3. The Balance, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
4. In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.



5. On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the board of directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as director in terms of section 164(2) of the Act.
6. 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) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company has no pending litigations which have an impact on its financial position.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
7. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure – A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
8. With respect to the adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such control refer to our separate report in Annexure "B"

**For Praveen Chand & Co.
Chartered Accountants
(Firm's Reg. No. 016780N)**



**Signature
(Praveen Chand)
Partner
Membership No. 096402**

**Place: Delhi
Date : 19.05.2016**



Annexure – A referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

M/S FOUR SEASONS DRY-CLEANING CO. PVT. LIMITED

(i) In respect of its Fixed Assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the company has formulated a programme of verification by which all the assets of the company are being verified in a phased manner over a period of three years which in our opinion is reasonable having regards to size and nature of the business of the company. As per the records of the company, no discrepancies were noticed on verification conducted during the year as compared with the book records.
- (c) The fixed assets disposed-off during the year do not constitute a substantial part of fixed assets of the company and such disposal has, in our opinion, not affected the going concern status of the Company.

(ii) In respect of Inventory

- (a) The company did not have any inventory at any time during the year, hence this clause is not applicable,
- (b) The company had neither opening stock at the beginning of the year nor made any purchases during the year hence this clause is not applicable.
- (c) Since there was no inventory in hand at any time during the year the question of maintain stock records does not arise.

(iii) (a) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

- (b) As the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. The provisions of clause (iii) (a) to (c) of the order are not applicable to the company and hence, not commented upon.

(iv) The Company has not taken any loans during the year. The outstanding balance for the loan taken in earlier years from its Holding Company, M/s Jyoti Fabcare Service Ltd. was Rs. 2,36,76,326/- and has complied with the provisions of section 185 and 186 of the Companies Act, 2013.

(v) According to information and explanations given to us, the Company has not accepted any deposits from the public.

(vi) The Central Government has not prescribed the maintenance of Cost records for the company under sub section (1) of Section 148 of the Companies Act, 2013.

(vii) (a) The Company is regular in depositing undisputed statutory dues including Service Tax, TDS and other material statutory dues applicable to it.



- (b) According to the information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Service Tax and other statutory dues were outstanding at the year end for a period of more than six months from the date they became payable.
- (c) The company is not required to transfer funds to investor education protection fund.
- (viii) Based on the information available and explanations given by the management, the company has not taken any loan from financial institutions, bank, Government or debenture holders and hence, not commented upon.
- (ix) According to the information and explanation given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans;
- (x) To the best of our knowledge and according to the information and explanation given to us by the management, we report that no fraud on or by the company, has been noticed or reported during the year.
- (xi) No managerial remuneration has been paid or provided during the year;
- (xii) The Company is not a Nidhi Company, hence this clause is not applicable;
- (xiii) The transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him;
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For PRAVEEN CHAND & CO.
Chartered Accountants
(Firm Reg. No. 016780N)

Praveen Chand
CA Praveen Chand
Partner
M.No.096402
Place : Delhi
Dated: 19.05.2016



**ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
FINANCIAL STATEMENTS OF FOURSEASON DRYCLEANING COMPNAY PRIAVTE LIMITED**

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

We have audited the internal financial controls over financial reporting of M/s Four Seasons Dry-cleaning Company Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting



A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

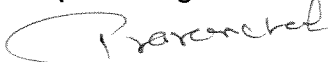
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, [based on the 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 Praveen Chand & Co.
Chartered Accountants
(Firm's Reg. No. 016780N)



Signature
(Praveen Chand)
Partner
Membership No. 096402



Place: Delhi
Date : 19.05.2016

M/s FOUR SEASONS DRY-CLEANING CO. PRIVATE LIMITED.

Balance Sheet as at March 31, 2016

Particulars	Notes	March 31, 2016 Rs.	March 31, 2015 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	2,20,70,000	2,20,70,000
(b) Reserves and Surplus	3	(4,42,30,109)	(4,03,58,111)
(2) Current Liabilities			
(a) Short-Term Borrowings	4	2,36,76,326	2,12,56,570
(b) Other Current Liabilities	5	11,67,050	83,778
		26,83,267	30,52,237
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	6		
Tangible Assets		-	21,15,752
(2) Current Assets			
(a) Cash and cash equivalents	7	17,67,631	8,18,223
(b) Short-term loans and advances	8	9,15,636	1,18,262
		26,83,267	30,52,237

NOTES TO ACCOUNTS

1.-24

Notes referred to above and notes attached there to form an integral part of Balance Sheet
This is the Balance Sheet referred to in our Report of even date.

FOR PRAVEEN CHAND & CO.
CHARTERED ACCOUNTANTS
ICAI Firm Reg. No.: 16780N

Praveen Chand

(CA PRAVEEN CHAND)
Membership No. : 96402
Place: Mumbai
Date: 19th May 2016



FOR M/s Four Seasons Dry-cleaning Co. Private Limited

Ramachandran Ananthakrishna

Ramachandran Ananthakrishna
Director
DIN - 3097724

Pradosh T. Gopalakrishnan

Pradosh T. Gopalakrishnan
Director
DIN- 1353192



M/s FOUR SEASONS DRY-CLEANING CO. PRIVATE LIMITED.
Profit & Loss Statement for the Year Ended on March 31, 2016

S. No.	Particulars	Notes	March 31, 2016 Rs.	March 31, 2015 Rs.
I	Revenue from operations	9	1,93,30,009	45,49,318
II	Other Income	10	1,584	4,57,882
III	III. Total Revenue (I + II)		1,93,31,593	50,07,200
IV	Expenses:			
	Cost of materials consumed	11	1,39,41,522	15,65,570
	Employee Benefit Expense	12	-	10,93,501
	Financial Costs	13	27,08,758	26,70,636
	Depreciation and Amortization Expense	14	21,15,752	18,15,400
	Other Administrative Expenses	15	44,37,559	29,92,907
	Total Expenses (IV)		2,32,03,591	1,01,38,014
V	Profit before exceptional, extraordinary items & tax	(III - IV)	(38,71,998)	(51,30,814)
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		(38,71,998)	(51,30,814)
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		(38,71,998)	(51,30,814)
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
XI	Profit(Loss) from the year	(IX-X)	(38,71,998)	(51,30,814)
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		(38,71,998)	(51,30,814)
XVI	Earning per equity share:			
	(1) Basic		(1.75)	(2.32)
	(2) Diluted			

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement
This is the Profit & Loss Statement referred to in our Report of even date.

FOR PRAVEEN CHAND & CO.
CHARTERED ACCOUNTANTS
ICAI Firm Reg. No.: 16780N

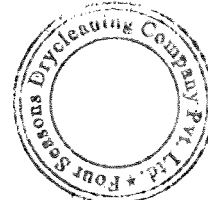
(Signature)
(CA. PRAVEEN CHAND)
Membership No. : 96402
Place: Mumbai
Date: 19th May 2016



FOR M/s Four Seasons Dry-cleaning Co. Private Limited

(Signature)
Ramachandran Ananthakrishna
Director
DIN - 3097724

(Signature)
Pradosh T. Gopalakrishnan
Director
DIN- 1353192



M/s FOUR SEASONS DRY-CLEANING CO. PRIVATE LIMITED.
Cash Flow Statement for the Year Ended March 31, 2016

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
<u>A. CASH FLOWS PROVIDED BY/(USED IN) OPERATING ACTIVITIES:</u>		
Loss before tax	(38,71,998)	(51,30,814)
Non-cash adjustments for:		
Depreciation and amortisation	21,15,752	18,15,400
Interest expense	26,88,624	26,66,678
Loss (profit) on sale of fixed assets		(16)
Fixed assets discarded	-	54,952
Liabilities/ provision written back	-	(4,57,866)
Operating loss before working capital changes	9,32,378	(10,51,666)
Movements in working capital:-		
Decrease / (Increase) in Loans and advances	(4,19,649)	12,25,523
(Decrease) / Increase in current liabilities and provisions	10,83,274	(4,39,768)
Cash used in operations	15,96,003	(2,65,911)
Taxes refund (paid)	(3,77,725)	21,342
Net cash used in operating activities (A)	12,18,278	(2,44,569)
<u>B. CASH FLOWS PROVIDED BY/(USED IN) INVESTING ACTIVITIES:</u>		
Purchase of fixed assets including capital work-in-progress	-	(1,34,900)
Net cash used in investing activities (B)	-	(1,34,900)
<u>C. CASH FLOWS PROVIDED BY/(USED IN) FINANCING ACTIVITIES:</u>		
Proceeds (Repayment) of unsecured loan	(2,68,870)	(2,66,676)
Net cash generated from financing activities (C)	(2,68,870)	(2,66,676)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	9,49,408	(6,46,145)
Cash and cash equivalents at the beginning of the year	8,18,223	14,64,368
Cash and cash equivalents at the end of the year	17,67,631	8,18,223
Components of cash and cash equivalents		
Cash in hand	2,572	33,309
Balance with scheduled banks - Current account	17,65,059	7,84,914
Cash and Bank Balance as per Note No. 7	17,67,631	8,18,223
NOTES TO ACCOUNTS	1.-24	

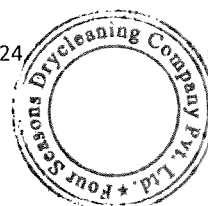
FOR PRAVEEN CHAND & CO.
 CHARTERED ACCOUNTANTS
 ICAI Firm Reg. No.: 16780N

(CA PRAVEEN CHAND)
 Membership No. : 96402
 Place: Mumbai
 Date: 19th May 2016



FOR M/s Four Seasons Dry-cleaning Co. Private Limited.

Ramachandran Ananthakrishna
 Director
 DIN - 3097724



Pradosh T. Gopalakrishnan
 Director
 DIN- 1353192

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

i BASIS OF PREPARATION

- a. These financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India to comply with the accounting standards notified as per under Section 133 and other applicable provisions of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014. The financial statements have been prepared on going concern basis under the historical cost convention on accrual basis.
- b. The Accounting policies have been consistently applied by the compnay and are consistent with those used in previous year.
- c. All assets an liabilities have been classified as current or non current as per the compnay"s normal operating cylce and other cretria set out in Schedule -III to the Companies Act, 2013.

ii Use of estimate

The preparation of financial statements, in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues , expenses ,assets,liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon 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.

iii Fixed Assets nad Depreciation / Amortization

a Tangible fixed assets

Fixed Assets are stated at purchase cost together with any incidental expenses on acquisition / installation and other expenses incurred for bringing the assets to the working condition for their intended use.

b Intangible assets

Intangible Assets are inclusive of the expenses incurred in production & installation of the Software.

c Depreciation and amortisation

During the current financial year 2015-2016, depreciation on all Tangible Assets is provided using the Straight Line Method (SLM) based on the useful lives as estimated by the management in accordance with the Companies Act, 2013. Depreciation is charged on a pro-rata basis for assets purchased / sold during the year.

- d Advances paid towards acquisition of fixed assets out-standing as at the Balance Sheet date and the cost of assets not ready to use before such date are disclosed under Capital Work in Progress and Advances.

The Management's estimates of useful lives for various fixed assets are given below:

Fixed Assets Head	Useful Life (years)
Plant & Machinery	15
Furniture & Fixtures on owned assets	10
Computers- End user Devices	3
Office Equipments	5
Vehicle	08- 10
Electric Installations	10

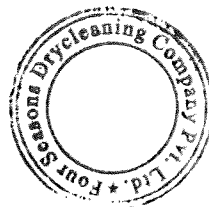
iv Impairment Of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

v Income Tax

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 tax reflects 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 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 realized. 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 supported by convincing evidence that they can be realized against future taxable profits. At each balance sheet date the Company re-assesses un-recognized deferred tax assets.



vi Inventories

Inventories of raw material and packing material are valued at cost or net realizable value, whichever is lower. Cost is ascertained on First-in First out (FIFO) basis and includes all applicable costs incurred in bringing goods to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

vii Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Service revenue is recognized on completion of services and where no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the services. Service revenue is net of service tax and represents the amount of consideration that will be derived from rendering the services.

viii Contingent Liabilities and Provisions

Contingent Liabilities are disclosed after careful evaluation of all facts and legal aspects of the matter involved in line with the provisions of AS-29 on 'Provision, Contingent Liabilities and Contingent Assets'. Provisions are recognized when the Company has a present obligation and on management judgments as a results of a past event, for which it is probable that cash outflow will be required.

ix Retirement and Other Employee Benefits

a. Retirement benefits in the form of Provident Fund are defined contribution schemes and the contributions are charged to the profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective fund.

b. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

c. Short term compensated absences are provided for based on estimates at the year end. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done at the end of each financial year as per projected unit credit method.

d. Actuarial gains / losses are immediately taken to profit and loss account and are not deferred.

e. Contribution to ESI is recognized and charged to the profit and loss account of the year.

x Borrowing Cost

Interest and other costs in connection with the borrowing of the funds to the extent related / attributed to the acquisition/construction of qualifying fixed assets are capitalized up to the date when such assets are ready for its intended use and other borrowing costs are charged to Profit & Loss A/c.

xi Provisions

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

xii Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and

the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

xiii Foreign Currency Translation

a. 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.

b. Conversion

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

c. Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items 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/s FOUR SEASONS DRY-CLEANING CO. PRIVATE LIMITED.
Notes Forming Integral Part of the Balance Sheet as at March 31, 2016

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
NOTE: 2 SHARE CAPITAL		
1 AUTHORIZED CAPITAL		
25,00,000 (Previous Year 25,00,000) Equity Shares of Rs.10/- each	2,50,00,000	2,50,00,000
	<u>2,50,00,000</u>	<u>2,50,00,000</u>
2 ISSUED , SUBSCRIBED & PAID UP CAPITAL		
22,07,000 (Previous Year 22,07,000) Equity Shares of Rs.10/- each, fully paid up	2,20,70,000	2,20,70,000
Total	<u><u>2,20,70,000</u></u>	<u><u>2,20,70,000</u></u>

a Reconciliation of shares outstanding and the beginning & at the end of reporting period

	March 31, 2016		March 31, 2015	
	Nos.	Rs.	Nos.	Rs.
Equity Shares				
At the beginning of the period	22,07,000	2,20,70,000	22,07,000	2,20,70,000
Issued during the period	-	-	-	-
Bought back during the period	-	-	-	-
Outstanding at the end of the period	<u>22,07,000</u>	<u>2,20,70,000</u>	<u>22,07,000</u>	<u>2,20,70,000</u>

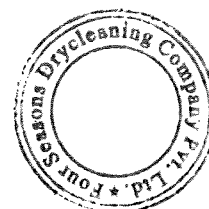
b Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share.
Each holder of equity share is entitles to one vote per share.

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

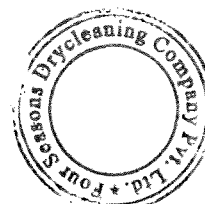
	March 31, 2016		March 31, 2015	
	Nos.	% Holding	Nos.	% Holding
Equity shares of Rs.10 each fully paid up				
M/s Jyothy Fabricare Services Ltd.	22,07,000	100%	22,07,000	100%

As per records of the company, including register of members/ shareholders, the above shareholding represents both legal and beneficial ownership of shares.



M/s FOUR SEASONS DRY-CLEANING CO. PRIVATE LIMITED.
Notes Forming Integral Part of the Balance Sheet as at March 31, 2016

PARTICULARS	March 31, 2016 Rs.	March 31, 2015 Rs.
NOTE: 3 RESERVES & SURPLUS		
Loss (Profit & Loss Account)	(4,42,30,109)	(4,03,58,111)
Balance brought forward from Previous Year	(4,03,58,111)	(3,46,82,610)
Add: Loss for the Year	(38,71,998)	(51,30,814)
Add : Depreciation adjustment due to change of rates	-	(5,44,687)
Total	(4,42,30,109)	(4,03,58,111)
NOTE: 4 SHORT TERM BORROWINGS		
12% Loan from Holding Company repayable on demand	2,36,76,326	2,12,56,570
Total	2,36,76,326	2,12,56,570
The above amount includes:		
Secured Borrowings	-	-
Unsecured Borrowings	2,36,76,326	2,12,56,570
Loan from holding company carries interest rate 12 % p.a .		
NOTE: 5 OTHER CURRENT LIABILITIES		
TDS Payable	84,395	29,778
Expenses Payable	10,82,655	54,000
Total	11,67,050	83,778
NOTE: 7 CASH & CASH EQUIVALENTS		
Cash-in-Hand		
Cash Balance	2,572	33,309
Bank Balance		
AXIS BANK LTD C/A No. 91202001645817	17,65,059	7,84,914
Total	17,67,631	8,18,223
NOTE: 8 SHORT TERM LOANS AND ADVANCES		
Advance Recoverable in cash or in kind or for value to be considered good		
Tax deducted at Source	4,11,207	33,482
Service Tax Recoverable	5,04,430	84,780
Total	9,15,636	1,18,262



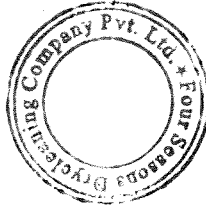
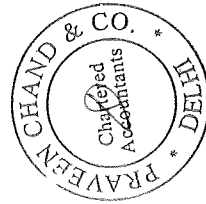
M/s FOUR SEASONS DRY-CLEANING CO. PRIVATE LIMITED.

NOTE: 6 FIXED ASSETS

FINANCIAL YEAR 2015-2016

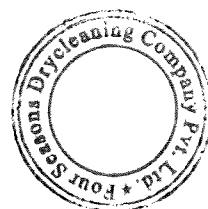
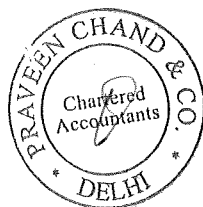
Amount in Rs.

Particulars	Gross Block				Depreciation				Net Block		
	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Adjustment due change in assets life	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2016	WDV as on 31.03.2015
Tangible Assets											
PLANT & MACHINERY	61,97,275	-	-	61,97,275	40,81,523	-	21,15,752	-	61,97,275	-	21,15,752
COMPUTERS	10,800	-	-	10,800	10,800	-	-	-	10,800	-	-
TOTAL	62,08,075	-	-	62,08,075	40,92,323	-	21,15,752	-	62,08,075	-	21,15,752
Previous Year	1,42,67,734	1,34,900	81,94,559	62,08,075	75,84,682	5,44,687	18,15,400	58,52,446	40,92,323	21,15,752	



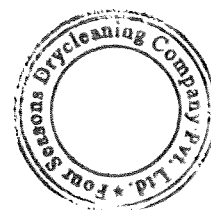
M/s FOUR SEASONS DRY-CLEANING CO. PRIVATE LIMITED.
Notes Forming Integral Part of the P &L for the Year ended March 31, 2016

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
NOTE: 9 REVENUE FROM OPERATIONS		
Sale of Services		
Drycleaning & Laundry	1,93,30,009	45,49,318
Total	1,93,30,009	45,49,318
NOTE: 10 OTHER INCOME		
Excess Provision Liabilities written back	-	4,57,866
Interest on Income Tax Refund	1,584	-
Profit on sale of fixed assets	-	16
Total	1,584	4,57,882
NOTE: 11 COST OF OPERATION		
Cost of Conversion	1,39,41,522	15,65,570
Total	1,39,41,522	15,65,570
NOTE: 12 EMPLOYMENT BENEFIT EXPENSES		
Salaries & Wages	-	9,58,060
Contribution to PF, ESI, etc.	-	1,05,704
Staff welfare	-	29,737
Total	-	10,93,501
NOTE: 13 FINANCIAL COST		
Interest on Unsecured loan	26,88,624	26,66,678
Bank Charges	20,134	3,958
Total	27,08,758	26,70,636



M/s FOUR SEASONS DRY-CLEANING CO. PRIVATE LIMITED.
Notes Forming Integral Part of the P & L for the Year ended March 31, 2016

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
NOTE: 14 DEPRECIATION & AMORTISED COST		
Depreciation	21,15,752	18,15,400
Total	21,15,752	18,15,400
NOTE: 15 OTHER EXPENSES		
Rent - Showrooms & Factory	-	20,09,048
Repair & Maintenance	-	1,82,170
Pickup & Delivery Vans Running & Maintenance	43,55,433	1,16,000
Commission to Franchisees	-	2,02,500
Electricity & Water Charges-Showrooms	-	1,00,002
Fixed assets discarded	-	54,952
Advertisement	-	5,760
Repair & Maint. Office & Showrooms	-	40,502
Conveyance	2,500	54,262
Postage, Telephone etc.	-	49,092
Printing & Stationery	-	17,901
Miscellaneous Expenses	-	13,991
Rates & Taxes	8,626	19,090
Audit Fee	60,000	60,000
Legal & Professional Charges	11,000	54,843
Marketing & Sales Promotion Expenses	-	12,794
Total	44,37,559	29,92,907



	Amount (Rs.)	
	Current Year	Previous Year
	Nil	Nil
16 Contingent Liabilities not provided for:		
17 Payment to Auditors:		
Audit Fee	60,000	60,000
Tax Audit Fee	-	-
Reimbursement of Expenses	-	2,500
Total	60,000	62,500

18 Earning and Expenditure In Foreign Currency

Earning in Foreign Currency:	Nil	Nil
Expenditure in Foreign Currency:	Nil	Nil
CIF Value Of Imports		
Stores and Spares & Capital Goods	Nil	Nil

19 In the opinion of the Board of Directors, adequate provisions have been made in the accounts for all known liabilities. The value of the Current Assets, Loans and Advances has a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

20 The company has not received any information from creditors regarding their status under to Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosure relating to amounts remaining unpaid as at the yearend together with interest, if any payable under this Act have not been given.

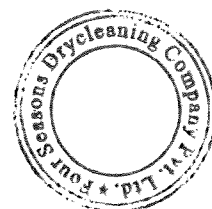
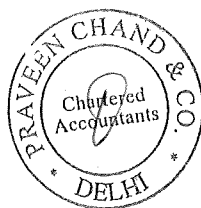
21 Deferred Taxes

The Company has not recognized Deferred Tax Assets on brought forward & current year losses in current financial year in accordance with AS-22 on "Accounting for Taxes on Income" issued by the ICAI due to virtual uncertainty that such deferred tax assets cannot be realized against future taxable profits as evidenced by the growth of the Company.

22 Earning Per Share (EPS)

Earning Per Share computed in accordance with AS-20 "Earning per Share".

	Amount (Rs.)	
Particulars	Current Year	Previous Year
Net Profit / (Loss) after Tax	(3,871,998)	(5,130,813)
Weighted average No of Equity Shares	2,207,000	2,207,000
Earning per Share	(1.75)	(2.32)



23 Related Party Disclosures

a) Parties where control exists as at Balance Sheet date:

i. Holding Company

1. Jyothy Fabricare Services Private Limited

b) Key management personnel

(Including Directors of the Company)

1. Mr. Ramachandran Ananthakrishnan

2. Mr. Pradosh T. Gopalakrishnan

c) Individual having substantial interest

Current Year Previous Year

Nil Nil

d) Relative of individual having Substantial interest

Nil Nil

e) Relatives of Key management personnel

Nil Nil

f) Transaction with related parties during the year

1. M/s Jyothy Fabricare Services Ltd:

i. Interest on Unsecured Loan

26,88,625 26,66,678

ii. Sale of fixed assets

Nil 22,87,186

iii. Unsecured Loan taken During the year

Nil 66,45,663

(Closing Bal. as on 31.03.16 Rs. 2,36,76,326/-

Previous Year Rs. 2,12,56,570/-)

iv. Conversion Charges Paid (Expenses)

1,32,22,476 15,60,570

v. Service Charges Received (Income)

1,93,30,009 -

24 Previous year's figures have been re-grouped, re-arranged and re-casted to correspond with the current year's figures, figures wherever considered necessary.

FOR PRAVEEN CHAND & CO.

CHARTERED ACCOUNTANTS

ICAI Firm Reg. No.: 16780N



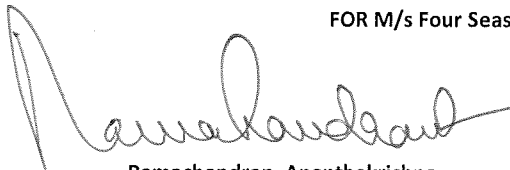
(CA PRAVEEN CHAND)

Membership No. : 96402

Place: Mumbai

Date: 19th May 2016

FOR M/s Four Seasons Dry-cleaning Co. Pvt Limited



Ramachandran Ananthakrishna

Director

DIN - 3097724



Pradosh T. Gopalakrishnan

Director

DIN- 1353192

