

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ICBI (INDIA) PRIVATE LIMITED**

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

We have audited the accompanying financial statements of **ICBI (INDIA) PRIVATE LIMITED** (the "Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

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

### **Auditors' Responsibility**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's 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.

W,

# **Deloitte Haskins & Sells**

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

## **Opinion**

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

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

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

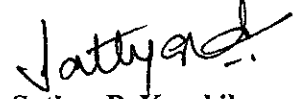
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
- (e) 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 a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

W,

**Deloitte  
Haskins & Sells**

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 008072S)



**Sathya P. Koushik**  
Partner  
(Membership No. 206920)

Bangalore, May 30, 2016  
SPK/ SDB/2016

**“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **ICBI (INDIA) PRIVATE LIMITED** Company Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the 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 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

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

W,

## **Deloitte Haskins & Sells**

provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

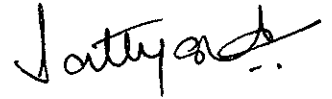
### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 008072S)



**Sathya P. Koushik**  
Partner  
(Membership No. 206920)

BANGALORE, May 30, 2016  
SPK/ SDB/2016

**“ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT**

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- (i) In respect of its fixed assets:
- The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and did not have any unclaimed deposits.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Income-tax, Sales-tax, Service Tax, Customs Duty, Value Added Tax, Cess and any other material statutory dues applicable to it with the appropriate authorities.  
  
According to the information and explanations given to us and having regard to the operations of the Company during the year ended 31<sup>st</sup> March, 2016, dues relating to Provident Fund, Employees’ State Insurance and Excise Duty were not applicable to the Company.
  - There were no undisputed amounts payable in respect of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable.
  - Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Value Added Tax and Cess which have not been deposited as on 31<sup>st</sup> March, 2015 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Amount (Rs.)	Period to which the amount relates
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax	4,721,611	1997-98

WJ,

**Deloitte  
Haskins & Sells**

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government and has not issued any debentures. Hence reporting under clause (viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 008072S)



**Sathya P. Koushik**  
Partner  
(Membership No. 206920)


BANGALORE, May 30, 2016  
SPK/ SDB/2016

**ICBI (INDIA) PRIVATE LIMITED**  
The Falcon House, #1, Main Guard Cross Road, Bangalore - 560 001

**BALANCE SHEET AS AT MARCH 31, 2016**

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	3	350,000	350,000
(b) Reserves and Surplus	4	501,557,206	475,089,566
		<b>501,907,206</b>	<b>475,439,566</b>
<b>(2) Non-Current Liabilities</b>			
(a) Other Long-term liabilities	5	3,302,240	1,902,240
		<b>3,302,240</b>	<b>1,902,240</b>
<b>(3) Current Liabilities</b>			
(a) Trade Payables	6		
- Total outstanding dues of Micro enterprises and small enterprises		-	-
- Total outstanding dues of Creditors Other than Micro enterprises and small enterprises		700,122	1,226,733
(b) Other Current Liabilities	7	40,900,011	38,600,852
(c) Short-term Provisions	8	885,739	885,739
		<b>42,485,872</b>	<b>40,713,324</b>
<b>Total</b>		<b>547,695,318</b>	<b>518,055,130</b>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	9	421,605,421	387,363,545
(b) Non-current Investments	10	2,250,000	2,250,000
(c) Deferred Tax Assets	22	1,422,480	1,485,300
(d) Long-term Loans & Advances	11	68,431,897	79,280,387
		<b>493,709,798</b>	<b>470,379,232</b>
<b>(2) Current Assets</b>			
(a) Trade Receivables	12	48,975,131	44,590,432
(b) Cash and cash equivalents	13	5,010,389	3,085,466
		<b>53,985,520</b>	<b>47,675,898</b>
<b>Total</b>		<b>547,695,318</b>	<b>518,055,130</b>
See accompanying notes forming part of the Financial Statements		1 to 26	

In terms of our report attached  
For Deloitte Haskins & Sells  
Chartered Accountants

  
Sathya P. Koushik  
Partner

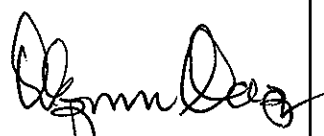
Place: Bangalore  
Date: May 30, 2016



For and on behalf of the Board

  
Irfan Razack  
Director

Place: Bangalore  
Date: May 30, 2016

  
Rezwan Razack  
Director

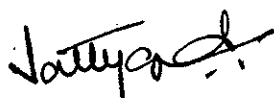


**ICBI (INDIA) PRIVATE LIMITED**  
The Falcon House, #1, Main Guard Cross Road, Bangalore - 560 001

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2016**


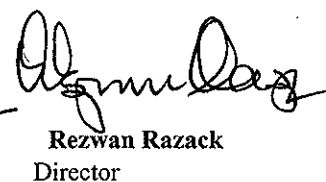
Particulars	Note No.	Year Ended March 31, 2016	Year Ended March 31, 2015
		Rs.	Rs.
I. Revenue from Operations	16	69,583,965	57,447,136
II. Other Income	17	4,791,260	3,080,434
<b>III. Total Revenue (I+II)</b>		<b>74,375,225</b>	<b>60,527,570</b>
<b>IV. Expenses</b>			
Employee Benefits Expense	18	180,000	120,000
Depreciation and Amortization Expense	9	21,242,242	20,762,955
Other Expenses	19	12,529,953	12,705,935
<b>Total Expenses</b>		<b>33,952,195</b>	<b>33,588,890</b>
<b>V. Profit for the year before tax (III-IV)</b>		<b>40,423,030</b>	<b>26,938,680</b>
VI. Income Tax expense:			
(1) Current Tax		13,892,570	10,283,520
(2) Deferred Tax		62,820	85,400
<b>Total tax expenses</b>		<b>13,955,390</b>	<b>10,368,920</b>
<b>VII. Profit for the year (V - VI)</b>		<b>26,467,640</b>	<b>16,569,760</b>
VIII. Earning per share (Equity shares, par value Rs. 1000/- each) Basic and Diluted	21	75,621.83	47,342.17
See accompanying notes forming part of the Financial Statements	1 to 26		

In terms of our report attached  
For Deloitte Haskins & Sells  
Chartered Accountants

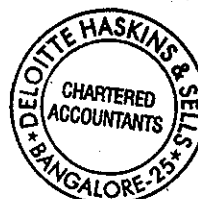
  
Sathya P. Koushik  
Partner

Place: Bangalore  
Date: May 30, 2016

For and on behalf of the Board

   
Irfan Razack      Rezwan Razack  
Director      Director

Place: Bangalore  
Date: May 30, 2016



**ICBI (INDIA) PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR YEAR ENDED MARCH 31, 2016**

Particulars	Year ended March 31, 2016 Rs.	Year ended March 31, 2015 Rs.
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before taxation	40,423,030	26,938,680
<b>Adjustments for non cash &amp; non-operating items:</b>		
Depreciation	21,242,242	20,762,955
Share of profit from partnership firm	(4,791,260)	(3,080,434)
<b>Operating profit before working capital changes</b>	<b>56,874,012</b>	<b>44,621,201</b>
Increase / (Decrease) in current/ non-current liabilities	3,172,548	(571,005)
Decrease / (Increase) in trade receivable	(4,384,699)	(30,785,902)
Decrease / (Increase) in long-term/ short-term loans & advances	-	59,646
<b>Cash generated from operations</b>	<b>55,661,861</b>	<b>13,323,940</b>
Income tax paid (net of refund)	(14,152,820)	(10,378,181)
<b>Net Cash from operating activities - A</b>	<b>41,509,041</b>	<b>2,945,759</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on fixed assets	(45,584,118)	(200,000)
Change in current account of partnership firm - Decrease/ (Increase)	6,000,000	-
<b>Net Cash From / used in Investing Activities - B</b>	<b>(39,584,118)</b>	<b>(200,000)</b>
<b>Net Increase / (Decrease) in cash and cash equivalents (A+B)</b>	<b>1,924,923</b>	<b>2,745,759</b>
Cash & Cash equivalents opening balance	3,085,466	339,707
<b>Cash &amp; Cash equivalents closing Balance</b>	<b>5,010,389</b>	<b>3,085,466</b>

Note: Cash and Cash equivalent as per the Cash flow statement comprise balances with Banks in current account

See accompanying notes forming part of the Financial Statements 1 to 26

In terms of our report attached

**For Deloitte Haskins & Sells**

Chartered Accountants



Sathya P. Koushik

Partner

Place: Bangalore

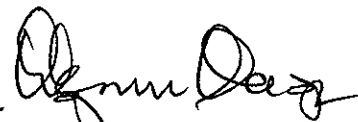
Date: May 30, 2016

**For and on behalf of the Board**



Irfan Razack

Director



Rezwan Razack

Director

Place: Bangalore

Date: May 30, 2016



**ICBI (INDIA) PRIVATE LIMITED**  
**Notes forming part of the Financial Statements for the year ended March 31, 2016**

---

**1. Corporate Information**

ICBI (INDIA) PRIVATE LIMITED has the registered office at The Falcon House, No.1, Main Guard Cross Road, Bangalore - 560 001, India. The Company is engaged in the leasing of properties owned/ taken on lease.

**2. Basis for preparation of Financial Statements and significant accounting policies**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The accounting policies adopted in the preparation of the financial statements are as follows:

**i. Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

**ii. Cash flow statement**

Cash flow statement is prepared under the 'Indirect Method' prescribed under Accounting Standard 3 'Cash Flow Statements'.

**iii. Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible assets is provided on the written-down value method over the useful lives of assets estimated by the Management. The Management estimates the useful lives for the fixed assets as follows:

Building	60 Years
Plant and machinery *	20 Years
Furniture and fixtures *	15 Years

\* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.



**iv. Revenue recognition**

Rental income, sublease income and hire charges are recognized on accrual basis according to terms and conditions of rental/ hiring agreements, provided it is not unreasonable to expect ultimate collection.

Share of profit/loss from partnership firm is recognized based on the financial information provided and confirmed by the respective firms.

**v. Fixed assets and Capital work in progress**

Fixed assets are stated at cost, including expenses incurred to bring the asset to present condition. Cost includes all costs relating to the acquisition and installation of fixed assets including interest on borrowing for the project / fixed asset up to the date the asset is put to use. Any cost incurred relating to settlement of claims regarding titles to the properties is accounted for and capitalized as incurred.

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

**vi. Impairment of assets**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- (a) an intangible asset that is not yet available for use; and
- (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

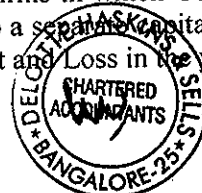
The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

**vii. Investments**

Long - term Investments are stated at cost, less any diminution in value other than temporary in nature. Current Investments are stated at lower of cost and realisable value.

In case of revaluation of fixed assets by the partnership firms in which Company is a partner, proportionate share of revaluation surplus is transferred to a separate capital reserve. In case of loss, the share will be recognized in the Statement of Profit and Loss in the year of realisation.



**viii. Employee Benefits**

Short term employee benefits include salaries for current employees which are measured as per the terms of employment and accounted on an undiscounted basis.

**ix. Borrowing cost**

Borrowing cost attributable to the acquisition or construction of a qualifying asset is capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**x. Leases**

Leases, where the Company effectively retains substantially all the risks and benefits of ownership of the leased asset, are classified as operating leases. Operating lease receipts are recognized as an income in the Statement of Profit and Loss on a straight-line basis over the lease term in accordance with the accounting policy in "iv" above. Operating lease payments are recognised as expense in the Statement of Profit and Loss on a straight line basis over the lease term.

**xi. Earnings Per Share**

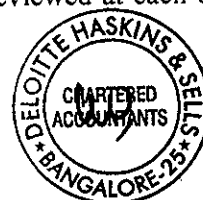
The basic and diluted earnings per share is computed by dividing the net profit / loss attributable to equity share holders for the year by the weighted average number of equity shares outstanding during the year. The Company does not have any potentially dilutive equity shares outstanding during the year.

**xii. Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.



**ICBI (INDIA) PRIVATE LIMITED**  
**Notes forming part of the Financial Statements for the year ended March 31, 2016**

---

**xiii. Provisions and contingent liabilities**

A provision is recognised when the Company has a present obligation as a result of past events and 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 (excluding retirement benefits) are not discounted to their present value and are determined based on the 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. Contingent liabilities are disclosed in the Notes.

**xiv. Operating cycle**

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash and cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



**ICBI (INDIA) PRIVATE LIMITED**  
Notes forming part of Financial Statements as at 31st March, 2016

Note No.	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
<b>3 Share Capital</b>		
<b>Authorised</b>		
500 (March 31, 2016 - 500) Equity shares of Rs.1,000/- each	500,000	500,000
<b>Issued, Subscribed and fully paid-up</b>		
350 (March 31, 2016 - 350) equity shares of Rs.1,000 each; fully paid up	350,000	350,000
	<u>350,000</u>	<u>350,000</u>

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

Particulars	March 31, 2016		March 31, 2015	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Equity Shares of Rs.1,000 each				
Outstanding at the beginning of the year	350	350,000	350	350,000
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	350	350,000	350	350,000

**3 (b) Details of Shareholders holding more than 5% shares in the Company**

Name of the shareholder	March 31, 2016		March 31, 2015	
	No. of Shares	%holding in the class	No. of Shares	%holding in the class
Equity Shares of Rs.1000/- each fully paid				
Prestige Estates Projects Ltd	289	82.57%	289	82.57%
Irfan Razack	55	15.71%	55	15.71%

**3 (c) Details of shares held by the holding company**

Name of the Holding Company	March 31, 2016		March 31, 2015	
	No. of Shares	%holding in the class	No. of Shares	%holding in the class
Prestige Estates Projects Limited	289	82.57%	289	82.57%

**3 (d)** The Company has only one class of equity shares with voting rights having par value of Rs. 1,000/- each. The rights, preferences and restrictions attached to such equity shares is in accordance with the terms of issue of equity shares under the Companies Act, 1956 and the Articles of Association of the Company.

**4 Reserve & Surplus**

(a) Securities Premium account	35,850,000	35,850,000
(b) Capital reserve *	6,782,226	6,782,226
(c) General Reserve	72,610,780	72,610,780
d) Surplus in Statement of Profit and Loss		
Opening Balance	359,846,560	343,276,800
Add : Profit for the year	26,467,640	16,569,760
Closing Balance	<u>386,314,200</u>	<u>359,846,560</u>
<b>Total Reserves and Surplus</b>	<u>501,557,206</u>	<u>475,089,566</u>

(\*) Represents reserve on account of revaluation of investment in Partnership Firm- Albert Properties



**ICBI (INDIA) PRIVATE LIMITED**  
Notes forming part of Financial Statements as at 31st March, 2016

Note No.	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
<b>5 Other Long-term Liabilities</b>		
Rental Security Deposits	3,302,240	1,902,240
	<u>3,302,240</u>	<u>1,902,240</u>
<b>6 Trade Payables</b>		
Other than acceptances:		
- Total outstanding dues of Micro enterprises and small enterprises	-	-
- Total outstanding dues of Creditors Other than Micro enterprises and small enterprises	700,122	1,226,733
	<u>700,122</u>	<u>1,226,733</u>
Note: There are no Micro & Small Enterprises to whom the Company owes dues, which are outstanding at the balance sheet date, determined to the extent such parties are identified on the basis of information available with the company. This has been relied upon by the auditors.		
<b>7 Other Current Liabilities</b>		
Other Payables		
- Statutory Liabilities	424,708	-
- Security Deposits	40,475,303	38,600,852
	<u>40,900,011</u>	<u>38,600,852</u>
<b>8 Short-term Provisions</b>		
Provision for Income Tax (Net of Advance Tax Rs. 13,927,443/- (March 31, 2015 - Rs. 13,927,443/-))	885,739	885,739
	<u>885,739</u>	<u>885,739</u>





**ICBI (INDIA) PRIVATE LIMITED**  
Notes forming part of Financial Statements as at 31st March, 2016

Note No.		As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
10	<b>Non-current Investments</b>		
	I) Trade Investments (unquoted, at cost, fully paid up)		
	Investments in Partnership Firm		
	Albert Properties	Note - 10 (a)	2,250,000
		2,250,000	2,250,000
	II) Non-trade investments		
	Investments in Equity Instruments (unquoted at cost, fully paid up)		
	Shares in Karnataka State Finance Corporation	3,000	3,000
	Less :Provision for diminution in value of investment	(3,000)	(3,000)
		<u>2,250,000</u>	<u>2,250,000</u>

Aggregate amount of unquoted investment Rs. 2,250,000/- (March 31, 2015 - Rs.2,250,000/-)

Aggregate provision for diminution in investments Rs.3000/- (March 31, 2015 - Rs.3000/-)

10 (a) The details of all partners, capital and profits sharing ratio in partnership firm where Company is a partner are as under :

Name of the firm/Partners	March 31, 2016		March 31, 2015	
	Capital (Rs.)	Profit sharing Ratio	Capital (Rs.)	Profit sharing Ratio
Albert Properties :				
- ICBI (India) Pvt. Ltd	2,250,000	88%	2,250,000	88%
- Irfan Razack	150,000	4%	150,000	4%
- Rezwan Razack	150,000	4%	150,000	4%
- Noaman Razack	150,000	4%	150,000	4%
<b>Total</b>	<b>2,700,000</b>	<b>100%</b>	<b>2,700,000</b>	<b>100%</b>

**11 Long-term loans and advances**

(Unsecured and considered good)

a) Capital Advance towards purchases of properties - Related Party

- Prestige Estates Projects Limited

9,900,000

b) Lease Deposits

5,849,640

c) Advance Income Tax (net of provision of Rs. 4,90,23,350/- March 31, 2015 - Rs 35,130,780/-)

6,801,482

d) Other advances - Related Party

- Current account with Albert Properties

55,780,775

68,431,897

79,280,387

**12 Trade Receivables**

(Unsecured and considered good)

Outstanding more than six months from the date on which they were due

27,041,862

Other receivables

21,933,269

48,975,131

44,590,432

Note: Trade receivables include debts due from related parties as under:

- Prestige Estates Projects Limited

47,586,775

47,586,775

43,474,108

**13 Cash and cash equivalents**

Balances with Banks

- in Current account

5,010,389

5,010,389

3,085,466

Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash

Flow Statements is

5,010,389

3,085,466



**ICBI (INDIA) PRIVATE LIMITED**  
**Notes forming part of Financial Statements as at 31st March, 2016**

Note No.		As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
14	<b>Commitment and Contingencies</b>		
	i) Contingent Liabilities		
	a) Income Tax demands not acknowledged as debt	4,721,611	4,721,611
	Note 15		
	ii) Commitments	-	-
15	The Company had received a demand for payment of Income Tax of Rs. 4,721,611 for the A.Y. 1998-99 on account of dispute in computation of capital gains on transfer of property, under section 156 of the Income Tax Act, 1961. The entity had filed an appeal for the same with Income Tax Appellate Tribunal, under section 263 of the Income Tax Act, 1961. The case has been remanded back to Commissioner of Income Tax (CIT) and has not been posted for hearing as at the balance sheet date. The estimated interest on the demand till the year end was Rs. 2,832,966/- (PY Rs. 2,266,373/-).		



**ICBI (INDIA) PRIVATE LIMITED**  
Notes forming part of Financial Statements as at 31st March, 2016

Note No.	Year ended March 31, 2016 Rs.	Year ended March 31, 2015 Rs.
<b>16 Revenue from operations</b>		
a) Rental Income	55,528,281	47,117,464
b) Hire Charges	2,697,600	2,640,780
c) Sub-Lease Rental Income	11,358,084	7,688,892
	<b>69,583,965</b>	<b>57,447,136</b>
<b>17 Other Income</b>		
Share of profit from Partnership Firms	4,791,260	3,080,434
	<b>4,791,260</b>	<b>3,080,434</b>
<b>18 Employee Benefits</b>		
Salary & Wages (Refer Note 24)	180,000	120,000
	<b>180,000</b>	<b>120,000</b>
<b>19 Other Expenses</b>		
Power and fuel	74,678	301,915
Sub-lease rental expense	9,254,053	9,048,966
Repairs & Maintenance Building	1,094,097	817,453
Insurance	-	2,423
Rates and taxes	8,800	-
Property Tax	1,191,678	1,191,831
Legal and professional fees	357,352	270,860
Commission	534,600	356,226
Miscellaneous Expenses	14,695	716,261
	<b>12,529,953</b>	<b>12,705,935</b>
<b>19 (a) Auditors Remuneration</b>		
Statutory Audit Fee (including service tax)	261,315	252,810
<b>20 Segment Reporting</b>		
The operations of the Company include acquiring and leasing of real estate properties in India constituting a single business and geographical segment. Hence no separate disclosure of segment information as per Accounting Standard 17 specified under section 133 of the Companies Act, 2013 has been made.		
<b>21 Earning per share (EPS) is calculated as under</b>		
A) Numerator -		
Net profit (in Rupees)	26,467,640	16,569,760
B) Denominator - weighted average number of equity shares		
Basic (in Numbers)	350	350
Diluted (in Numbers)	350	350
C) Nominal value of shares (in Rupees)	1,000	1,000
D) Earning per share (in Rupees)		
Basic (in Rupees)	75,621.83	47,342.17
Diluted (in Rupees)	75,621.83	47,342.17



**ICBI (INDIA) PRIVATE LIMITED**  
Notes forming part of Financial Statements as at 31st March, 2016

Note No.	Year ended March 31, 2016 Rs.	Year ended March 31, 2015 Rs.
----------	-------------------------------------	-------------------------------------

**22 Income Taxes**

Deferred tax asset as at the year end comprises of:

Particulars	Amount in Rs.	
	Deferred Tax Asset as at March 31, 2016	Deferred Tax Asset as at March 31, 2015
Tax impact of difference between book and tax depreciation	1,422,480	1,485,300
<b>Total</b>	<b>1,422,480</b>	<b>1,485,300</b>

**23 Operating Leases**

a) The Company lets out commercial properties on lease. The lease rental income recognised during the year ended March 31, 2016 is Rs. 55,528,281/- (Previous Year Rs. 47,117,464/-) The future minimum lease receipts under non cancelable operating leases in the aggregate and for each of the following periods:

Particulars	Amount in Rs.	
	Year Ended March 31, 2016	Year Ended March 31, 2015
Not later than one year	3,582,240	1,902,240
Later than one year but not later than five years	6,380,352	5,960,352
Later than five years	Nil	Nil

b) The Company hires commercial properties on lease basis which are in turn sublet. The Sub lease incomes earned during the year ended March 31, 2016 amounted to Rs.11,358,084/- (Previous Year Rs. 7,688,892/-) .The future minimum lease receipts under non cancelable operating leases in the aggregate and for each of the following periods:

Particulars	Amount in Rs.	
	Year Ended March 31, 2016	Year Ended March 31, 2015
Not later than one year	4,919,255	Nil
Later than one year but not later than five years	Nil	Nil
Later than five years	Nil	Nil

c) The sub lease expenses incurred during the year ended March 31, 2016 towards such properties is Rs.9,254,053/- (Previous Year Rs.9,048,966/-). The future minimum lease payments under non-cancelable operating leases in the aggregate and for each of the following periods:

Particulars	Amount in Rs.	
	Year Ended March 31, 2016	Year Ended March 31, 2015
Not later than one year	Nil	67,650
Later than one year but not later than five years	Nil	Nil
Later than five years	Nil	Nil

24 The Company has only one employee and is in the process of finalizing its policies for employee benefits. The provisions of the Payment of Gratuity Act and the Provident Fund Act are not applicable to the company.



**ICBI (INDIA) PRIVATE LIMITED**  
Notes forming part of Financial Statements as at 31st March, 2016

**Note 9 - Fixed Assets and depreciation**  
**Tangible Assets:**

Tangible Assets:										Amount in Rs.	
Particulars	Gross Block			As at Mar 31, 2016	Depreciation			Up to March 31, 2016	Net Block		
	As at April 1, 2015	Additions	Deletions		Up to March 31, 2015	For the year	Deletions during the year		As at March 31, 2016	As at March 31, 2015	
Land - Freehold	1,977,685	-	-	1,977,685	-	-	-	-	1,977,685	1,977,685	
<i>Previous year</i>	<i>1,977,685</i>	-	-	<i>1,977,685</i>	-	-	-	-	<i>1,977,685</i>		
Buildings *	456,913,005	55,484,118	-	512,397,123	74,820,545	20,699,031	-	95,519,576	416,877,547	382,092,460	
<i>Previous year</i>	<i>456,913,005</i>	-	-	<i>456,913,005</i>	<i>54,710,416</i>	<i>20,110,129</i>	-	<i>74,820,545</i>	<i>382,092,460</i>		
Furniture & Fixtures - Owned *	30,435,788	-	-	30,435,788	28,404,785	367,612	-	28,772,397	1,663,391	2,031,003	
<i>Previous year</i>	<i>30,235,788</i>	<i>200,000</i>	-	<i>30,435,788</i>	<i>27,955,931</i>	<i>448,854</i>	-	<i>28,404,785</i>	<i>2,031,003</i>		
Plant & Machinery - Owned *	11,930,889	-	-	11,930,889	10,668,492	175,599	-	10,844,091	1,086,798	1,262,397	
<i>Previous year</i>	<i>11,930,889</i>	-	-	<i>11,930,889</i>	<i>10,464,520</i>	<i>203,972</i>	-	<i>10,668,492</i>	<i>1,262,397</i>		
Total	501,257,367	55,484,118	-	556,741,485	113,893,822	21,242,242	-	135,136,064	421,605,421	387,363,545	
<i>Previous year</i>	<i>501,057,367</i>	<i>200,000</i>	-	<i>501,257,367</i>	<i>93,130,867</i>	<i>20,762,955</i>	-	<i>113,893,822</i>	<i>387,363,545</i>		

\* Represents assets which are given under operating lease

Note - Previous year figures are given in Italics in the above table



**ICBI (INDIA) PRIVATE LIMITED**

Notes forming part of Financial Statements as at 31st March, 2016

**Note 25 - Related Party Disclosure****List of Related Parties and Relationships –**

Relationship	Related Parties
Holding Company	Prestige Estates Projects Limited (PEPL)
Partnership firms in which Company has control	Albert Properties
Other related parties with whom the Company had transactions –	
Entities in which the directors are interested/ Entities under common control	Prestige Fashions Private Limited
	Geotrix Building Envelope Private Limited (Geotrix)
	Prestige Property Management & Services
Key Management Personnel	Mr. Irfan Razack, Director
	Mr. Rezwan Razack, Director
	Mr. Noaman Razack, Director

**Transactions and balance with related parties during the year -**

(Amount in Rs.)

Sl.No.	Particulars	Holding Company	Partnership firms in which Company has control	Entities in which directors are interested/ Entities under common control	Key Management Personnel	Total
<b>Transactions during the year</b>						
1	<b>Movement in Current Account Albert Properties</b>					
	a) Share of Profit	Nil (Nil)	4,791,260 (3,080,434)	Nil (Nil)	Nil (Nil)	4,791,260 (3,080,434)
	b) Receipts from firm	Nil (Nil)	6,000,000 Nil	Nil (Nil)	Nil (Nil)	6,000,000 Nil
2	<b>Receiving of Services</b> Prestige Property Management & Services	Nil (Nil)	Nil (Nil)	332,393 (1,119,368)	Nil (Nil)	332,393 (1,119,368)
3	<b>Rental Income</b> Prestige Estates Projects Ltd	44,724,448 (37,217,064)	Nil (Nil)	Nil (Nil)	Nil (Nil)	44,724,448 (37,217,064)
4	<b>Rental Expense</b> Prestige Estates Projects Ltd	302,004 (302,003)	Nil (Nil)	Nil (Nil)	Nil (Nil)	302,004 (302,003)
5	<b>Release of corporate guarantee given</b> Geotrix	Nil (Nil)	Nil (Nil)	Nil (39,60,000)	Nil (Nil)	Nil (39,60,000)



**ICBI (INDIA) PRIVATE LIMITED**

Notes forming part of Financial Statements as at 31st March, 2016

**Note 25 - Related Party Disclosure**

<b>Balance outstanding as at the period end</b>						
1	<b>Deposits Received Outstanding</b> Prestige Estates Projects Ltd	24,942,696 (24,942,696)	Nil (Nil)	Nil (Nil)	Nil (Nil)	24,942,696 (24,942,696)
2	<b>Amounts receivable on account of:</b>					
	<b>a) Loans and advances</b>					
	Albert Properties - Current account	Nil (Nil)	55,780,775 (56,989,515)	Nil (Nil)	Nil (Nil)	55,780,775 (56,989,515)
	<b>b) Advance paid towards purchase of property</b>					
	Prestige Estates Projects Ltd	Nil (9,900,000)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (9,900,000)
3	<b>Trade Receivables</b> Prestige Estates Projects Ltd	47,586,775 (43,474,108)	Nil (Nil)	Nil (Nil)	Nil (Nil)	47,586,775 (43,474,108)
4	<b>Investment in Partnership Firm</b> Albert Properties	Nil (Nil)	2,250,000 (2,250,000)	Nil (Nil)	Nil (Nil)	2,250,000 (2,250,000)

## Notes:

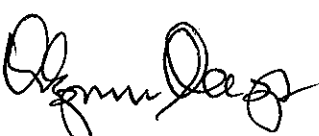
- (a) Related party relationships are as identified by the Company on the basis of information available with them and accepted by the auditors.
- (b) The above amounts exclude reimbursement of expenses and amount remitted/ outstanding towards online remittance of statutory liabilities to a group Company.
- (c) No amount is / has been written off or written back during the period in respect of debts due from or to related party.
- (d) Figures in brackets relate to year ended March 31, 2015

Note 26 - Previous year figures have been regrouped/ reclassified wherever necessary to correspond to the current year's grouping/ classification.

Signatures to Notes 1 to 26 forming part of Financial Statements.

For and on behalf of the Board

  
Irfan Razack  
Director

  
Rezwan Razack  
Director

Place: Bangalore

Date: May 30, 2016

