

AMIT JOSHI & ASSOCIATES
CHARTERED ACCOUNTANTS

E-14/14 Basement, Vasant Vihar
New Delhi - 110057
Tel. : 41023155, 41654097, 41518396
E-mail : aja_cas@yahoo.co.in
Website : www.cajoshi.com

Independent Auditor's Report

To the Members of Vkarma Capital Investment Management Company Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Vkarma Capital Investment Management Company Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, and Cash Flow Statement for the year then ended, and a summary of 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 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 are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's 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 explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2016 and its Loss and its cash flow for the year ended on that date.



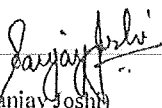
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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. on the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, 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 does not have pending litigations which would impact its financial position.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Amit Joshi & Associates
Chartered Accountants
FRN No. 004898N

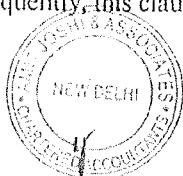

(Sanjay Joshi)
Partner
M. No. 084687



Place of Signature : New Delhi
Date : 14.05.2016

Annexure to the Auditor's Report on the accounts of Vkarma Capital Investment Management Company Private Limited for the year ended March 31, 2016 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

- (i) a. The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. These fixed assets have been physically verified by the management at reasonable intervals and no discrepancies have been noticed on such verification.
- c. The company does not have any immovable properties.
- (ii) The company does not have any inventory. Consequently this clause of paragraph 3 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. Consequently clauses (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of the order are not applicable.
- (iv) In respect of loans, investments, guarantees and security, wherever applicable, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The Company has not accepted deposits during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Consequently, this clause of paragraph 3 of the order is not applicable.
- (vi) According to the information and explanation given to us, the company is not required to maintain cost records specified by the Central Govt. under sub section (1) of section 148 of the Companies Act, 2013. Consequently, this clause of paragraph 3 of the order is not applicable.
- (vii) a. According to the records, the company has been generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sale tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities. There are no arrears of undisputed statutory dues as at March 31, 2016 which were outstanding for a period of more than six months from the date they became payable.
- b. There are no disputed dues, which have remained unpaid as on March 31, 2016 in respect of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax.
- (viii) According to the records of the company and the information and explanations given to us, the company has not taken any loans or borrowings from financial institutions, bank, government or debenture holders. Consequently, this clause of paragraph 3 of the order is not applicable.
- (ix) According to the records of the company and the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Consequently, this clause of paragraph 3 of the order is not applicable.



AMIT JOSHI & ASSOCIATES
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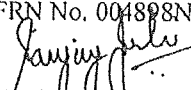
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- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the company by its officers or employees noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the records of the company and the information and explanations given to us, the company has not paid or provided managerial remuneration during the year. Consequently, this clause of paragraph 3 of the order is not applicable.
- (xii) The company is not a Nidhi Company. Consequently, this clause of paragraph 3 of the order is not applicable.
- (xiii) According to the records of the company and the information and explanations given to us, all transactions with related parties during the year are in compliance with the provisions of section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the records of the company and the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Consequently, this clause of paragraph 3 of the order is not applicable.
- (xv) According to the records of the company and the information and explanations given to us, the company has not entered into any non cash transactions with directors or persons connected with him. Consequently, this clause of paragraph 3 of the order is not applicable.
- (xvi) According to the records of the company and the information and explanations given to us, the company is not required to be registered under section 451A of the Reserve Bank of India Act, 1934.

For Amit Joshi & Associates

Chartered Accountants

FRN No. 004898N


(Sanjay Joshi)

Partner

M. No. 084687



Place of Signature : New Delhi

Date : 14.05.2016

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF VKARMA CAPITAL INVESTMENT MANAGEMENT COMPANY PRIVATE 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 Vkarma Capital Investment Management 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 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

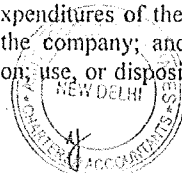
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on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

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

Meaning of Internal Financial Controls Over Financial Reporting

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



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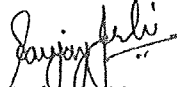
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 Amit Joshi & Associates
Chartered Accountants
FRN : 004898N


Sanjay Joshi

(Partner)

M. No. 084687

Place : New Delhi

Date : 14.05.2016



Vkarma Capital Investment Management Company Private Limited
 Regd. Office : 1-B, Jhandewalan Extn. Naz Cinema Complex, New Delhi-110055
 CIN : U45201DL2006PTC147349

Balance sheet as at 31 March 2016

Particulars	Notes	(Amount in ₹)	
		As at 31 March 2016	As at 31 March 2015
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share Capital	3	500,000	500,000
(b) Reserve and Surplus	4	(223,814,266)	(179,977,812)
		<u>(223,314,266)</u>	<u>(179,477,812)</u>
Current liabilities			
(a) Short Term Borrowings	5	327,045,917	321,345,917
(b) Trade Payables	6	6,740	7,970
(c) Other Current Liabilities	7	77,042,305	40,219,638
		<u>404,094,962</u>	<u>361,573,525</u>
		<u>180,780,696</u>	<u>182,095,713</u>
II. ASSETS			
Non-current assets			
1. (a) Fixed assets			
(i) Tangible assets	8	241,251	336,743
(b) Long-term loans and advances	9	8,782,457	10,103,807
		<u>9,023,708</u>	<u>10,440,550</u>
2. Current assets			
(a) Cash and cash equivalents	10	1,065,816	21,653
(b) Short-term loans and advances	11	124,056,067	123,146,067
(c) Other current assets	12	46,635,105	48,487,413
		<u>171,756,988</u>	<u>171,655,163</u>
		<u>180,780,696</u>	<u>182,095,713</u>
Summary of significant accounting policies	2		

See accompanying notes to the financial statements.

As per our report of even date attached

For and on behalf of
 For Amit Joshi & Associates
 Chartered Accountants
 Registration No. 034598N

Sanjay Joshi
 Sanjay Joshi
 Partner
 Membership No.084687



For and on behalf of the board of directors

Saurabh Chawla
 Saurabh Chawla
 (Director)
 DIN-01043739

Vivek Anjunwala
 Vivek Anjunwala
 (Director)
 DIN-02921778

Place: NEW DELHI
 Dated: 14/05/2016

GA.

Vkarma Capital Investment Management Company Private Limited
 Regd. Office : F-E Jhandewalan Extn. Naaz Cinema Complex, New Delhi-110055
 CIN : U45201DL2006PTC147349

Statement of Profit and Loss for the year ended 31 March 2016

Particulars	Notes	(Amount in ₹)	
		For the year ended on 31 March 2016	31 March 2015
REVENUE			
Other income	15	18,938,280	18,462,837
Total revenue		<u>18,938,280</u>	<u>18,462,837</u>
EXPENSES			
Finance cost	14	44,039,839	40,092,896
Depreciation	8	95,492	95,492
Other expenses	15	18,639,403	32,570
Total expenses		<u>62,774,734</u>	<u>40,220,958</u>
Profit/ (Loss) for the period before tax		<u>(43,836,454)</u>	<u>(21,758,121)</u>
Tax Expense			
Income tax pertaining to previous year			
Profit/(Loss) for the period after tax		<u>(43,836,454)</u>	<u>(21,758,121)</u>
Earnings per equity share			
Basic and diluted	16	(876.73)	(435.16)
Summary of significant accounting policies	2		
See accompanying notes to the financial statements.			

As per our report of even date attached

For and on behalf of
 For Amit Joshi & Associates
 Chartered Accountants
 Registration No. 004898N

Sanjay Joshi
 Sanjay Joshi
 Partner
 Membership No.084687

Place: NEW DELHI
 Dated: 14/05/2016



For and on behalf of the board of directors

Saurabh Chawla
 Saurabh Chawla
 (Director)
 DIN-01043739

Vivek Jhunjhunwala
 Vivek Jhunjhunwala
 (Director)
 DIN-02921778

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