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**V. Sankar Aiyar & Co.**  
CHARTERED ACCOUNTANTS  
2-C, Court Chambers  
35, New Marine Lines  
Mumbai - 400 020

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF GRAVISS CATERING PRIVATE LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of GRAVISS CATERING PRIVATE 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 then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

#### Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting 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 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 loss and its cash flows for the year ended on that date.

### **Emphasis of Matter**

Without qualifying our opinion, attention of the members is drawn to Note 16.B.4 of the financial statements. In view of the matter stated therein relating to the accumulated losses as at 31st March, 2016, keeping in mind the factors stated to be achieved in the note, the accompanying financial statements have been prepared on a going concern basis.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required 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 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 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 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 any pending litigations which would impact its financial position;
  - ii. the Company did not have any foreseeable losses on long-term contracts including derivative contracts.
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

For V. SANKAR AIYAR & CO  
Chartered Accountants  
(Firm's Registration No.109208W)



**(G. Sankar)**  
Partner

Membership No. 46050

Place: Mumbai  
Date: 24<sup>th</sup> May, 2016

**ANNEXURE A REFERRED TO IN THE AUDITOR'S REPORT TO THE MEMBERS OF GRAVISS  
CATERING PRIVATE LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup>  
MARCH 2016**

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
  
(b) As explained to us, physical verification of fixed assets was carried out by the management during the year. There were no discrepancies noticed on such verification.  
  
(c) In our opinion and according to the information and explanations given to us, and the records of the company, there are no immovable properties lying in the books of the the company.
- ii. Clause (ii) of the Order regarding inventories is not applicable to the Company.
- iii. According to the information and explanations given to us, the company has not granted any loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. The company has not granted any loans, guarantees or security and has not made investments to which the provisions of section 185 and 186 of the Companies Act, 2013 apply.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public during the year.
- vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act for any of the products of the Company.
- vii. (a) According to the records maintained by the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues where applicable.

According to the information and explanations given to us, no undisputed amounts in respect of the aforesaid statutory dues were in arrears, as at 31<sup>st</sup> March, 2016, for a period of more than six months from the date they became payable.

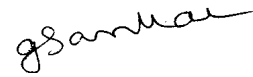


- (b) According to the information and explanations given to us and the records of the company, there are no dues of income tax/ sales tax / customs duty / wealth tax / service tax / excise duty /value added tax /cess, which have not been deposited on account of any dispute.
- viii. The company has not taken any loan from any financial institution/bank or by way of issue of debentures.
- ix. According to the information and explanations given to us and the records of the company, the company has not raised money by way of initial public offer or further public offer during the year. The company has not taken any term loans from banks during the year.
- x. According to the information and explanations given to us and based on audit procedures performed and representations obtained from the management, we report that no fraud on or by the company, has been noticed or reported during the year under audit.
- xi. Clause (xi) of the Order regarding managerial remuneration is not applicable to the Company.
- xii. The Company is not a Nidhi Company and hence clause (xii) of the order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the company has complied with provisions of section 188 of Companies Act, 2013 with respect to related party transactions entered in to during the year under review and the details have been disclosed in the Financial Statements etc., as required under Accounting Standard 18 – Related Party Disclosures.
- 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. According to the information and explanations given to us and based on verification of records , the company has not entered into any non-cash transactions with directors or persons connected with him.



- xvi. According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For V. Sankar Aiyar & Co.,  
Chartered Accountants.  
Firm Reg No. 109208W



**G. SANKAR**  
Partner  
Membership No. 46050

Place: Mumbai  
Date: 24<sup>th</sup> May, 2016

**“ANNEXURE B” REFERRED TO IN THE AUDITOR’S REPORT TO THE MEMBERS OF GRAVISS  
CATERING PRIVATE LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup>  
MARCH 2016**

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 Graviss Catering Private Limited as of March 31<sup>st</sup>, 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.

**Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding



of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

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

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

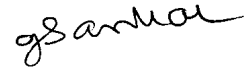
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were





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 V. Sankar Aiyar & Co.,  
Chartered Accountants.  
Firm Reg No. 109208W



**G. SANKAR**  
Partner  
Membership No. 46050

Place: Mumbai  
Date: 24<sup>th</sup> May, 2016

# GRAVISS CATERING PRIVATE LIMITED

Balance Sheet as at 31 March, 2016

(Rs in lacs)

Particulars	Note No.	As at 31-03-2016	As at 31-03-2015
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share capital	1	7.65	7.65
Reserves and surplus	2	(313.13)	(278.92)
		<b>(305.48)</b>	<b>(271.27)</b>
<b>Non-current Liabilities</b>			
Long-term borrowings	3	371.04	360.38
		<b>371.04</b>	<b>360.38</b>
<b>Current Liabilities</b>			
Trade payables		9.53	17.19
Other current liabilities	4	12.20	6.67
		<b>21.73</b>	<b>23.86</b>
		<b>87.29</b>	<b>112.97</b>
<b><u>ASSETS</u></b>			
<b>Non-current Assets</b>			
<b>Fixed Assets :</b>			
Tangible assets	5	8.88	16.14
		<b>8.88</b>	<b>16.14</b>
Deferred tax assets (Net)	6	-	37.46
		<b>8.88</b>	<b>53.60</b>
<b>Current Assets</b>			
Trade receivables	7	8.83	5.99
Cash and Bank Balances	8	18.52	6.89
Short-term loans and advances	9	51.06	46.49
		<b>78.41</b>	<b>59.37</b>
		<b>87.29</b>	<b>112.97</b>

Significant Accounting policies and other  
Notes forming part of financial statements

16

As per our separate report of even date

**For V. Sankar Aiyar & Co.**

Chartered Accountants

Firm Registration No. 109208W

*G. Sankar*

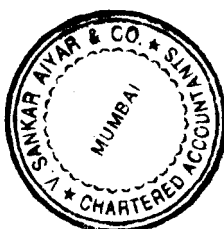
**G. Sankar**

Partner

Membership No. 046050

Place: Mumbai

Date: 24 May 2016



*Vikram Seth*  
**Vikram Seth**  
Director

*V.P. Garg*  
**V.P. Garg**  
Director

# GRAVISS CATERING PRIVATE LIMITED

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

(Rs in lacs)

Particulars	Note No.	For the Year ended 31-03-2016	For the Year ended 31-03-2015
<b>Income</b>			
Revenue from operations	10	265.41	288.16
<b>Total Revenue</b>		<b>265.41</b>	<b>288.16</b>
<b>Expenses</b>			
Employee benefits expense	11	17.15	15.44
Finance costs	12	17.33	17.71
Depreciation and amortisation expenses	13	7.26	11.26
Other expenses	14	219.90	218.90
<b>Total Expenses</b>		<b>261.64</b>	<b>263.31</b>
<b>Profit / (loss) before tax</b>		<b>3.77</b>	<b>24.85</b>
<b>Tax expense :</b>			
Current tax		(0.80)	-
Deferred tax (Net) (Refer Note "6")		(37.46)	(8.00)
MAT Credit available for set off		0.80	-
Tax adjustment relating to earlier years		(0.52)	-
<b>Profit / (loss) for the period after tax</b>		<b>(34.21)</b>	<b>16.85</b>
<b>Earning per equity share- Rs.</b>			
(a) Basic	15	<b>(44.72)</b>	22.03
(b) Diluted		<b>(44.72)</b>	22.03

Significant Accounting policies and other Notes forming part of financial statements

16

As per our separate report of even date

**For V. Sankar Aiyar & Co.**

Chartered Accountants

Firm Registration No. 109208W

*G. Sankar*

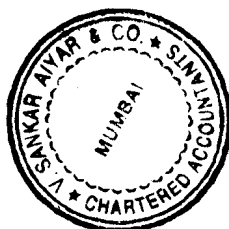
**G. Sankar**

Partner

Membership No. 046050

Place: Mumbai

Date: 24 May 2016



*Vikram Seth*

**Vikram Seth**  
Director

*V.P. Garg*

**V.P. Garg**  
Director

**Cash Flow Statement for the year ended 31 March, 2016**

(Rs in lacs)

Particulars	As at 31-03-2016	As at 31-03-2015
<b>Cash flows from operating activities</b>		
Net profit before taxation, and extraordinary item	3.77	24.85
<u>Adjustments for:</u>		
Depreciation	7.26	11.26
Interest expense	17.33	17.71
<b>Operating profit before working capital changes</b>	<b>28.36</b>	<b>53.82</b>
Increase / (decrease) in trade payables	(7.67)	(5.47)
Increase / (decrease) in other current liabilities	5.53	(6.88)
Decrease / (Increase) in trade receivables	(2.84)	(0.01)
Decrease / (Increase) in short-terms loans and advances	(4.55)	0.94
	(9.53)	(11.42)
<b>Cash generated from operations</b>	<b>18.83</b>	<b>42.40</b>
Income taxes paid	(0.52)	-
<b>Net cash from operating activities (A)</b>	<b>18.31</b>	<b>42.40</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	-	-
<b>Net cash from investing activities (B)</b>	<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Proceedings from Long-term borrowings	10.65	(24.77)
Interest paid	(17.33)	(17.71)
<b>Net cash used in financing activities (C)</b>	<b>(6.68)</b>	<b>(42.48)</b>
<b>Net Increase / (Decrease) in Cash and cash equivalents (A+B+C)</b>	<b>11.63</b>	<b>(0.08)</b>
<b>Net increase in cash and cash equivalents</b>		
<u>Cash and cash equivalents at beginning of year</u>		
Cash on hand and balances with banks	6.89	6.97
<b>Total (D)</b>	<b>6.89</b>	<b>6.97</b>
<u>Cash and cash equivalents at end of year</u>		
Cash on hand and balances with banks	18.52	6.89
<b>Total (E)</b>	<b>18.52</b>	<b>6.89</b>
<b>Net Increase / (Decrease) in Cash and cash equivalents (E-D)</b>	<b>11.63</b>	<b>(0.08)</b>

As per our separate report of even date

For V. Sankar Aiyar & Co.

Chartered Accountants

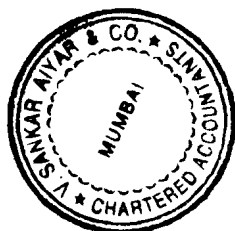
Firm Registration No. 109208W

*G. Sankar*

G. Sankar

Partner

Membership No. 046050



Place: Mumbai

Date: 24 May 2016

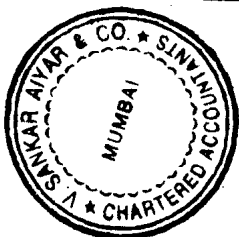
*Vikram Seth*  
Vikram Seth  
Director

*V.P. Garg*  
V.P. Garg  
Director

Notes forming part of the Financial Statements as at 31 March 2016

(Rs in lacs)

		As at 31-03-2016	As at 31-03-2015
<b>1</b>	<b>Share Capital</b>		
a	<b>Authorised :</b> 1,00,000 Equity shares of Rs. 10 each	10.00	10.00
		<b>10.00</b>	<b>10.00</b>
b	<b>Issued, Subscribed and fully paid-up :</b> 76,502 Equity shares of Rs. 10 each for cash <u>(76,502)</u>	7.65	7.65
		<b>7.65</b>	<b>7.65</b>
c	<b>Reconciliation of the number of shares</b> Opening Closing	76,502	76,502
		<b>76,502</b>	<b>76,502</b>
d	<b>Shares held by holding company- Graviss Hospitality Limited</b> 76,502 Equity shares of Rs. 10 each for cash	7.65	7.65
<b>2</b>	<b>Reserve and Surplus</b> <b>Profit and Loss Account</b> Opening balance Add : Net profit after tax transferred from Statement of Profit and Loss Balance in Profit and Loss account	(278.92) (34.21)	(295.77) 16.85
		<b>(313.13)</b>	<b>(278.92)</b>
		<b>(313.13)</b>	<b>(278.92)</b>
<b>3</b>	<b>Long-term borrowings :</b>		
a)	<b>Unsecured Loans:</b>		
(i)	<b>From Holding Company</b> (Interest free not re-payable within one year)	189.80	174.61
(ii)	<b>From Graviss Holdings Private Limited</b> (a related party) (interest @ 12.5% on Rs. 120 lacs p.a. and interest free on Rs. 46.32 lacs and not re-payable within one year)	166.32	166.32
		<b>356.12</b>	<b>340.93</b>
b)	<b>Deferred payment liabilities (Leases):</b> (secured by hypothecation of Vehicles) (carry interest rate @10.88%, repayable in 84 EMIs and secured by hypothecation of vehicle)	14.92	19.45
		<b>371.04</b>	<b>360.38</b>
<b>4</b>	<b>Other Current liabilities</b> Expenses payable Interest free deposits and advance from customers Statutory dues payable - TDS payable - VAT payable  <b>Current maturities of long term debt:</b> -Deferred payment liability	1.09 6.36 0.56 - 4.19	2.66 - 0.52 0.12 3.37
		<b>12.20</b>	<b>6.67</b>



## Notes forming part of the Financial Statements as at 31 March 2016

(Rs in lacs)

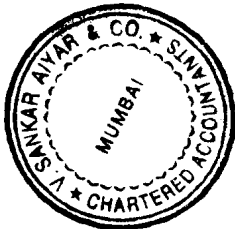
DESCRIPTION	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01-04-2015	Additions	Deductions / Adjustments	As at 31-03-2016	Upto 31-03-2015	For the year	Deductions / Adjustments	Upto 31-03-2016	As at 31-03-2016	As at 31-03-2015
<b>5. Tangible Assets:</b>										
Vehicles.	35.95	-	-	35.95	19.81	7.26		27.07	8.88	16.14
Computers	0.93	-	-	0.93	0.93		-	0.93	0.00	0.00
<b>Total</b>	<b>36.88</b>	<b>-</b>	<b>-</b>	<b>36.88</b>	<b>20.74</b>	<b>7.26</b>	<b>-</b>	<b>28.00</b>	<b>8.88</b>	<b>16.14</b>
Total (previous year)	36.88	-	-	36.88	9.48	11.26	-	20.74	16.14	



Notes forming part of the Financial Statements as at 31 March 2016

(Rs in lacs)

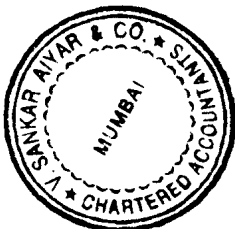
		As at 31-03-2016	As at 31-03-2015
6	<b>Deferred tax assets :</b>		
	Deferred tax liability:		
	Depreciation on fixed assets	-	(3.17)
	Deferred tax assets :		
	Carried Forward Loss	-	34.29
		-	37.46
7	<b>Trade receivables</b>		
	(unsecured, considered good)		
	Debts outstanding for a period exceeding six months	1.39	-
	Other debts	7.44	5.99
		<b>8.83</b>	<b>5.99</b>
8	<b>Cash and Bank Balances</b>		
	<b>Cash and Cash Equivalents</b>		
	<b>Balances with banks in:</b>		
	Current accounts	17.03	4.00
	Cash on hand	1.49	2.89
		<b>18.52</b>	<b>6.89</b>
9	<b>Short-term loans and advances</b>		
	(Unsecured, considered good)		
	<b>Advances to others:</b>		
	Prepaid expenses	0.32	0.38
	Loans to employees	19.00	19.00
	Balances with statutory/government authorities	0.36	0.28
	Advance Income tax (net)	10.98	6.43
	Security and other deposits	20.40	20.40
		<b>51.06</b>	<b>46.49</b>



Notes forming part of the Financial Statements as at 31 March 2016

(Rs in lacs)

		For the Year ended 31 03-2016	For the Year ended 31-03-2015
<b>10</b>	<b>Revenue from Operations</b>		
	Sale of services	265.41	288.16
		<b>265.41</b>	<b>288.16</b>
<b>11</b>	<b>Employee benefits expense</b>		
	Salaries and wages (including bonus and gratuity)	17.15	15.44
		<b>17.15</b>	<b>15.44</b>
<b>12</b>	<b>Finance costs</b>		
	Other borrowing costs	17.33	17.71
		<b>17.33</b>	<b>17.71</b>
<b>13</b>	<b>Depreciation and Amortisation expenses:</b>		
	Depreciation of tangible assets	7.26	11.26
		<b>7.26</b>	<b>11.26</b>
<b>14</b>	<b>Other expenses</b>		
	<b>Operating Expenses:</b>		
	Repairs and Maintenance -others	1.47	0.92
	Hall Decoration	161.60	162.69
	<b>General Expenses:</b>		
	Rent	1.80	1.80
	Insurance	1.60	2.11
	Hire charges	8.22	8.97
	Travelling and Conveyance	7.14	10.35
	Printing and Stationery	3.72	2.33
	Postage and Telephones	1.26	1.28
	Other expenses	19.14	13.90
	Payments to Auditors -Audit fees	0.50	0.50
	Legal and Professional charges	13.45	14.05
		<b>219.90</b>	<b>218.90</b>
<b>15</b>	<b>Earnings per Equity share</b>		
	Net profit after Taxation (in Rs.)	(34.21)	16.85
	Weighted average number of equity shares	76,502	76,502
	Earnings per equity shares (in Rs.)	(44.72)	22.03
	Nominal value per share (Rs.)	10.00	10.00





**GRAVISS CATERING PRIVATE LIMITED**

**Note 16**

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016.**

**A SIGNIFICANT ACCOUNTING POLICIES**

**I SYSTEM OF ACCOUNTING**

- a The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis.

The financial statements have been prepared in all material respects in accordance with the accounting standards as specified under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) rules, 2014.

- b Financial statements are prepared on historical cost basis and as a going concern.

**II USE OF ESTIMATES.**

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialize.

**III FIXED ASSETS AND DEPRECIATION :**

**A) Fixed Assets**

Fixed assets are stated at cost of acquisition including attributable expenses and are stated at cost less depreciation.

**B) Depreciation**

Depreciation is charged in the Accounts on written down value method in accordance with the useful life specified in Schedule II of the Companies Act, 2013.

**IV REVENUE RECOGNITION**

Revenue is recognized to the extent that it can be reliably measured and is probable that the economic benefit will follow to the company.

Revenue is recognized on accrual basis. Sales comprise of sale of goods and services and are net of Value Added Tax and Service Tax.

**V INVENTORIES**

Inventories are valued at cost. Cost is computed at purchase price and other related expenses incurred in bringing the inventories to their present location and condition.

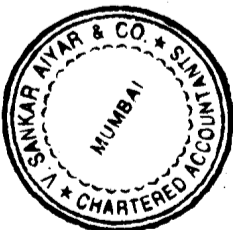
**VI EMPLOYEE BENEFITS**

- a) Contributions to Provident are made to Employees Provident Fund of the Government and are charged to Profit & Loss Account.
- b) Liabilities towards Gratuity and Leave Encashment Benefit are provided for based on actuarial valuation done at the year end.

**VII TAXES ON INCOME**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income tax Act, 1961. Credit in respect of Minimum Alternate Tax paid is recognized only if there is convincing evidence of realization of the same.

Deferred Tax which is computed on the basis of enacted/substantively enacted rates, is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future.



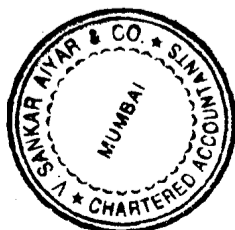
firm registration No. 109208W

G. Sankar

Partner

Membership No. 46050

Place: Mumbai



Vikram Seth  
Director

V.P. Garg  
Director