

SUBHAM VINIYOG PRIVATE LIMITED

DIRECTORS' REPORT

The Directors present herewith their Twenty Eighth Annual Report together with Audited Statements of Accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS:

	2014-2015 <u>RUPEES</u>	2013-2014 <u>RUPEES</u>
Loss for the year	(97,504)	(1,03,739)
Balance brought forward from Previous year	<u>(1,131,833)</u>	<u>(1,028,094)</u>
Balance carried to Balance Sheet	<u>(1,229,337)</u>	<u>(1,131,833)</u>

OPERATIONS:

During the year under review, the Company continued its Neem Plantation activity.

DIVIDEND:

In view of the Loss, your Directors do not recommend any Dividend for the year.

DIRECTORS:

Mr.J.K.Delvadavala , Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Board Meetings- During the year, four Board Meetings were duly convened and held and the intervening gap between any two meetings was within the period prescribed under the Companies Act,2013. Mr.S.R.Dalvi and Mr.J.K.Delvadavala attended all four meetings and Mr.Shyam Krishnan attended three meetings.

PARTICULARS OF EMPLOYEES:

The Company had no employee during the year covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014.

ENERGY,TECHNOLOGY AND FOREIGN EXCHANGE:

Information pursuant to clause (m) of subsection (3) of section 134 of the Companies Act,2013 ,read with rule 8 (3) of The Companies (Accounts) Rules ,2014 is not given since the Company is in the development stage of its plantation activity.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors confirm that:

- i) in the preparation of annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures ;
- ii) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2014-2015 and of the loss of the Company for that period;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis.
- v) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return of the Company in form MGT 9 is annexed herewith as **Annexure A**.

AUDITORS:

The Statutory Auditors, M/s BSR & Co. LLP have indicated their inability to continue as Auditors of the Company. M/s.Kaushik Bhatia & Co., Chartered Accountants have submitted a written consent that they are eligible to hold office as Statutory Auditors of the Company in terms of Section 139 of the Act and that they also satisfy the criteria provided in Section 141 of the Act. The Board recommends the appointment of M/s Kaushik Bhatia & Co., Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting. The necessary resolution is being placed for consideration of the members at the ensuing Annual General Meeting.

AUDITORS' QUALIFICATIONS:

There were no qualifications , reservations or adverse remarks in the Auditors' Report.

RELATED PARTY TRANSACTIONS:

Transactions with related parties in the ordinary course of the Company's business are detailed in Note No.3.15 to the financial statements. However, none of these fall under the purview of the provisions of section 188 of the Companies Act,2013.

PARTICULARS OF LOANS , GUARANTEES AND INVESTMENTS:

During the year under review, the Company did not grant any loan or provide any guarantee as per the provisions of section 186 of the Companies Act,2013.

RISK MANAGEMENT:

Given the asset base and the portfolio of investments made by the Company, the Board is of the opinion that there are no major risks affecting the existence of the Company.

INTERNAL CONTROLS:

The Board is of the opinion that there exists adequate internal controls commensurate with the size and operations of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

On behalf of the Board

Mumbai: 21.05.2015

S.R. DALVI
DIN-00027498
CHAIRMAN

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2015
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U65990MH1987PTC042358
ii	Registration Date	01/09/1987
iii	Name of the Company	Subham Viniyog Private Limited
iv	Category/Sub-category of the Company	Private Limited Company
v	Address of the Registered office & contact details	9, Wallace Street, Fort, Mumbai 400001
vi	Whether listed company	No
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	N A

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Investments	6430	100

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	DPI PRODUCTS & SERVICES LIMITED	U85100MH1962PLC012345	Holding	100	2(46)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
Bodies Corporates		400000	400000	100		400000	400000	100	0	
Total Shareholding of Promoter (A)		400000	400000	100		400000	400000	100	0	
B. PUBLIC SHAREHOLDING		NIL								
C. Shares held by Custodian for GDRs & ADRs		NIL								
Grand Total (A+B+C)		400000	400000	100		400000	400000	100	0	

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	DPI Products & Services Limited	400,000	100	0	400,000	100	0	
	Total	400,000	100	0	400,000	100	0	0

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	400000	100	400000	100
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NO CHANGE	NO CHANGE		
	At the end of the year	400000	100	400000	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs) : NOT APPLICABLE

(v) Shareholding of Directors & KMP : NONE

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment					
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
Indebtness at the beginning of the financial year					
i) Principal Amount	0	1584507	0	1584507	
ii) Interest due but not paid					
iii) Interest accrued but not due					
Total (i+ii+iii)	0	1584507	0	1584507	
Change in Indebtedness during the financial year					
Additions	0	25000	0	25000	
Reduction					
Net Change	0	25000	0	25000	
Indebtedness at the end of the financial year					
i) Principal Amount	0	1609507	0	1609507	
ii) Interest due but not paid					
iii) Interest accrued but not due					
Total (i+ii+iii)	0	1609507	0	1609507	

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

NIL

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment		Nil			
Compounding					
B. DIRECTORS					
Penalty					
Punishment		Nil			
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment		Nil			
Compounding					

Independent Auditor's Report

To the Members of Subham Viniyog Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Subham Viniyog Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2015, 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 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 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.

Independent Auditor's Report (*Continued*)

Subham Viniyog Private Limited

Auditor's Responsibility (*Continued*)

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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 31 March 2015 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as 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 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 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

Independent Auditor's Report (*Continued*)
Subham Viniyog Private Limited

Report on Other Legal and Regulatory Requirements (*Continued*)

- 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 long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mumbai
21 May 2015

Vijay Mathur
Partner
Membership No: 046476

Subham Viniyog Private Limited

Annexure to the Independent Auditors' Report – 31 March 2015

(Referred to in our report of even date)

- i (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed in respect of assets verified during the year.
- ii The nature of operations of the Company does not require it to hold any physical inventories. Thus paragraph 3(ii) (a), (b) and (c) of the order are not applicable.
- iii The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). Accordingly, paragraphs 3(iii) (a) and (b) of the Order are not applicable to the Company.
- iv In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase fixed assets. The nature of operations of the Company does not involve purchase of inventory and sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
- v In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- vii (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of Income-tax has been regularly deposited during the year by the Company with appropriate authorities. As explained to us, the Company did not have any dues on account of Provident Fund, Employees' State Insurance, Sales tax, Wealth tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, cess and any other material statutory dues.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax was in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

Subham Viniyog Private Limited

Annexure to the Independent Auditors' Report – 31 March 2015 (Continued)

- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales tax, Wealth tax, Service tax, Duty of Customs, Duty of Excise, Value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute.
- (c) According to the information and explanations given to us there are no amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Act and rules there under.
- viii The Company has accumulated losses at the end of the financial year, however the accumulated losses does not exceeds 50% of its net worth. *The Company has incurred cash losses in the financial year and in the immediately preceding financial year.*
- ix The Company did not have any outstanding dues to any financial institution, banks or debenture holders during the year.
- x According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi The Company did not have any term loans outstanding during the year.
- xii According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mumbai
21 May 2015

Vijay Mathur

Partner

Membership No: 046476

Subham Viniyog Private Limited

Balance sheet

as at 31 March 2015

(Currency: Indian Rupees)

	Notes	31 March 2015	31 March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3.1	4,000,000	4,000,000
Reserves and surplus	3.2	<u>(1,220,503)</u>	<u>(1,122,999)</u>
		2,779,497	2,877,001
Current liabilities			
Short-term borrowings	3.3	1,609,507	1,584,507
Trade payables	3.4	<u>20,130</u>	<u>25,618</u>
		1,629,637	1,610,125
TOTAL		<u>4,409,134</u>	<u>4,487,126</u>
ASSETS			
Non-current assets			
Fixed Assets			
-Tangible assets	3.5	1,426,638	1,426,638
-Intangible assets	3.5	<u>2,891,710</u>	<u>2,951,278</u>
		4,318,348	4,377,916
Non-current investments	3.6	83,519	83,519
Deferred tax asset (net)	3.12	<u>-</u>	<u>-</u>
		4,401,867	4,461,435
Current assets			
Cash and cash equivalents	3.7	<u>7,267</u>	<u>25,691</u>
		7,267	25,691
TOTAL		<u>4,409,134</u>	<u>4,487,126</u>

Significant accounting policies

2

Notes referred to above form an integral part of the balance sheet.

As per our report of even date.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors

Subham Viniyog Private Limited

CIN - U65990MH1987PTC042358

Vijay Mathur

Partner

Membership No: 046476

Mumbai

Date

S.R.Dalvi

Director

DIN -00027498

Mumbai

Date

Shyam S. Krishnan

Director

DIN -02801376

Mumbai

Date

Subham Viniyog Private Limited

Statement of Profit and loss

for the year ended 31 March 2015

(Currency: Indian Rupees)

	<i>Notes</i>	For the year ended 31 March 2015	For the year ended 31 March 2014
Revenue from operations		-	-
Other income	3.8	100	5,115
Total Revenue		100	5,115
Expenses			
Depreciation	3.5	59,568	59,568
Other expenses	3.9	38,036	49,286
Total Expenses		97,604	108,854
(Loss) before tax		(97,504)	(103,739)
Tax expense:			
- Current tax		-	-
- Deferred tax	3.12	-	-
(Loss) for the year		(97,504)	(103,739)
Earnings per equity share			
Basic and diluted earnings per share (Rs)	3.13	(0.24)	(0.26)
(Face value Rs 10 per share)			

Significant accounting policies

2

Notes referred to above form an integral part of the statement profit and loss.

As per our report of even date.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors

Subham Viniyog Private Limited

CIN - U65990MH1987PTC042358

Vijay Mathur

Partner

Membership No: 046476

Mumbai

Date

S.R.Dalvi

Director

DIN -00027498

Mumbai

Date

Shyam S. Krishnan

Director

DIN -02801376

Mumbai

Date

Subham Viniyog Private Limited

Cash flow statement

for the year ended 31 March 2015

(Currency: Indian Rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before tax	(97,504)	(103,739)
Adjustment for:		
Depreciation	59,568	59,568
Profit on sale of investments	-	(5,015)
Dividend Income	(100)	(100)
	<u>59,468</u>	<u>54,453</u>
Cash flow before working capital changes	(38,036)	(49,286)
Adjustments for changes in working capital		
Decrease in trade payables and provisions	(5,488)	-
	<u>(5,488)</u>	<u>-</u>
Cash used in operations	(43,524)	(49,286)
Taxes paid (Net of refunds)	-	-
Net cash used in operating activities (A)	<u>(43,524)</u>	<u>(49,286)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Dividend received	100	100
Proceeds from sale of investments	-	7,115
Purchase of fixed assets	-	(40,000)
Net cash flows from / (used in) investing activities (B)	<u>100</u>	<u>(32,785)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Loan taken	25,000	100,000
Net cash flow from financing activities (C)	<u>25,000</u>	<u>100,000</u>
Net (decrease) / increase in cash and cash equivalent (A + B + C)	(18,424)	17,929
Cash and cash equivalents at the beginning of the year	<u>25,691</u>	<u>7,762</u>
Cash and cash equivalents at the end of the year (refer note 3.7)	<u>7,267</u>	<u>25,691</u>

Notes

1. The Cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 ('AS 3') on Cash Flow Statement prescribed in Companies (Accounting Standard) Rules, 2006.

2. Components of cash and cash equivalents

Balances with banks - in current accounts	7,267	25,691
	<u>7,267</u>	<u>25,691</u>

Significant accounting policies

2

As per our report of even date.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors

Subham Viniyog Private Limited

CIN - U65990MH1987PTC042358

Vijay Mathur

Partner

Membership No: 046476

S.R.Dalvi

Director

DIN -00027498

Shyam S. Krishnan

Director

DIN -02801376

Mumbai

Date

Mumbai

Date

Mumbai

Date

Subham Viniyog Private Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees)

1. Background

Shubham Viniyog Private Limited ("the Company") is a private limited company incorporated in 1987 under the Companies Act, 1956 ('the Act'). It is a subsidiary of DPI Products and Services Limited.

2. Significant Accounting Policies

(i) *Basis for preparation of financial statements*

These financial statements have been prepared and presented on the accrual basis of accounting and comply with the accounting standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 to the extent applicable and other accounting principles generally accepted in India, to the extent applicable.

(ii) *Use of estimates*

The preparation of financial statements in conformity with Generally Accepted Accounting Principles ('GAAP') requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as of the date of financial statements, and the reported amount of revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from those estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

(iii) *Fixed assets and depreciation*

Tangible assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes inward freight, duties, taxes and incidental expenses related to acquisition and installation incurred upto the date of commissioning of the assets.

Intangible assets

Intangible assets represent tenancy rights. The cost of intangible asset comprises of consideration paid to acquire the right to use a tangible asset.

Depreciation/ amortisation

Depreciation in respect of all the assets is provided on straight line method. The rates of depreciation prescribed in Schedule II to the Act are considered as minimum rates.

SubhamViniyogPrivate Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees)

2. Significant Accounting Policies (*Continued*)

(iii) *Investments*

Long term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long term investments. Current investments are stated at lower of cost and fair value. Profit or loss on sale of investments is determined on the basis of weighted average carrying amount of investments disposed off.

(iv) *Impairment of assets*

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

(v) *Revenue recognition*

Dividend income

Dividend income is accounted for the year in which the right to receive the same is established.

(vi) *Earnings per share (EPS)*

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

(vii) *Taxes*

Income tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effect of timing difference between the accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liability or asset are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent of there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

SubhamViniyogPrivate Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees)

2. Significant Accounting Policies (*Continued*)

(viii) Provisions and contingencies

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc are recorded when it is probable that a liability has been incurred and the amount can be reasonable ascertained.

Subham Vinnyog Private Limited

Notes to the financial statements (*Continued*)

as at 31 March 2015

(Currency: Indian Rupees)

	31 March 2015	31 March 2014
3.1 Share capital		
Authorised:		
490,000 (Previous year: 490,000) equity shares of Rs.10 each	4,900,000	4,900,000
10,000 (Previous year: 10,000) 4% Non Cumulative Redeemable Preference Shares of Rs.10/- each	100,000	100,000
	<u>5,000,000</u>	<u>5,000,000</u>
Issued, subscribed and paid up:		
400,000 (Previous year: 400,000) equity shares of Rs.10 each	4,000,000	4,000,000
	<u>4,000,000</u>	<u>4,000,000</u>

Notes:

- The Company has only one class of shares referred to as equity shares having a par value of Rs 10 each. Each holder of the equity shares is entitled to one vote per share.
- The details of shareholders holding more than 5% of the equity shares of the Company as at period end is as below :

Name of shareholder	31 March 2015		31 March 2014	
	Number of equity shares held	% of Holding	Number of equity shares held	% of Holding
DPI Products And Services Limited	400,000	100	400,000	100
	<u>400,000</u>	<u>100</u>	<u>400,000</u>	<u>100</u>

- The reconciliation of shares outstanding at the beginning and at the end of the reporting period: out below:

	31 March 2015		31 March 2014	
	Amount	Number of shares	Amount	Number of shares
Number of equity shares at the beginning of the year	4,000,000	400,000	4,000,000	400,000
Add: equity shares issued during the year	-	-	-	-
Number of equity shares at the end of the year	<u>4,400,000</u>	<u>400,000</u>	<u>4,000,000</u>	<u>400,000</u>

Subham Viniyog Private Limited

Notes to the financial statements (*Continued*)

as at 31 March 2015

(Currency: Indian Rupees)

	31 March 2015	31 March 2014
3.2 Reserves and surplus		
Capital redemption reserve	180	180
Statutory reserve fund	8,654	8,654
Deficit in the statement of profit and loss		
Opening balance	(1,131,833)	(1,028,094)
Add: Net (loss) after tax for the year	(97,504)	(103,739)
	(1,229,337)	(1,131,833)
	<u>(1,220,503)</u>	<u>(1,122,999)</u>
3.3 Short-term borrowings		
Unsecured		
- Loan from holding Company	1,609,507	1,584,507
(Interest free and repayable on demand)		
	<u>1,609,507</u>	<u>1,584,507</u>
3.4 Trade Payables		
- Dues to Micro, small and medium enterprise (refer note 3.10)	-	-
- Dues to others	20,130	25,618
	<u>20,130</u>	<u>25,618</u>

Subham Viniyog Private Limited

Notes to the financial statements (*Continued*)

as at 31 March 2015

(Currency: Indian Rupees)

3.5 Fixed assets

Sr. No.	Description	Gross block			Depreciation/amortisation				Net block	
		As at 1 April 2014	Additions	Deductions	As at 31 March 2015	As at 1 April 2014	For the Period	Deletions	As at 31 March 2015	As at 31 March 2015
A	Tangible assets									
	Freehold Land	199,388	-	-	199,388	-	-	-	-	199,388
	Land Development	1,227,250	-	-	1,227,250	-	-	-	-	1,227,250
	Total (A)	1,426,638	-	-	1,426,638	-	-	-	-	1,426,638
B	Intangible assets									
	Tenancy rights	3,654,507	-	-	3,654,507	703,229	59,568	-	762,797	2,891,710
	Total (B)	3,654,507	-	-	3,654,507	703,229	59,568	-	762,797	2,891,710
	Total (A) +(B)	5,081,145	-	-	5,081,145	703,229	59,568	-	762,797	4,318,348
	Previous year	5,041,145	40,000	-	5,081,145	643,661	59,568	-	703,229	4,377,916

Subham Viniyog Private Limited

Notes to the financial statements (*Continued*)

as at 31 March 2015

	31 March 2015	31 March 2014
3.6 Non-current investments		
<i>Investments in equity shares</i>		
<i>Long Term (Non-trade and unquoted)</i>		
240 (previous year : 240) Equity shares of Rs.100 each fully paid of The Bombay Burmah Trading Employees Welfare Company Limited	24,000	24,000
<i>Long Term (Non-trade and quoted)</i>		
100 (previous year : 100) Equity shares of Rs. 10 each fully paid up of Industrial Finance Corporation of India Limited.	3,500	3,500
500 (previous year : 500) Equity shares of Rs.10 each fully paid up of Tanfac Industries Limited	54,019	54,019
<i>Investments in debentures or bonds</i>		
10 (previous year : 10) fully convertible Debentures of Rs.100 each in Pointers Exports Private Limited	1,000	1,000
10 (previous year : 10) fully convertible Debentures of Rs.100 each in Sunflower Investments and Textiles Private Limited	1,000	1,000
	83,519	83,519
Aggregate book value of quoted investment	57,519	57,519
Aggregate book value of unquoted investment	26,000	26,000
Aggregate market value of quoted investment	10,685	6,785
3.7 Cash and bank balance		
Cash and cash equivalents:		
Balances with banks:		
- in current accounts	7,267	25,691
	7,267	25,691

Subham Viniyog Private Limited

Notes to the financial statements (*Continued*) for the year ended 31 March 2015

(Currency: Indian Rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
3.8 Other income		
Profit on sale of Investments	-	5,015
Dividend income	100	100
	<u>100</u>	<u>5,115</u>
3.9 Other expenses		
Legal and professional fees	6,797	10,380
Rates and Taxes	2,500	2,500
Payment to Auditors' (Refer note 3.11)	22,618	22,618
Filing Fees	3,000	1,500
Rent charges	3,011	3,011
Repair and maintenance (others)	-	9,068
Bank Charges	110	210
	<u>38,036</u>	<u>49,286</u>

SubhamViniyogPrivate Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees)

3.10 Micro, Small and Medium Enterprises

Based on the information and records available with the management, there are no dues outstanding to micro and small enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31 March 2015 and as at 31 March 2014

3.11 Payment to auditors' (excluding service tax)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Statutory audit fee	20,130	20,130
Other services	-	-
Total	20,130	20,130

3.12 Deferred taxes

Particulars	31 March 2015	31 March 2014
On unabsorbed business losses	58,763	43,560
Total (A)	58,763	43,560
Deferred tax liabilities		
Difference in Written Down Value of fixed assets/ Depreciation	-	-
Total (B)	-	-
Deferred tax assets (net) (A) – (B)	58,763	43,560

Deferred tax asset is recognised only to the extent of deferred tax liabilities, as this amount is considered to be virtually certain of realisation. The remaining amount of deferred tax assets Rs58,763 is not recognised as it is not considered to be virtually certain of realisation.

3.13 Earnings per share

Particulars	As at 31 March 2015	As at 31 March 2014
Net profit attributable to equity shareholders (as per the statement of profit and loss)	(97,504)	(103,739)
Calculation of weighted average number of equity shares for basic and diluted earnings per share		
Number of equity shares at the beginning of the year	400,000	400,000
Number of equity shares at the end of the year	400,000	400,000
Weighted average number of equity shares outstanding during the year	400,000	400,000
Basic and diluted earnings per equity share of Rs10 each	(0.24)	(0.26)

SubhamViniyogPrivate Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees)

3.14 Segment reporting

Based on guiding principles in the AS 17 - "Segment Reporting," the primary business segment of the Company is investments. As the Company operates in a single primary business segment, disclosure requirements are not applicable. There is no reportable secondary segment.

3.15 Related party transactions

Related party and nature of the related party relationship where control exists, irrespective of whether or not there have been transactions between the related parties:

Ultimate Holding Company:

The Bombay Burmah Trading Corporation Limited

Holding Company:

DPI Products and Services Limited

Transactions with related party have been set out as below:

Particulars	As at 31 March 2015	As at 31 March 2014
Loan received from holding company	25,000	100,000
Outstanding payable to holding Company	1,609,507	1,584,507

3.16 Prior year comparatives

Information with regard to other matters specified in Schedule III to the Companies Act, 2013, is either nil or not applicable to the Company for the year.

As per our report of even date.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors

SubhamViniyog Private Limited

CIN – U65990MH1987PTC042358

Vijay Mathur

Partner

Membership No:046476

S.R.Dalvi

Director

DIN-00027498

Shyam S Krishnan

Director

DIN - 02801376

Mumbai

Date :21st May 2015

Mumbai

Date :21st May 2015

Mumbai

Date:21st May 2015