

## Independent Auditor's Report

To the Members of Safetrunk Services Private Limited

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash 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.





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 31<sup>st</sup> March 2016 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, 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 the paragraph 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 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<sup>st</sup> March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (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 any pending litigations which has an impact on its financial position in its financial statements.
  - ii. The Company did not have long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B. Sujeet & Co.**  
Chartered Accountants

Firm's Registration number: 009308S

  
**B. Sujeet Kumar**  
Proprietor  
Membership number: 209547



Hyderabad

27 April 2016



**B. SUJEET & CO.,**  
**Chartered Accountants**

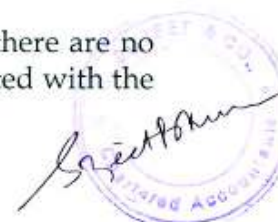
**Annexure - A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31<sup>st</sup> March 2016, we report that:

- (i) The Company is in the process of constructing a modern locker facility. Thus paragraph 3(i)(a) and 3(i)(b) of the Order are not applicable to the Company.
- (c) The Company has taken land on lease for constructing the locker facility and hence the title deeds of the land are not in the name of the Company.
- (ii) The Company is a service company, primarily rendering Locker services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted any loans to any Body Corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Thus paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by 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 undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 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, there are no material dues of any duty or tax which have not been deposited with the appropriate authorities on account of any dispute.



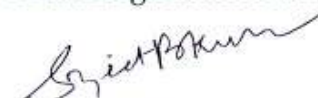
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- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for the managerial remuneration. Hence para 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

*For B. Sujeet & Co.*

*Chartered Accountants*

Firm's registration Number: 009308S



**B. Sujeet Kumar**

*Proprietor*

Membership number: 209547

Hyderabad

27 April 2016





## **B. SUJEET & CO., Chartered Accountants**

### **Annexure - B to the Auditors' Report**

#### **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 Safetrunk Services Private Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 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 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 31 March 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* **B. Sujeet & Co**

*Chartered Accountants*

Firm's Registration Number: 009308S



**B. Sujeet Kumar**

*Proprietor*

Membership Number: 209547

Hyderabad

27 April 2016





**SAFETRUNK SERVICES PRIVATE LIMITED**  
Corporate Identification Number: U74900TN2015PTC098854  
**BALANCE SHEET AS AT 31ST MARCH, 2016**

	Note No.	As at 31-03-2016		As at 31-03-2015	
		₹	₹	₹	₹
Significant Accounting Policies	1				
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholders' Funds:</b>					
(a) Share Capital	2	1,00,000		1,00,000	
(b) Reserves and Surplus	3	(39,324)		(27,874)	
(c) Money Received against Share warrants		-	60,676	-	72,126
<b>(2) Share application money pending allotment</b>					
<b>(3) Non-current liabilities:</b>					
(a) Long-term borrowings	4	3,40,74,350		35,93,463	
(b) Deferred tax liabilities (Net)		-		-	
(c) Other Long-term liabilities		-		-	
(d) Long-term provisions		-	3,40,74,350	-	35,93,463
<b>(4) Current liabilities:</b>					
(a) Short-term borrowings		-		-	
(b) Trade payables	5	11,63,651		11,236	
(c) Other current liabilities	6	1,71,160		-	
(d) Short-term provisions		-	13,34,811	-	11,236
<b>Total</b>			<b>3,54,69,837</b>		<b>36,76,825</b>
<b>II. ASSETS:</b>					
<b>(1) Non-current assets</b>					
(a) Fixed Assets					
(i) Tangible assets		-		-	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress	7	2,75,95,649		9,75,952	
(iv) Intangible assets under development		-		-	
(b) Non-current investments		-		-	
(c) Deferred tax assets (Net)		-		-	
(d) Long-term loans and advances	8	69,10,252		24,28,090	
(e) Other non-current assets	9	-	3,45,05,901	-	34,04,042
<b>(2) Current assets</b>					
(a) Current investments		-		-	
(b) Inventories		-		-	
(c) Trade receivables		-		-	
(d) Cash and cash equivalents	10	4,111		2,35,043	
(e) Short-term loans and advances		-		-	
(f) Other current assets	11	9,59,824	9,63,935	37,740	2,72,783
<b>Total</b>			<b>3,54,69,837</b>		<b>36,76,825</b>

The accompanying Statement of Significant Accounting Policies and notes to financial statements form an integral part of the financial statement.

As per our Report of even date  
For M/s B. SUJEET & CO.,  
CHARTERED ACCOUNTANTS  
Firm Regn No. 0093085

B. SUJEET KUMAR  
Firm Regn No. 0093085  
Membership No. 209547



For and on behalf of the Board of Directors

SUREDDI JHANSI  
Director  
DIN: 01113261

SAI PADMA POTLURI  
Director  
DIN: 01683528

Place : Hyderabad  
Date : 27th April, 2016

**SAFETRUNK SERVICES PRIVATE LIMITED**

Corporate Identification Number: U74900TN2015PTC098854

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016**

	Note No	For the year ended 31-03-2016 ₹	For the year ended 31-03-2015 ₹
I Revenue from operations		-	-
II Other income		-	-
III Total Revenue (I + II)		-	-
IV Expenses:			
a Cost of materials consumed		-	-
b Purchases of Stock-in-Trade		-	-
c Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
d Employee benefit expenses		-	-
e Finance costs		-	-
f Depreciation and amortization expenses		-	-
g Other expenses	12	11,450	27,874
Total expenses		11,450	27,874
V Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		(11,450)	(27,874)
VI Prior Period & Exceptional items		-	-
VII Profit/(Loss) before extraordinary items and tax (V - VI)		(11,450)	(27,874)
VIII Extraordinary items		-	-
IX Profit/(Loss) before tax (VII - VIII)		(11,450)	(27,874)
X Tax expenses			
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) Earlier Years		-	-
Less: MAT Credit Entitlement		-	-
XI Profit / (loss) for the year from continuing operations (IX - X - XI)		(11,450)	(27,874)
XII Profit / (loss) from discontinuing operations		-	-
XIII Tax expenses of discontinuing operations		-	-
XIV Profit / (loss) from discontinuing operations (after tax) (XII - XIII)		-	-
XV Profit / (loss) for the year (XI + XIV)		(11,450)	(27,874)
XVI Earnings per share:	13		
(1) Basic		(1.15)	(2.79)
(2) Diluted		(1.15)	(2.79)

The accompanying Statement of Significant Accounting Policies and notes to financial statements form an integral part of the financial statements.

As per our Report of even date

For M/s B. SUJEET & CO.,  
CHARTERED ACCOUNTANTS  
Firm Regn No. 009308S

Proprietor  
Membership No. 209547

Place : Hyderabad  
Date : 27th April, 2016



For and on behalf of the Board of Directors

*S. Jhansi*  
SUREDDI JHANSI  
Director  
DIN: 01113261

*S. Sai Padma*  
SAI PADMA POTLURI  
Director  
DIN: 01683528



**SAFETRUNK SERVICES PRIVATE LIMITED**  
Corporate Identification Number: U74900TN2015PTC098854  
Cash Flow Statement for the year ended March 31, 2016

NOTES TO THE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MAR	Year ended March 31, 2016	Year ended March 31, 2015
	₹	₹
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net/(Loss) Profit before extraordinary items & taxation	(11,450)	(27,874)
Adjustments for operating activities :		
Interest Received	-	-
Miscellaneous Income	-	-
Interest and Finance Charges	-	-
Operating Profit before Working Capital Changes	(11,450)	(27,874)
Adjustments for :		
Increase/ (Decrease) in Trade Payables	11,52,415	11,236
Increase/ (Decrease) in Other Current Liabilities	1,71,160	-
(Increase)/Decrease in Long Term Loans and Advances	(44,82,162)	(24,28,090)
(Increase)/Decrease in Short Term Loans and Advances	-	-
(Increase)/Decrease in Non- Current Assets	-	-
(Increase)/Decrease in Other Current Assets	(9,22,084)	(37,740)
Cash generated from operations	(40,92,121)	(24,82,468)
Income Tax paid	-	-
Income Tax paid for earlier years	-	-
Net Cash from / (used in) Operating Activities after extraordinary items (A)	(40,92,121)	(24,82,468)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Self Construction of Assets - Capital Work in Progress	(2,66,19,697)	(9,75,952)
Net cash from / (used in) investing activities (B)	(2,66,19,697)	(9,75,952)
<b>B. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Issue of Share Capital	-	1,00,000
Proceeds from Long Term Borrowings	3,04,80,887	35,93,463
Repayment of Short Term Borrowings	-	-
Interest Paid	-	-
Net cash from/(used in) financing activities (C)	3,04,80,887	36,93,463
Net Increase in Cash and Cash Equivalents (A+B+C)	(2,30,931)	2,35,043
Cash and cash equivalents at the beginning of the year	2,35,043	-
Cash and cash equivalents at the end of the year	4,111	2,35,043

As per our Report of even date

For M/s B. SUJEET & CO.,  
CHARTERED ACCOUNTANTS  
Firm Regn No. 0093085

**B. SUJEET KUMAR**  
Proprietor  
Membership No. 209547



For and on behalf of the Board of Directors

  
**SUREDDI JHANSI**  
Director  
DIN: 01113261

  
**SAI PADMA POTLURI**  
Director  
DIN: 01683528

Place: Hyderabad  
Date : 27th April, 2016

**SAFETRUNK SERVICES PRIVATE LIMITED**  
**Corporate Identification Number: U74900TN2015PTC098854**  
**NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2016**

	As at 31-03-2016 ₹	As at 31-03-2015 ₹
<b>Note: 2 SHARE CAPITAL</b>		
(A) Authorised, Issued, Subscribed and Paid-up share capital and par value per share		
Authorised Share Capital		
10,000 Equity Shares of Rs. 10/- each	1,00,000	1,00,000
Issued, Subscribed and Paid Up		
10,000 Equity Shares of Rs. 10/- each	1,00,000	1,00,000
	1,00,000	1,00,000
(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:		
Number of equity shares outstanding as at the beginning of the year	10,000	-
Add: Number of Shares allotted during the year	-	10,000
Less: Number of Shares bought back		
Number of equity shares outstanding as at the end of the year	10,000	10,000
(C) Shareholding in the company of the holding company and ultimate holding company and their subsidiaries / associates		
PVP Ventures Limited and it's nominees	10,000	10,000
(D) Shares in the company held by each shareholder holding more than 5%:		
Name of shareholder	No of shares at year end	
PVP Ventures Limited and it's nominees	10,000	10,000
	10,000	10,000
Name of shareholder	% as at year end	
PVP Ventures Limited and it's nominees	100	100
	100	100
(E) Rights, preferences and restrictions attaching to various classes of shares	NIL	NIL
(F) Shares reserved for issue under options and contracts:	NIL	NIL
(G) Commitments for sale of shares/ divestment	NIL	NIL
(H) Details of allotment of shares for consideration other than cash, allotments of bonus shares and shares bought back	NIL	NIL
(I) The Company has only one class of shares issued and paid-up capital referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.		
(J) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after payment of all external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.		





**SAFETRUNK SERVICES PRIVATE LIMITED**  
**Corporate Identification Number: U74900TN2015PTC098854**  
**NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2016**

	As at 31-03-2016 ₹	As at 31-03-2015 ₹
<b>Note-3 RESERVES AND SURPLUS</b>		
	As at 31/3/2015	As at 31/3/2016
	Additions during the year	Deductions during the year
Surplus ( P&L a/c ) as under:	(27,874)	(11,450)
	(27,874)	(11,450)
Opening Balance	-	(27,874)
Profit / (Loss) for the year - From P & L	(27,874)	(11,450)
Less: Proposed dividends	-	-
Tax on distributed profits	-	-
Balance of Profit / Loss	(27,874)	(39,324)
Less: Transfer to General Reserve	-	-
	(27,874)	(39,324)

**Note-4 LONG-TERM BORROWINGS:**

(Unsecured)

Loan from PVP Ventures Ltd, Holding Company

3,40,74,350	35,93,463
3,40,74,350	35,93,463

**Note-5 TRADE PAYABLES**

Sundry Creditors for services

11,63,651	11,236
11,63,651	11,236

On the basis of the information available with the company, there were no transactions during the year with any supplier who is a small scale industrial undertaking and registered under MSME Act, 2006 and there is no amount remaining unpaid as on 31 March 2016 to any supplier who is a small scale industrial undertaking. (PY: Nil).

**Note-6 OTHER CURRENT LIABILITIES**

Statutory Liabilities Payable

1,71,160	-
1,71,160	-

**Note-7 FIXED ASSETS**

Capital Work In Progress

Pre-Operative Expenses incurred (pending capitalisation)

Bank Charges	2,023	727
Business Promotion	10,174	1,210
Civil Works	1,23,41,546	-
Consultancy Services	20,07,080	4,25,843
Electrical Charges	2,14,210	-
Insurance	54,415	-
Interior Works	11,61,812	-
Local Conveyance	18,517	-
Material Purchase	8,21,927	-
Postage & Telephone	14,571	-
Printing & Stationery	15,455	400
Rates & Taxes	1,93,668	1,58,587
Rent	48,00,000	-
Site Expenses	6,02,539	3,89,185
Travelling Expenses	1,24,817	-
Software	3,81,376	-
Salaries	48,31,521	-
	2,75,95,649	9,75,952

**SAFETRUNK SERVICES PRIVATE LIMITED**  
**Corporate Identification Number: U74900TN2015PTC098854**  
**NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2016**

	As at 31-03-2016 ₹	As at 31-03-2015 ₹
<b>Note-8 LONG TERM LOANS AND ADVANCES</b>		
(Unsecured and considered good)		
Rental Deposits	24,00,000	24,00,000
Electricity Deposit	40,000	-
Capital Advances	44,70,252	28,090
	<u>69,10,252</u>	<u>24,28,090</u>
<b>Note-9 OTHER NON-CURRENT ASSETS</b>		
Miscellaneous Expenditure	-	16,020
Written off during the year	-	(16,020)
Refer Note No.1	<u>-</u>	<u>-</u>
<b>Note-10 CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	1,971	268
(As certified by the Management)		
Balance with banks in current accounts	2,140	2,34,775
	<u>4,111</u>	<u>2,35,043</u>
<b>Note-11 OTHER CURRENT ASSETS</b>		
Input Service Tax Credit	9,59,824	37,740
	<u>9,59,824</u>	<u>37,740</u>

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**SAFETRUNK SERVICES PRIVATE LIMITED**

Corporate Identification Number: U74900TN2015PTC098854

**NOTES TO THE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2016**

For the year ended 31/3/2016 ₹	For the year ended 31/3/2015 ₹
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**Note-12 OTHER EXPENSES**

Payment to statutory auditors  
as auditors  
Bank charges  
Miscellaneous Expenditure written off

11,450	11,236
-	618
-	16,020
11,450	27,874



**SAFETRUNK SERVICES PRIVATE LIMITED**  
**Corporate Identification Number: U74900TN2015PTC098854**

Notes forming part of the financial statements for the year ended March 31, 2016

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**Note No. 1 Significant Accounting Policies**

**A. Background**

Safetrunk Services Private limited (Corporate Identification Number: U74900TN2015PTC098854) was incorporated in the year 2015. The Company is into providing safe lockers facility centre. The Company's registered office is in Chennai. The Company is a wholly owned subsidiary of M/s. PVP Ventures Limited. The Company is still in the process of constructing a very modern locker facility in an upmarket of Hyderabad.

**B. Accounting Policies**

**a. Basis of preparation of financial statements**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India. (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the notified accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. Accounting Policies have been consistently applied except where a newly accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements have been prepared on an accrual basis of accounting and under the historical cost convention.

The classifications of assets and liabilities of the Company is done into current and non current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date.





**SAFETRUNK SERVICES PRIVATE LIMITED**

**Corporate Identification Number: U74900TN2015PTC098854**

Notes forming part of the financial statements for the year ended March 31, 2016

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**b. Use of Estimates**

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known.

All financial transactions have been recognized on accrual basis. The preparation of financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from those estimates.

**c. Fixed Assets**

Fixed Assets are stated at the cost of acquisition less accumulated depreciation. The cost of acquisition includes taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

**d. Borrowing Cost**

Expenditure on borrowing cost on the loans obtained specifically for acquisition, construction or production of qualifying assets are capitalized as part of the cost of that asset.



**SAFETRUNK SERVICES PRIVATE LIMITED**

**Corporate Identification Number: U74900TN2015PTC098854**

Notes forming part of the financial statements for the year ended March 31, 2016

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**e. Accounting for taxes on Income**

Tax Expense comprises of current and deferred taxes.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred tax liabilities and Deferred tax assets are recognized for the tax effect at present tax rates on the difference between taxable income and accounting income which are not permanent in nature subject to the consideration of prudence in the case of deferred tax assets.

**f. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has an obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

**g. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of nature or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

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**SAFETRUNK SERVICES PRIVATE LIMITED**

**Corporate Identification Number: U74900TN2015PTC098854**

Notes forming part of the financial statements for the year ended March 31, 2016

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**h. Earnings per share**

- i. Basic and diluted earnings per share are calculated by dividing the net profit for the year/period attributed to equity shareholders by the weighted average number of equity shares outstanding during the year/period.
- ii. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**i. Miscellaneous Expenditure**

Expenditure incurred for incorporation of expenditure is written off in the year in which it is incurred.



**SAFETRUNK SERVICES PRIVATE LIMITED****Corporate Identification Number: U74900TN2015PTC098854**

Notes forming part of the financial statements for the year ended March 31, 2016

**Note No. 13 Other Items**

1. The Company is setting up a locker facility centre and the direct expenses incurred for such construction and other indirect expenses directly attributable to such construction activity has been shown under Capital Work in Progress.

**2. Earnings per Share (EPS)**

Earnings		2015-16	2014-15
Net Profit for the year ( ₹ )	A	(11,450)	(27,874)
Shares			
No. of shares outstanding during the year	B	10,000	10,000
Basic/Diluted Earnings per share of par value ₹. 10	A/B	(1.15)	(2.79)

**3. Related Party Transactions****a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
Holding Company	PVP Ventures Limited

- b) Summary of transactions with the related parties, during the year ended March 31, 2016 and balances as at the March 31, 2016

Nature of transactions	Transactions for the Year Ended		Balance outstanding as at	
	Mar 31, 2016 ₹	Mar 31, 2015 ₹	Mar 31, 2016 ₹	Mar 31, 2015 ₹
Unsecured Loans Aailed (Net)				
PVP Ventures Limited	3,04,80,887	35,93,463	3,40,74,350	35,93,463

4. Capital Commitments: ₹. 3,95,47,315/- (PY: Nil)





**SAFETRUNK SERVICES PRIVATE LIMITED**

**Corporate Identification Number: U74900TN2015PTC098854**

Notes forming part of the financial statements for the year ended March 31, 2016

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**5. Lease Rentals**

The Company has entered into operating leases agreements for establishing the safety lockers centre. The rent is enhanced by 7% per annum. The tenure of the lease agreement is for 10 years with a lock in period of 5 years and the lease rentals were commenced from 1<sup>st</sup> April, 2015.

	Year Ending 31 <sup>st</sup> March, 2016 (₹)	Year Ending 31 <sup>st</sup> March, 2015(₹)
Due within 1 year of Balance Sheet Date	51,36,000/-	Nil
Due between 1 and 5 years	2,43,99,794/-	Nil
Due after 5 years	4,14,25,478/-	Nil

Rent of Rs. 48,00,000/- paid during the year 2015-16, being a direct expense has been accounted as capital work in progress.

6. In view of the uncertainty in the future income and profitability of the Company, the Company has not recognized Deferred Tax Asset on carry forward losses on the grounds of prudence.
6. The Company has not received any intimation from suppliers, regarding their status, under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure of any amounts unpaid as at the yearend together with interest paid/payable as required under the said Act have not been given.
7. Explanatory notes 1 to 13 form an integral part of the Balance Sheet and Statement of Profit and Loss and are duly authenticated.

