

SHINRAI AUTO SERVICES LIMITED

Reg. off: 35, Dr E Moses Road, Worli, Mumbai – 400018

CIN- U35301MH1999PLC122386

Email -

; Tel. No: 022-66131500; Fax No.: 022-66131598

NOTICE

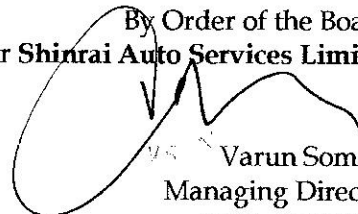
NOTICE is hereby given that the 16th Annual General Meeting of the Company will be held on 18th August, 2016 at 11.30 a.m. at Parijat House, 1076 Dr E Moses Road, Worli, Mumbai - 400018 to transact the following business:

ORDINARY BUSINESS:

1. To Consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company including the Audited Balance Sheet as at March 31, 2016, the Statement of Profit and loss and Cash flow statement for the year ended on that date and notes thereto, together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. S J Parekh (DIN: 00010767) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, M/s. Batliboi & Purohit Chartered Accountant (FRN No. 101048W), be and are hereby re-appointed as the Auditor of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as may be fixed by the Board of Directors of the Company.”

By Order of the Board
For Shinrai Auto Services Limited


Varun Somani
Managing Director
(DIN: 00015384)

Place: Mumbai
Date: 16th May, 2016

Registered Office:
35, Dr E Moses Road
Worli, Mumbai - 400018

NOTES:

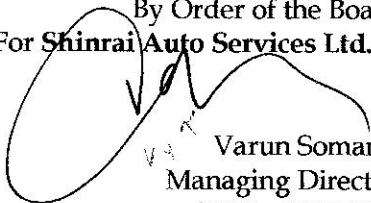
1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding 50(fifty) and holding in the aggregate not more than 10% (ten percent) of the total Share Capital of the Company carrying voting rights. A member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot acts as a proxy for any other person or shareholder.

The Instrument of proxy in order to be effective should be deposited at the registered office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting. A proxy form is sent herewith. Proxies submitted on behalf of the Company(ies), Societies, etc must be supported by an appropriate resolution or authority as applicable.

2. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 a.m. to 5.00 p.m.) on all working days except Saturdays, Sundays and public holidays upto and including the date of the ensuing Annual General Meeting of the Company.
3. Members are requested to promptly notify any changes in their address / status at the Registered Office of the Company.
4. Members are requested to bring their copy of Annual Report at the meeting.

Place: Mumbai
Date: 16th May, 2016

Registered Office:
35, Dr E Moses Road
Worli, Mumbai-400018

By Order of the Board
For **Shinrai Auto Services Ltd.**

Varun Somani
Managing Director
(DIN: 00015384)

**SHINRAI TOYOTA**

CIN: U35301MH1999PLC122386

DIRECTORS' REPORT

To,
The Members,
Shinrai Auto Services Limited.

Your Directors have pleasure in presenting the 16th Annual Report on business and operations of the Company together with the Audited Financial Statements for the financial year ended on 31st March, 2016.

1. FINANCIAL HIGHLIGHTS

FINANCIAL RESULTS	Rupees in Lacs			
	Standalone		Consolidated	
	2015-16	2014-2015	2015-16	2014-15
Total income	31,639.53	33,919.07	31,393.09	33,921.19
Total Expenditure (Excluding Depreciation)	32,294.32	34,020.38	32295.12	34021.47
Profit for the year before providing for Depreciation	(654.79)	(101.31)	(902.03)	(100.28)
Less: Depreciation	(190.81)	(176.27)	(190.84)	(176.58)
Less: Exceptional Item	-	294.78	0	294.78
Profit before Tax	(845.6)	17.19	(1092.87)	17.93
Less: Provision for Taxation				
Current Tax	-	0	0	0
Earlier year	-	(2.06)	(0.19)	(2.06)
Deferred Tax	-	(40.05)	(0.06)	(40.05)
Profit / (Loss) after taxation	(845.6)	(24.92)	(1093.13)	(24.18)

2. FINANCIAL PERFORMANCE:**Standalone**

During the year under review total income from sales and operation decline by 6.72% i.e. from Rs. 33,919.07 lakhs in previous year to Rs. 31,639.53 lakhs in current year. Further due to decrease in total income, Company has made net loss of Rs. 845.6 lakhs as compared to net loss of Rs. 24.92 lakhs in the previous year.

Consolidated

The Consolidated Revenue for the year ended Rs. 31,393.09 lakhs as against Rs. 33,921.19 Lakhs in the previous financial year. The Net Loss for the year under review is Rs. (1093.13) lakhs as against Rs. (24.18) lakhs.

Shinrai Auto Services Ltd.

Worli (Sales/Service/Spares) : #35, Dr. E. Moses Road, Worli Naka, Mumbai - 400 018. Phone : 022 6613 1500 Fax : 022 6613 1598

E-mail shinraitoyota@usshinrai.com

Nariman Point (Sales) :

CR2 Mall, Barrister Rajni Patel Marg, Nariman Point, Mumbai - 400 021 Phone : 022 - 6670 1500

Fax : 022 - 6670 1598. E-mail : salesnp@usshinrai.com

3. DIVIDEND

During the financial year your directors have not recommended/declared any dividend in view of the cash requirement for establishing the company in its growth plan and challenging times.

4. TRANSFER TO GENERAL RESERVE

During the year under review, the Company has not transferred any amount to General Reserve.

5. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR:

During the year under review Company has seen moderate decline in sales of cars thus having impact on the profit of the Company, however management has expressed its satisfaction over the business operation and is hopeful of generating profit in the subsequent financial year.

6. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

Company is engaged in business of selling Toyota's Cars and generates its revenue from selling of cars and also by providing after sale service to its customers, further during the year there was no change in the nature of business of the Company.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2015-16 and the date of this report.

8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURT OR TRIBUNALS IMPACTING GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no significant / material orders passed by the Regulators or courts or tribunal impacting going concern status of your Company and its operations in future.

9. SUBSIDIARY COMPANIES.

Reay Road Iron and Metal Warehousing Pvt Ltd. is the wholly owned Subsidiary of the Company. A statement containing the salient features of financial of Subsidiary Company forms part of Annual report as Annexure I in the prescribed Form AOC-1 in compliance with Section 129 and other applicable provisions, if any of the Companies Act, 2013.

10. DEPOSITS

During the year the Company has not accepted any Deposits falling within the preview of Chapter V of the Companies Act, 2013 and Rules made there under.

11. AUDITORS

At the Annual General Meeting of the Company held on 15th September, 2014 M/s. Batliboi & Purohit Chartered Accountant (FRN No. 101048W) were appointed as the Statutory Auditors of the Company for a period of 3 consecutive financial years i.e. till the financial year 2016-17 who shall held office till the conclusion of Annual general Meeting to be held for the financial year 2016-17. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. Batliboi & Purohit, Chartered Accountants (FRN No. 101048W) as Statutory Auditors of the Company for the financial year 2016-17, is to be placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if there appointment is ratified in ensuing Annual General Meeting, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Board recommended ratification of their appointment

12. AUDITORS' REPORT:

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There are no observation/qualification contained in the Standalone and Consolidated Auditors' Report and therefore there are no explanations to be provided for in this report.

13. EXTRACT OF THE ANNUAL RETURN:

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in form No MGT - 9 is appended as **Annexure II** of the Board's Report.

14. AUDIT COMMITTEE

The Board has an Audit committee in conformity with the provisions of Section 177 of the Companies Act, 2013.

The Audit Committee of the Company comprises of three Directors, of which majority are Independent / Non-Executive Directors, possessing knowledge of Corporate Finance, Accounts and Company Law. The Chairman of the Committee is an Independent /Non-Executive Director.

The Members of the Committee are:

Name	Designation	Non-Executive/Independent Director
Mr. Sanjay Dosi	Chairman	Independent Director
Mr. Suresh Parikh	Member	Independent Director
Mr. Varun Somani	Member	Executive Director

All the members of the Audit committee are financially literate and have accounting or related financial management expertise as required under the Companies Act, 2013.

During the year under review, the Board of Directors of the Company had accepted all the recommendation of the committee.

15. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Pursuant to provision of Section 177(9) the Company has in place a Vigil mechanism policy, to provide Directors and Employees to report their concerns in the functioning of organization or any malpractice noticed by them and has also taken steps to safeguard any person using this mechanism from victimization and in appropriate and exceptional cases, there is direct access to approach Mr. Sanjay Dosi, Chairman of the Audit Committee.

16. NOMINATION AND REMUNERATION COMMITTEE

The Board has Nomination and remuneration committee in conformity with the provisions of Section 178 of the Companies Act, 2013. The composition of the Nomination and Remuneration committee is as follows:

Name	Designation	Non-Executive/Independent Director
Mr. Sanjay Dosi	Chairman	Independent Director
Mr. Rajendra Somani	Member	Non-executive Director
Mr. Suresh Parikh	Member	Independent Director

17. POLICY ON NOMINATION AND REMUNERATION

The Board on the recommendation of the nomination and remuneration committee has framed a policy for selection and appointment of directors, senior management and their remuneration.

18. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to provide a healthy environment to all employees and thus does not tolerate any sexual harassment at workplace. The Company has in place adopted Policy on Prevention, Prohibition and Redressal of Sexual Harassment. The policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto.

The Company has not received any complaint of sexual harassment during the financial year 2015-2016.

19. INTERNAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK

The Company has an Internal Control System, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations.

The Company has appointed Mr. Navneen Bangar as Internal Auditors of the Company. The Audit Committee in consultation with the internal auditor formulates the scope,

functioning, periodicity and methodology for conducting the internal audit. The Internal Auditor carry out audit, covering inter alia, monitoring and evaluating the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations and submit their periodical Internal Audit Reports to the Audit Committee.

20. NUMBER OF BOARD MEETINGS:

During the Financial Year 2015-16, Four (4) Meetings of Board of Directors were held. The dates of the Board meetings are as under:

1. 26th May, 2015
2. 13th August, 2015
3. 05th November, 2015
4. 12th February, 2016

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The details of loans, guarantees and Investment under Section 186 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 are as follows:

A. Details of investment made by the Company as on 31st March, 2016 (including investment made in previous years)

Investment in Equity Shares

(Rs in lacs)

Name of Entity	Amount as at 31 st March, 2016
Reay Road Iron & Metal Warehousing Pvt Ltd*	100.00
Total	100.00

* Subsidiary Company

B. Details of loans given by the Company are as follows:

(Rs in lacs)

Name of Entity	Amount as at 31 st March, 2016
Reay Road Iron & Metal Warehousing Pvt Ltd*	403
Total	403

* Subsidiary Company

C. Details of Guarantee given

(Rs. In lacs)

Name of Entity	Amount as at 31 st March, 2016
Nil	Nil

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Act. There are no materially significant related party transactions made by the Company with Promoters, Directors and Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

Hence details of such transactions to be provided as per section 134(3)(h) in Form AOC-2 is not applicable to the Company.

Further, all related party transactions are presented to the Audit Committee and the Board.

23. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

24. RISK MANAGEMENT

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act which led down the framework to identify, evaluate business risks and opportunities. The company has ensures the powers to the audit committee in assistance with the Internal auditor to regulate the risk identification, assessment, analysis and mitigation.

25. DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors of the Company Confirms:

- (a) That in the preparation of the accounts for the financial year ended 31st March 2015, the applicable accounting standards have been followed.
- (b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 and of the profit or loss of the Company for the year under review.
- (c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguard of the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the Directors have prepared the accounts for the financial year ended 31st March, 2015 on a 'going concern' basis.
- (e) that the Directors have devised proper system to ensure compliance with the provisions of all applicable laws.

26. DISCLOSURE OF PARTICULARS

Information's as per the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy,

Technology Absorption, Foreign Exchange Earnings and Outgo are given in **Annexure- III** forming part of this Report.

27. DIRECTORS

During the year under review there is no change in the composition of Board of Directors of the Company either by way of appointment/re-appointment/cessation. Pursuant to provision of Section 152 of Companies Act, 2013 Mr. S J Parekh (DIN: 00010767) who retires by rotation and being eligible, offers himself for re-appointment in the forthcoming Annual general Meeting.

28. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

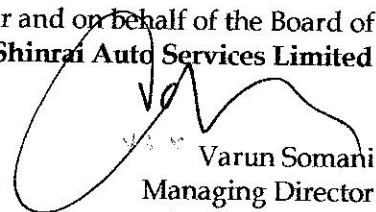
The Board had appointed M/s. GMJ & Associates, Company Secretaries in whole time practice, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year ended 2015- 2016. The report of Secretarial Auditor is annexed to this report as Annexure IV.

29. ACKNOWLEDGEMENT


The Board of Directors thanks the Financial Institutions, Bankers and all the Stakeholders, for their continued co-operation and support to the Company.

Date: 16th May, 2016
Place: Mumbai

For and on behalf of the Board of
Shinrai Auto Services Limited



Varun Somani
Managing Director
(DIN - 00015384)



Rajendra Somani
Director
(DIN: 00332465)

**Annexure - I
FORM AOC-1**

**(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies
(Accounts) Rules, 2014)**

**Statement containing salient features of the financial statement of subsidiaries/ associate
companies/ joint ventures**

Part "A": Subsidiaries

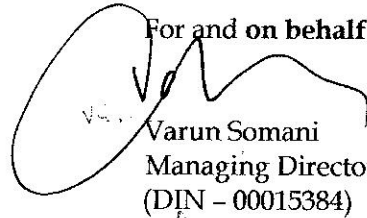
1	Sl. No.	U45209MH2004PTC147461
2	Name of Subsidiary	Reay Road Iron and Metal Warehousing Private Limited.
3	Reporting period for the Subsidiary Concerned, if different from holding company's reporting period	1 st April, 2015 to 31 st March, 2016
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of Foreign Subsidiaries.	N.A
5	Share Capital	100,000
6	Reserves & Surplus	(10,78,914)
7	Total assets	18,58,79,850
8	Total Liabilities	14,24,725
9	Investments	-
10	Turnover	-
11	Profit Before Taxation	(83,679)
12	Provision for Taxation	--
13	Profit After Taxation	(83,679)
14	Proposed Dividend	-
15	% of Shareholding	100%

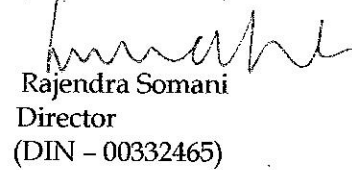
Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations : NIL
2. Names of subsidiaries which have been liquidated or sold during the year: NIL

Place: Mumbai
Date: 16th May, 2016

For and on behalf of the Board


Varun Somani
Managing Director
(DIN - 00015384)


Rajendra Somani
Director
(DIN - 00332465)

A PROMOTERS									
Indian									
Individuals/ HUF	-	-	-	-	-	-	-	-	-
Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	70,00,000	70,00,000	100	-	70,00,000	70,00,000	100	0
Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
Any Others(Specify)	-	-	-	-	-	-	-	-	-
Sub Total(A)		70,00,000	70,00,000	100	-	70,00,000	70,00,000	100	0
Total Shareholding of Promoter and Promoter Group (A)	-	70,00,000	70,00,000	100	-	70,00,000	70,00,000	100	0
B. Public shareholding									
Institutions	-	-	-	-	-	-	-	-	-
Non-institutions	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)	-	-	-	-	-	-	-	-	-
TOTAL (A)+(B)	-	70,00,000	70,00,000	100	-	70,00,000	70,00,000	100	0%
Shares held by Custodians and against which Depository Receipts have been issued									
Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
Sub-Total (C)	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)		70,00,000	70,00,000	100	-	70,00,000	70,00,000	100	0%

(ii) Shareholding of Promoters

Sr. 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.	Oricon Enterprises Ltd	70,00,000	100	-	70,00,000	100	-	0%
TOTAL		70,00,000	100	-	70,00,000	100	-	0%

(iii) Change in Promoter's Shareholding

Sr. No.	Particulars	Shareholding at the beginning of the Year		Cumulative Shareholding 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	70,00,000	100	70,00,000	100
	Shares issued during the year on right issue basis	---	---	---	---
	At the end of the year	70,00,000	100	70,00,000	100

(iv) Shareholding Pattern of top ten Shareholders (Other Than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Particulars	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	NIL	NIL	NIL	NIL	NIL

(v) Shareholding of Directors and Key Managerial Personnel:

SL. NO.	Name of Directors / KMP	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company

1.	Sevantilal Parekh	10	0.0	10	0.0
2.	Rajendra Somani	10	0.0	10	0.0
3.	Susheel Somani	10	0.0	10	0.0
4.	Varun Surendra Somani	-	-	-	-
5.	Sanjay Dosi	-	-	-	-
6.	Jaya Somani	-	-	-	-
7.	Suresh Kirtilal Parekh	-	-	-	-

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
(i) Principal Amount	38,24,51,776	18,28,25,139		56,52,76,915
(ii) Interest due but not paid		83,72,821		83,72,821
(iii) Interest accrued but not due				
Total (i+ii+iii)	38,24,51,776	19,11,97,960		57,36,49,736
Change in Indebtedness during the financial year				
* Addition	8,80,14,575	12,50,00,000		21,30,14,575
*Reduction	3,86,70,204	7,70,00,000		11,56,70,204
Net Change	4,93,44,371	4,80,00,000		9,73,44,371
Indebtedness at the end of the Financial Year				
i)Principal Amount	43,17,96,147	23,08,25,139		66,26,21,286
ii) Interest due but not paid		1,11,58,816		1,11,58,816
(iii) Interest accrued but not due				
Total (i+ii+iii)	43,17,96,147	24,19,83,955		67,37,80,102

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors And/ or Manager.

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager
		Shri Varun Somani
1	Gross Salary	
	a)Salary as per provisions contained in Sec.17(1) of the Income Tax Act,1961	27,01,440

	b)Value of perquisites u/s17(2) of Income Tax Act,1961	---
	c)Profits in lieu of salary under Sec.17(3) of Income Tax Act,1961	---
2	Stock Option	-
3	Sweat Equity	-
4	Commission - As % of profit - Others, specify	-
5	Others, please Specify	-
	Total (A)	27,01,440
	Ceiling as per the Act	60,00,000

B. Remuneration to Other Director

I. Independent Director

Particulars of Remuneration	Sanjay Dosi	Dr. Suresh Parikh	Total
Fee for attending Board Meeting	6000	6000	12000
Commission	--	--	--
Others	--	--	--
Total (A)	6000	6000	12000

Other Non-Executive Director	Rajendra Somani	S J Parekh	S G Somani	Jaya Somani	Total
Fee for attending Board Meeting	6000	3000	6000	6000	21000
Commission	---	--	---	--	--
Others	--	--	---	--	---
Total (B)	6000	3000	6000	6000	21000
Total (C) [(A)+(B)]					33000

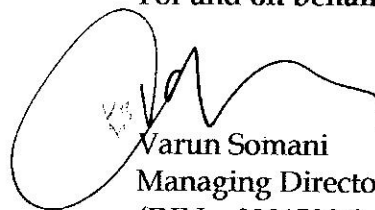
C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD.

During the year under review, the Company has only Managing Director as Key Managerial Personnel.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: None

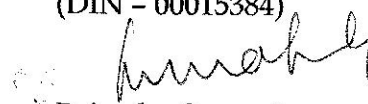
Place: Mumbai
Date: 16th May, 2016

For and on behalf of the Board



Varun Somani

Managing Director
(DIN - 00015384)



Rajendra Somani
Director
(DIN - 00332465)

Annexure- III

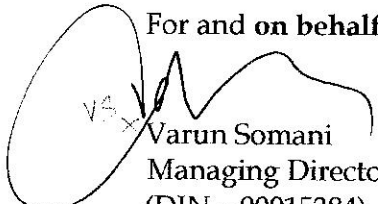
Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

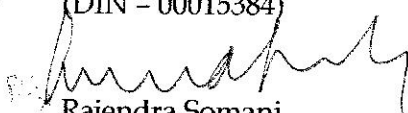
Pursuant to Section 134 of the Companies Act, 2013 read with Rule 8 of Companies (Account) Rules, 2014

	PARTICULARS	REMARKS
1.	CONSERVATION OF ENERGY	
a.	The steps taken or impact on Conservation of energy	The company has no manufacturing activities, hence there is no need to take any steps for conservation of energy and technology absorption
i.	Process optimization and automation	
ii.	Optimization of Electrical Equipment	
iii.	Lighting	
iv.	Other Key initiatives for Energy conservation	
2.	The steps taken by the Company for utilizing alternate sources of energy	
3.	The Capital Investment on energy conservation equipment	
2.	TECHNOLOGY ABSORPTION	
a.	The efforts made by the Company towards technology absorption	The company has no manufacturing activities, hence there is no need to take any steps for conservation of energy and technology absorption
b.	The benefits derived like product improvement, cost reduction, product development or import substitution	
c.	In case of imported technology (imported during the last three years reckoned from the beginning of the Financial year)	
d.	The expenditure incurred on Research and Development	
3.	FOREIGN EXCHANGE EARNINGS AND OUTGO	NIL

Place: Mumbai
Date: 16th May, 2016

For and on behalf of the Board


Varun Somani
Managing Director
(DIN - 00015384)


Rajendra Somani
Director
(DIN - 00332465)

BATLIBOI & PUROHIT

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Shinrai Auto Services Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Shinrai Auto Services 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 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 of 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.

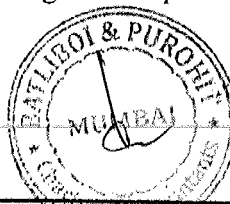
Auditor's Responsibility

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 there under.

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



1

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 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 statement.

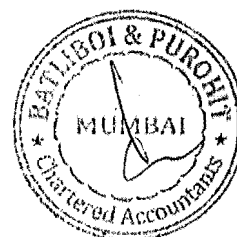
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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 31st 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 Companies (Auditors Report) Order, 2016 ('the Order') issued by 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 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 adequacy of the internal financial controls over financial reporting



Chartered Accountants

- of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- (h) 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;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **BATLIBOI & PUROHIT**
Chartered Accountants
ICAI Firm Regn. No.101048W

Kaushal Mehta

Kaushal Mehta
Partner
Membership No. 111749



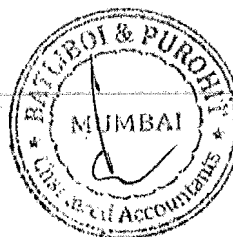
Place : Mumbai
Date : 16th May, 2016

Annexure A to the Independent Auditor's Report

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

- (i)
 - a. The Company has updated records showing full particulars, including quantitative details and situation of fixed assets;
 - b. Fixed assets have not been physically verified by the management during the year, hence, we are unable to comment on the discrepancies, if any.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not own any immovable property.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account.
- (iii) The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly paragraph 3 (iii) (a) (b) and (c) of the Order are 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 during the year within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii)
 - a. The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues with the appropriate authorities though there are slight delays.

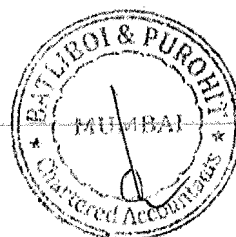
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



- b. According to the information and explanations given to us the dues outstanding of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess that have not been deposited on account of any dispute are as follows;

Name of statute	Nature of dues	Amount (in lakhs)	Period to which it relates	Forum where it is pending
Maharashtra Value Added Tax Act,2002	VAT	53.97	AY 2004-05 AY 2005-06 AY 2006-07 AY 2008-09 AY 2009-10	Joint Commissioner of Sales tax (Appeal)
Maharashtra Value Added Tax Act,2002	VAT	16.69	AY 2007-08 AY 2010-11	Deputy Commissioner of Sales Tax (Appeal)
Maharashtra Value Added Tax Act,2002	VAT	2.88	AY 2011-12	Deputy Commissioner of Sales Tax (Appeal)

- (viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to banks. There were no outstanding dues to any financial institution or debenture holders anytime during the year.
- (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 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 give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (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.



Chartered Accountants

- (xiv) According to the information and explanations give 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 BATLIBOI & PUROHIT
Chartered Accountants
ICAI Firm Regn. No.101048W

K. Mehta

Kaushal Mehta
Partner
Membership No. 111749
Place: Mumbai
Date: 16th May, 2016



Annexure B to the Independent 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 Shinrai Auto Services 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 Act.

Auditors' Responsibility

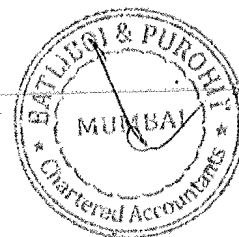
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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



BATLIBOI & PUROHIT

Chartered Accountants

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 31st 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 BATLIBOI & PUROHIT

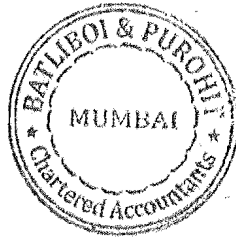
Chartered Accountants

ICAI Firm Regn. No.101048W

**Kaushal Mehta**

Partner

Membership No. 111749



Place: Mumbai

Date: 16 May, 2016

SHINRAI AUTO SERVICES LTD

Notes to financial Statements for the year Ended 31st March 2016

	Note No	31st March'2016
Secured Loan	3	
Kotak Mahindra Prime ltd		6,912,101
Less : Current Matured		<u>2,414,928</u>
		<u>4,497,173</u>
toyota financial services		10,169,284
Less : Current Matured		<u>6,636,732</u>
		<u>3,532,552</u>
Long Term Loan		
Oricon Enterprises		43,650,000
Less Current Maturity		<u>-</u>
		<u>43,650,000</u>
Future Capital Holding ltd		182,459,040
Less current Maturity		<u>6,759,192</u>
		<u>175,699,848</u>
Kotak Mahindra Prime Ltd (Term Loan)		78,279,068
Less current Maturity		<u>7,569,552</u>
		<u>70,709,516</u>
Provision		
Gratuity		4,898,096
Leave Encashment		2,543,261
Leave Encashment Short Term		307,004
Greatuity Short Term		564,902
		<u>8,313,263</u>
Trade payable		
Expenses		23,365,916
Fixed Assets		218,353
Less Interest Kotak		2,315,702
Less Interest OCL		<u>11,158,816</u>
		<u>10,109,751</u>
sundry cr cars		516,866
sundry cr labour		2,019,042
sundry cr spaces		<u>27,984,803</u>
		<u>30,520,711</u>
		<u>40,630,462</u>

Other current liability		
interest accrued but not paid		
Future Capital holding co ltd		1,976,587
Kmpl		2,315,702
Oriental Containers Ltd		1,460,655
oricon enterprises ltd		9,698,161
		<u>15,451,105</u>

Other Liabilities		
BSS Buildcon PvtLtd		477,384
CKA Buildcon Pvt Ltd		477,384
		<u>954,768</u>

Other current Assets	13	
Future capital Holding ltd TDS		1,396,200
Kotak Mahindra Prime Ltd TDS		103,971
Kotak Mahindra Prime Ltd Term Loan TDS		251,903
Toyota Finance Services Pvt Ltd TDS		131,365
Debit Balance in sundry creditors		1,609,424
		<u>3,492,863</u>

octroi refund		711,463
		<u>4,204,326</u>

Other assets	9	
Clear Trade India Pvt Ltd		5,400,000
New Space Corporation Ltd		5,000,000
S V Trading & Agencies Ltd		250,000
		<u>10,650,000</u>

Advance to Ralated Party		
Reayroad Iron & Steel		199,098,532
		<u>199,098,532</u>

Deposits		
various		3,451,113
Navbharat Potteries pvt Ltd		748,798
Rashmi Narandas Bhatia		4,650,000
Viren narandas bhatia		4,650,000
		<u>13,499,911</u>

Bank Balance	16	
Canara Bank		10,000
Hdfc Bank A/c 50200009256429		1,571,585
ICICI Bank (000405010254)		1,849,759
IDBI Bank (026102000001205)		987,744
IDBI Bank (026102000003636)		725,855
Indusind Bank - 0006-553130-050		45,803
Punjab National Bank- 185729		5,131
State Bank of Indore-53050700850		13,649
Kotak Mahindra Bank (06512000015691)		2,055,358
		<u>7,264,886</u>

SHINRAI AUTO SERVICES LTD
SUB NOTE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED AS ON 31ST
MARCH 2016

REVENUE FROM OPERATION	NOTES	Total
SALE PRODUCT		
CAR		
TRADE PRODUCTS	17	
BASIC		2,469,919,308
RTO		302,173,572
DEPO		11,791,001
TOTAL		<u>2,783,883,881</u>
LESS - DISCOUNT		114,939,792
LESS - SUBVENTION		-
Add - CCF		15,286,054
TOTAL		<u>2,684,230,143</u>
SALES OF SERVICE		
3M SALES		6,215,925
GENERAL SERVICE		91,039,451
BODY & PAINTS		15,631,808
WARRANTY		1,079,141
Total		<u>113,966,324</u>
LESS - DISCOUNT		337,789
TOTAL		<u>113,628,535</u>
SALES OF PARTS		
ACCESSORIES		53,375,660
BODY & PAINTS		7,169,671
LUBRICANT		24,317,753
PARTS OTHERS		6,242,890
PARTS TOYOTA		181,651,711
WARRANTY PARTS		12,195,954
Total		<u>284,953,640</u>
LESS - DISCOUNT		182,885
TOTAL		<u>284,770,755</u>
OTHER OPERATING REVENUE		
SCRAP SALES		124,829
TOTAL		<u>3,082,754,263</u>

OTHER EXPENSES

23

RENT OTHERS	177,718
RENT COTTON GREEN	20,270,740
RENT NARIMAN POINT	7,506,000
RENT STOCKYARD	2,920,680
RENT REAY ROAD CAR PARKING	2,800,000
TOTAL	<u>33,675,138</u>

OFFICE MAINTAINCE	7,506,000
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GOVT EXP

RATE & TAXES	347,116
SALES TAX PAID TO GOVT	1,005,150
SERVICE TAX PAID TO GOVT	- 35,956
TOTAL	<u>1,316,310</u>

REPAIRS TO OTHERS

REPAIRS TO OTHERS	1,109,223
TEST DRIVE VEHICLES REPAIRS	2,968,978
AMC	784,087
TOTAL	<u>4,862,288</u>

TRAVELLING EXP

CONYANCE	835,660
TRAVELLING	1,318,790
BOARDING & LOADGING	312,673
TOTAL	<u>2,467,123</u>

WORKSHOP EXPENSES

NUMBER PLATE CHARGES	1,389,148
LABOUR CHARGES FMSC	454,827
LABOUR CHARGES	33,088,884
TOTAL	<u>34,932,859</u>

OTHER INCOME	18	
INSURANCE COMMISSION		32,537,085
FINANCE INCENTIVE		5,355,084
PRIOR PERIOD INCOME (Balance written-back)		12,967,341
INTEREST RECEIVED		24,647,418

OTHER INCOME		
EXCISE		75,405
OTHER		3,205
DISCOUNT RECEIVED		783,166
INCENTIVE ON PURCHASES		4,830,000
TOTAL OTHER		<u>5,691,776</u>

TOTAL		<u><u>81,198,704</u></u>
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PURCHASES OF TRADE GOODS	19	
CAR		2,221,792,138
SPARE PARTS&OTHERS		
ACCESSORIES		22,418,636
LUBRICANT		19,208,409
PAINTING		20,344,065
PARTS OTHERS		2,614,243
PARTS TOYOTA		162,321,458
CONSUMABLE		7,187,424
TOTAL SPARE PARTS		<u>234,094,235</u>

TOTAL		<u><u>2,455,886,373</u></u>
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EMPLOYEES BENEFITS EXPENSES	22	
SALARY & WAGES		64,394,220
BONUS		2,588,741
INCENTIVE FOR STAFF		4,955,321
OTHER ALLOWANCE		1,456,859
LTA		85,850
MEDICAL ALLOWANCE		99,452
TOTAL		<u>73,580,443</u>

DIRECTOR REMUNERATION		2,701,440
GRATUITY		800,865
LEAVE ENCASHMENT		818,464
STAFF WELFARE		1,212,095

CONTRIBUTION TO PF &ESI &OTHERS		
LABOUR WELFARE		15,159
ESIC		591,590
PF DLI		111,425
PF		3,183,087
PF EXPENSES		227,525
TOTAL		<u><u>4,128,786</u></u>

MISCELLANEOUS EXPENSES

BANK CHARGES	1,132,922
BOOKS & PERIODICALS	13,593
COMPUTER EXP	720,298
LOSS ON SALE OF VEHICLE	1,107,344
DONATION	42,110
HOUSEKEEPING CHG	5,180,032
LEGAL EXP	20,000
OCTROI & COURIER CHG	173,412
SECURITY CHARGES	8,978,953
TEA & COFFEE EXPENSES	1,120,492
WATER CHARGES	1,506,951
XEROX CHARGES	242,228
DIRECTOR EXPENSES	504,974
MEMBERSHIP & SUBSCRIPTION	63,680
DIWALI GIFT	317,000
HIRE CHARGES	8,528
EMPLOYERS PROFESSIONAL TAX	2,500
UNIFORM WASHING CHARGES	92,724
SALVAGE (INSURANCE CLAIM)	77,652
ROUND OFF	- 9,251
TOTAL	<u>21,296,142</u>

INTEREST DETAILS

FENKLING & DOCUMENT OF LOAN	1,699,285
INTEREST - FUTURE CAPITAL HOLDING LTD	24,107,737
INTEREST - KOTAK (TERM LOAN)	2,519,028
INTEREST - KMPL (FLOOR FUND)	35,527,847
INTEREST - KOTAK CC ACCOUNT	5,772,404
INTEREST - OCL	5,368,490
INTEREST - OTHER	4,278,891
INTEREST - TEST DRIVE VEHICLE	2,418,345
TOTAL	<u>79,992,742</u>

INVENTORY

CAR	120,446,814
SPARE PARTS	26,184,928
TOTAL	<u>146,631,742</u>

SHINRAI AUTO SERVICES LTD
CLOSING STOCK OF CAR AS ON 31ST MARCH 2016

	WORLI			NARIMAN POINT			TOTAL	TOTAL	ASON 31.03.2015
	QTY	RATE	AMOUNT	QTY	RATE	AMOUNT	QTY	AMOUNT	
ALTIIS	10	1,350,062	13,500,621	2	1,234,952	2,459,904	12	15,970,525	38,677,327
Camry	3	1,970,169	5,910,506			-	3	5,910,506	21,275,597
Corrola Old	3	906,746	2,720,238			-	3	2,720,238	2,720,238
Etios	18	735,754	11,772,065	9	618,033	5,552,301	25	17,334,366	19,580,922
Etios Cross	8	630,267	5,042,138			-	8	5,042,138	4,781,224
Etios Liva	12	520,263	6,243,155	8	513,390	4,107,118	20	10,350,273	18,502,936
Fortuner	11	2,041,873	22,460,608	2	1,906,971	3,813,942	13	26,274,550	23,758,948
Innova	24	1,116,518	26,795,424	5	1,019,614	5,098,071	29	31,894,495	52,713,524
Land Crusier	1	3,866,497	3,866,497			-	1	3,866,497	3,866,497
Qualis	2	541,613	1,083,226			-	2	1,083,226	1,083,226
Prius			-	-	-	-	-	-	-
TOTAL	90	13,679,762	99,395,478	26	5,292,960	21,051,336	116	120,446,814	186,960,438

Closing Stock of Spare & Parts as on 31st March 2016

	Mar-16	Mar-15
	AMOUNT	AMOUNT
Toyota parts	17,879,646	21,175,059
Goods In Transit	-	1,086,749
Toyota Accessories	4,677,649	
Lubricants	690,698	1,622,165
Local parts	-	2,115,446
Local Accessories	2,803,843	
TOTAL	26,051,836	25,999,419
Painting Material	133,092	577,393
TOTAL	26,184,928	26,576,812
work in progress stock	-	991,910
TOTAL	26,184,928	27,568,722

SHINRAI AUTO SERVICES LTD
BALANCE SHEET AS AT 31ST MARCH 2016

	Note No	31st March'2016	31st March'2015
I EQUITY & LIABILITIES			
1 Shareholder's Funds			
(a) Share Capital	2	70,000,000	70,000,000
(b) Reserve & Surplus	3	(136,365,363)	(51,805,228)
Total		(66,365,363)	18,194,772
2 Non Current Liabilities			
(a) Long term Borrowings	4	298,089,089	196,707,068
(b) Long term Provision	5	7,441,357	6,908,232
Total		305,530,446	203,615,300
3 Current Liabilities			
(a) Short Term Borrowings	6	364,532,197	368,569,847
(b) Trade Payable	7	40,630,462	42,385,877
(c) Other Current Liabilities	8	145,621,725	158,470,577
(d) Short Term Provisions	9	871,906	2,409,971
Total		551,656,290	571,836,272
TOTAL		790,821,373	793,646,344
II Asset			
1 Non Current Assets			
(a) Fixed Assets (Net Block)			
(i) Tangible Assets	10	107,227,606	122,594,942
(ii) InTangible Assets	10	701,525	812,324
(b) Non Current Investment	11	10,000,000	10,000,000
(c) Deferred Tax Assets (net)	12	-	-
(d) Long Term Loans & Advances	13	253,909,090	187,781,072
(e) Other Non Current Assets	14	18,105	14,094
Total		371,856,326	321,202,432
2 Current Assets			
(a) Inventories	15	146,631,742	214,529,160
(b) Trade Receivables	16	257,727,292	211,615,543
(c) Cash & Cash Equivalents	17	8,071,279	38,716,068
(d) Short Term Loans & Advances	18	2,330,409	2,685,032
(e) Other Current Assets	19	4,204,326	4,898,109
Total		418,965,047	472,443,912
TOTAL		790,821,373	793,646,344
Summary of Significant accounting policies	1		

The accompanying notes are an integral part of the financial statement

As per our report of even date attached

For and on behalf of

Batliboi & Purohit

Chartered Accountants

Firm Registration No :- 101048W

Kaushal A. Mehta

Kaushal A. Mehta

Partner

Membership No. 111749

Place : Mumbai

Date : 16/05/2016



For and on behalf of the Board

Rajendra Somani

Rajendra Somani

Director

DIN : 00332465

Varun Somani

Varun Somani

Managing Director

DIN : 00015384

SHINRAI AUTO SERVICES LTD

Statement of Profit & Loss for the year ended 31st March 2016

		Note No	31st March'2016	31st March'2015
I	Revenue From Operations	20	3,082,754,263	3,323,608,529
II	Other Income	21	81,198,704	68,298,245
III	Total Revenue		3,163,952,967	3,391,906,774
IV	Expenses			
	Purchase of Traded Goods	22	2,455,886,373	2,785,797,322
	Changes In inventories	23	67,897,418	(83469935)
	Finance Costs	24	81,692,027	68704837
	Employee Benefits Expenses	25	83,242,093	79,990,196
	Other Expenses	26	540,714,511	551,015,676
	Depreciation & Amortization Exp	27	19,080,679	17,627,479
IV	Total Expenses		3,248,513,101	3,419,665,575
	Profit (Loss) Before Exceptional Item and tax		(84560135)	(27758801)
	Exceptional Item		-	29,478,427
IX	Profit (Loss) Before Tax		(84560135)	1719626
X	Tax Expense			
	a) Tax For Earlier Year		-	206,360
	b) Current Tax			0
	c) Deffered Tax		-	4,004,810
XI	Profit (Loss) for the Year		(84,560,135)	(2,491,544)
XII				
XIII	Balance Carried Forwards to Balance sheet		(84,560,135)	(2,491,544)
XII	Basic Earning Per Equity Share		(12.08)	(0.50)
	Summary of Significant accounting policies	1		

The accompanying notes are an integral part of the financial statement

As per our report of even date attached

For and on behalf of

Batliboi & Purohit

Chartered Accountants

Firm Registration No :- 101048W

Kaushal A. Mehta

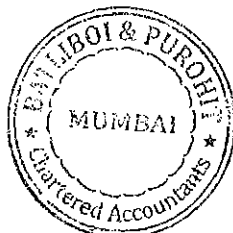
Kaushal A. Mehta

Partner

Membership No. 111749

Place : Mumbai

Date : 16/05/2016



For and on behalf of the Board

Rajendra Somani

Rajendra Somani

Director

DIN : 00332465

Varun Somani

Varun Somani

Managing Director

DIN : 00015384

Shinrai Auto Services Ltd

Cash Flow statement for the year ended 31st March 2016

		For the year ended 31st March 2016	For the year ended 31st March 2015
A.	CASH FLOW FROM OPERATING ACTIVITIES	Rupees	Rupees
	Net Profit / (Loss) before taxes	(84,560,135)	(27,758,801)
	Adjustment For		
	(Profit) Loss on sales of Fixed assets	1,107,344	477,816
	Depreciation	19,080,679	17,627,479
	Interest Income	(24,647,418)	(19,019,677)
	Finance Cost	81,692,027	68,704,837
	Operating Profit before Working capital changes	(7,327,503)	40,031,654
	(Increase) \ Decrease in Trade receivables	(46,111,749)	(37,278,320)
	(Increase) \ Decrease in Inventories	67,897,418	(83,469,935)
	Increase \ (Decrease) in Trade payable	(1,755,415)	2,634,180
	Increase \ (Decrease) in liabilities and provisions	(9,482,716)	29,971,926
	(Increase) \ Decrease in Loans & Advances and other current assets	(65,083,623)	(35,188,175)
	Cash generated from operations	(54,536,085)	(123,330,324)
	(Taxes Paid) \ Refunds (net)		
	Net Cash from operating activities (A)	(61,863,588)	(83,298,670)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets	(10,194,886)	(58,471,698)
	Fixed asset Sales	5,485,000	640,000
	Interest received	24,647,418	19,019,677
	Net cash from investing activities (B)	19,937,532	(38,812,021)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Increase in Share Capital		20,000,000
	Proceeds from borrowing	2,292,825,387	3,562,609,309
	Repayment of borrowing	(2,206,930,376)	(3,393,990,768)
	Finance Cost paid	(74,613,744)	(68,151,253)
	Net Cash from financing activities (C)	11,281,267	120,467,288
	Net Changes in cash & cash equivalent (A+B+C)	(30,644,789)	(1,643,403)
	Net Increase / (Decrease) in cash & cash Equivalent :		
	Cash & cash equivalent at beginning of period	38,716,068	40,373,565
	Cash & cash equivalent as at 31st March 2016	8,071,279	38,730,162
		(30,644,789)	(1,643,403)

As per our report of even date attached

For and on behalf of

Batliboi & Purohit

Chartered Accountants

Firm Registration No :- 101048W

K. A. Mehta

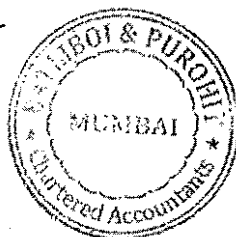
Kaushal A. Mehta

Partner

Membership No. 111749

Place : Mumbai

Date : 16/05/2016



For and on behalf of the Board

Rajendra Somani

Rajendra Somani

Director

DIN : 00332465

Varun Somani

Managing Director

DIN : 00015384

SHINRAI AUTO SERVICES LTD

NOTE -1 TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTES ON ACCOUNTS

1) Accounting Policies

a) Basis for Accounting:

These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

b) Use of Estimates:

The presentation of Financial Statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liability. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may diverge from these estimates.

c) Revenue Recognition:

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Sales are recognised net of trade discounts, rebates, sales taxes and insurance charges.

Income from services rendered is recognized as and when the service is performed and when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and is recognised net of service tax, as applicable.

d) Depreciation:

Depreciation on tangible fixed assets has been provided on straight line method as per the useful life prescribed in schedule II to the Companies Act, 2013
Intangible are amortized over the period of 5 years.

e) Fixed Assets:

Fixed Assets are stated at cost of acquisition or construction less depreciation/amortization. Cost comprises of purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

f) Inventories:

Inventories are valued at cost or net realisable value, whichever is lower by using Weighted Average method of valuation. Cost is computed on a weighted average basis. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale. Finished goods include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

g) Cash and Cash Equivalents:

In the cash flow statement, cash and cash equivalents include cash in hand, term deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

h) Retirement Benefits:

- i) Contributions to defined contribution schemes such as employees' state insurance, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.
- ii) Provision for Gratuity is accounted based on the actuarial valuation and charged to Profit & Loss Account.
- iii) The Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. Provision for Leave Encashment is made on the basis of leave outstanding at the year ended. Provision for Leave encashment is accounted based on the actuarial valuation and charged to Profit & Loss Account.

i) Operating Leases:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments under such leases are charged to the Statement of Profit and Loss on a straight line basis over the primary period of the lease.

j) **Impairment**

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of Profit and Loss. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

k) **Earnings per share**

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

l) **Policy for Taxes on Income**

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Current tax is determined as the amount of tax payable in respect of taxable for the year.

SHINRAI AUTO SERVICES LTD

Notes to financial Statements for the year Ended 31st March 2016

	Note No	31st March '2016	31st March '2015
Share Capital	2		
Authorised Share Capital 7000000 equity shares (p.y 7000000 shares) of Rs 10/ each		70,000,000	70,000,000
No of Issued Subscribed & Fully Paid up Capital 7000000 equity shares (p.y 5000000 shares) of Rs 10/ each		70,000,000	50,000,000
Issued Shares during the year c.y. Nil (p.y.2000000 shares) of Rs 10/ each		-	20,000,000
Total		70,000,000	70,000,000

Reconciliation of the shares outstanding at the beginning and at the end of the Year

At the Beginning of the year	7,000,000	5,000,000
Issued During The year	-	2,000,000
As at end of the year	7,000,000	7,000,000

Terms / Rights attached to equity Shares

The Company has only one class of equity shares having at par value of 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in indian rupees.

In the event of liquidation of the Company , the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders

Shares held by holding/ultimate holding company and/ or their subsidiaries/associates

None of the shares of the company are held by the Subsidiaries or Associates of the Company.

Shares held by the Holding Company

Oricon Enterprises Ltd (holding co.)	69999300	99.99%	69999300	99.99%
(No. of Share holding 69,99,930 shares (P.Y. 69,99,930 Shares))				
(@ the Rate of Rs. 10/- per share Fully paid up)				

TOTAL	2	70,000,000	70,000,000
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Reserve & Surplus	3		
Balance Statement of Profit & Loss at the begning of the year		(51,805,228)	(44,106,205)
Add : Transit effect to schedule II of Companies act 2013 on tangible fixed assets with nil remaining life (Ref. note no. 12)		-	(5,207,479)
Loss for the year		(84,560,135)	(2,491,544)
Closing Balance	3	(136,365,363)	(51,805,228)

Long Term Borrowing	4		
Secured Loan			
Kotak Mahindra Prime Ltd (secured Against Hypothecation of Vehicles)		4,497,173	7,610,693
Interest @ 10.25%, repayable in 36 monthly installments			
Toyota Financial Services Ltd (secured Against Hypothecation of Vehicles)		3,532,552	6,271,236
Interest @ 10.25%, repayable in 36 monthly installments			
Unsecured Loans			
Kotak Mahindra Prime Ltd (Term Loan)		70,709,516	
Oricon Enterprises Ltd (Related Parties)		43,650,000	-
Future Capital Holding Company Ltd Interest @ 13% repayable in 180 installments over 15 Years		175,699,848	182,825,139
TOTAL	4	298,089,089	196,707,068
Long Term Provision	5		
(a) Provision for Employee Benefits			
1) Leave Encashment		2,543,261	2,271,158
2) Gratuity		4,898,096	4,637,074
TOTAL	5	7,441,357	6,908,232
Short Term Borrowing	6		
(i) Kotak Mahindra Prime Ltd		282,278,379	323,125,589
<i>Nature Of Loan- Working Capital</i> (secured Against Hypothecatin of vehicels Amount receivable/Bookdebts Current Assets)		-	-
(ii) Kotak Mahindra Bank Ltd (CC Account) (hypothecation against spare parts, book dabts)		46,468,833	45,444,258
(iii) Kotak Mahindra Bank Ltd		10,784,985	-
(iv) Oriental Containers Ltd		20,000,000	-
(v) Sarvamangal Mercantile Co.		5,000,000	-
TOTAL	6	364,532,197	368,569,847
Trade Payable	7	40,630,462	42,385,877
TOTAL	7	40,630,462	42,385,877

Other Current Liability	8		
(a) Interest Accrued on Borrowing		15,451,105	8,372,821
(b) Other Liabilities		954,768	954,768
(C) Other Paybles		-	-
Advances From Customer		6,230,534	14,877,835
Credit balance in trade receivable		36,865,220	37,030,438
Statutory Liability		43,820,342	44,065,800
Unpaid Salary & wages		6,412,753	6,442,174
Provision for Expenses		12,506,599	11,896,977
Current Maturities of Long Term Borrowings			
Related Parties		-	20,650,000
Others		23,380,404	14,179,764
TOTAL	8	145,621,725	158,470,577

Short Term Provision	9		
(a) Provision for Employee Benefits			
Gratuity		564,902	696,435
Leave Encashment		307,004	283,227
(b) Others			
(i) Provision for Income Tax (Net)		-	1,430,309
(ii) Provision for Current Year Tax		-	-
TOTAL	9	871,906	2,409,971

Assets

Non Current Investment	11		
Investment in Subsidiary - Trade		-	-
Reay Road Iron & Metal Warehousing Pvt Ltd			
10,000 Equity Shares of Rs 10 each (Face value) [previous year			
10,000 Equity Shares of Rs 10 each (Face value)]		10,000,000	10,000,000
TOTAL	11	10,000,000	10,000,000

Shinrai Auto Services Ltd.

Notes No. 10 Financial Statement for year ended 31st March 2016

FIXED ASSETS (Tangible)

TANGIBLE ASSETS

(Own assets, unless otherwise stated)

	Air Conditioner	Building	Electrical Installation	Furniture & Fixtures	Office Equipments	Plant & Machinery	Workshop Tools	Vehicle	Computer	Lease hold Improvements	Total
Gross Block											
Balance as at April 01, 2014	3,696,477	34,236,674	6,154,642	11,915,144	3,471,065	18,808,777	7,182,142	39,602,902	12,432,168	-	137,499,991
Additions	188,500	-	-	3,314,806	1,021,527	2,317,621	1,296,941	7,694,082	3,602,508	39,035,713	58,471,698
Deletions	-	-	-	-	-	-	-	4,305,600	-	-	4,305,600
Effect of GR	1,652,875	-	3,109,923	5,756,563	1,730,986	-	-	-	4,962,993	-	17,213,340
Balance as at March 31, 2015	2,232,102	34,236,674	3,044,719	9,473,387	2,761,606	21,126,398	8,479,083	42,991,384	11,071,683	39,035,713	174,452,749
Additions	-	2,339,851	-	32,500	45,168	862,000	1,654,306	4,932,061	329,000	-	10,194,886
Deletions	-	-	-	-	-	-	-	10,572,158	-	-	10,572,158
Balance as at March 31, 2016	2,232,102	36,576,525	3,044,719	9,505,887	2,806,774	21,988,398	10,133,389	37,351,287	11,400,683	39,035,713	174,075,477
Accumulated Depreciation											
Balance as at April 01, 2014	1,763,271	22,867,378	3,907,017	8,793,012	1,860,289	7,099,464	3,841,734	19,221,368	9,738,182	-	79,091,715
Additions	258,637	1,140,153	576,859	1,084,490	927,718	2,368,723	852,100	6,218,762	1,926,531	2,162,709	17,516,682
Deletions	-	-	-	-	-	-	-	3,258,895	-	-	3,258,895
Effect of change in Method of Dep	529,669	9,737,385	1,247,366	2,258,030	770,977	2,750,837	1,754,531	8,943,288	1,493,751	-	29,485,834
Adjusted with General Reserve	- 538,850	-	- 1,019,673	- 977,852	- 859,597	-	-	-	- 1,811,507	-	- 5,207,479
Effect of GR	1,652,875	-	3,109,923	5,756,563	1,730,986	-	-	-	4,962,993	-	17,213,340
Balance as at March 31, 2015	378,214	14,270,146	1,146,260	2,840,761	1,145,641	6,717,350	2,939,303	13,237,947	7,019,476	2,162,709	51,857,807
Additions	264,006	1,174,239	349,804	1,151,762	646,011	1,408,161	708,006	6,403,455	2,515,253	4,349,184	18,969,880
Deletions	-	-	-	-	-	-	-	3,979,818	-	-	3,979,818
Balance as at March 31, 2016	642,220	15,444,385	1,496,064	3,992,523	1,791,652	8,125,511	3,647,309	15,661,584	9,534,729	6,511,893	66,847,870
Net Block											
Balance as at March 31, 2015	1,853,888	19,966,528	1,898,459	6,632,626	1,615,965	14,409,048	5,539,780	29,753,437	4,052,207	36,873,004	122,594,942
Balance as at March 31, 2016	1,589,882	21,132,140	1,548,655	5,513,364	1,015,122	13,862,887	6,486,080	21,689,703	1,865,954	32,523,820	107,227,607

Shinrai Auto Services Ltd.

Notes No. 10 Financial Statement for year ended 31st March 2016

FIXED ASSETS (In Tangible)

IN TANGIBLE ASSETS

(Acquired, unless otherwise stated)

Particulars	Computer Software
Gross Block	
Balance as at April 01, 2014	1,107,990
Additions	-
Deletions	-
Adjusted with General Reserve	-
Balance as at March 31, 2015	<u>1,107,990</u>
Additions	-
Deletions	-
Balance as at March 31, 2016	<u>1,107,990</u>
Accumulated Depreciation	
Balance as at April 01, 2014	177,460
Additions	110,799
Deletions	-
Effect of change in Method of Dep	- 7,407
Adjusted with General Reserve	-
Balance as at March 31, 2015	<u>295,666</u>
Additions	110,799
Deletions	-
Balance as at March 31, 2016	<u>406,465</u>
Net Block	
Balance as at March 31, 2015	<u>812,324</u>
Balance as at March 31, 2016	<u>701,525</u>

Deffered Tax Assets	12		
Fixed Asset Impact of Difference Between tax Depreciation & Depreciation / Amortization charges for the financial reporting		-	-
Gratuity		-	-
Leav Encashment		-	-
TOTAL	12	-	-

Long Term Loan & Advances	13		
Unsecured Considered Good			
Advance to Related Party		199,098,532	137,177,246
Advance to others		10,650,000	13,650,000
Deposits		-	-
Unsecured Considered Good			
1) with Related Parties		-	-
2) Other		13,499,911	12,425,497
Other Loan & advances			
1) Prepaid Expenses		2,153,971	2,299,045
2) Service Tax on Input Metersials		1,347,592	269,762
3) Value Added Tax on Input Materials		3,426,307	3,381,923
4) Tax Deduction at Source		23,732,776	18,327,599
TOTAL	13	253,909,090	187,781,072

Other Non Current Assets	14		
Margin Money in Indusnd Bank		18,105	14,094
TOTAL	14	18,105	14,094

Inventories -Traded	15		
Motor Vehicles		120,446,814	186,960,438
Spares Parts & Tools		26,184,928	27,568,722
TOTAL	15	146,631,742	214,529,160

Trade Receivable	16		
Unsecured Considered Good :			
(a) Outstanding for a period exceeding six months		96,233,679	86,811,206
(b) others		161,493,613	124,804,337
TOTAL	16	257,727,292	211,615,543

Cash & Cash Equivalents	17		
(a) Balances with Scheduled Banks		7,264,886	37,265,007
(b) Cash On Hand		806,393	1,451,061
TOTAL	17	8,071,279	38,716,068
Short Term Loan & Advances	18		
Advance to employees		2,330,409	2,685,032
TOTAL	18	2,330,409	2,685,032
Other current Assets	19		
Advance Recoverable in cash & kinds			
Considered Good		3,492,863	4,186,646
Octroi Refund Excess Payment Claimed from MCGM		711,463	711,463
TOTAL	19	4,204,326	4,898,109

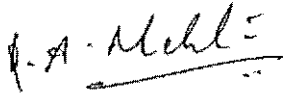
As per our report of even date attached

For and on behalf of

Batliboi & Purohit

Chartered Accountants

Firm Registration No :- 101048W



Kaushal A . Mehta

Partner

Membership No. 111749

Place : Mumbai

Date : 16/05/2016



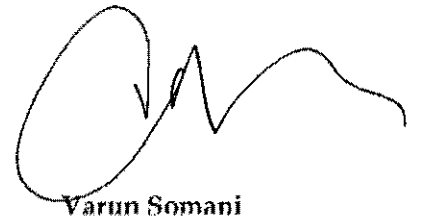
For and on behalf of the Board



Rajendra Somani

Director

DIN : 00332465



Varun Somani

Managing Director

DIN : 00015384

SHINRAI AUTO SERVICES LTD

Notes to financial statements for the year ended 31st March 2016

	NOTE	31st March'2016	31st March'2015
REVENUE FROM OPERATIONS	20		
<u>Sale of Product</u>			
<u>Traded Goods</u>			
(A) Car		2,684,230,143	2,954,877,991
(B) Sale of Service		113,628,535	88,989,770
(C) Sale of Spare Parts		284,770,755	279,715,720
<u>Other Operating Revenue</u>			
Scrap Sales		124,829	25,048
TOTAL	20	3,082,754,263	3,323,608,529
Other Income	21		
(1) Insurance commission & Finance Incentive		37,892,169	37,993,345
(2) Credit Balance Written Back		12,967,341	5,683,742
(3) Commission on Car Sale		-	4,093,985
(4) Interest Received		24,647,418	19,019,677
(5) Others		5,691,776	1,507,496
TOTAL	21	81,198,704	68,298,245
Purchases of Traded goods	22		
Cars		2,221,792,138	2,556,706,978
Spares Parts & Others		234,094,235	229,090,344
TOTAL	22	2,455,886,373	2,785,797,322
Changes In inventories	23		
Inventory at the beginning of the year :			
Traded Goods		214,529,160	131,059,225
Inventory at the end of the year :			
Traded Goods		146,631,742	214,529,160
TOTAL	23	67897418	(83469935)

Finance Cost	24		
Documentry Charges on borrowing loans		1,699,285	226,384
Interest on Borrowing		79,992,742	68,478,453
	24	81,692,027	68,704,837
Employees Benefit Expenses	25		
Salary, Wages & Bonus		73,580,443	70,219,631
Director Remuneration		2,701,440	2,701,440
Contribution to Provident & Other Funds		4,128,786	3,969,390
Gratuity		800,865	1,936,306
Leave Encashment		818,464 -	84,536
Staff Welfare Expenses		1,212,095	1,247,965
TOTAL	25	83,242,093	79,990,196

Other Expenses	26		
Electricity Charges		15,208,816	11,818,106
Freight & Forwarding Charges		3,108,296	3,440,492
Rent		33,675,138	22,350,685
Office Maintainance Exps		7,506,000	7,506,000
Rates & Taxes		1,316,310	8,717,383
Registration Charges		294,487,441	313,544,949
Insurance Charges		1,521,322	650,094
Insurance Expenses		2,983,670	2,894,034
Repairs & Maintainance			
I) Plant & Machinery		1,909,308	2,018,506
II) Repairs to Buildings		794,378	1,843,825
III) Repairs to Others		4,862,288	3,296,426
Advertising & Sales Promotion Expenses		7,192,409	10,096,731
Office Expenses		23,236,479	21,657,416
Travelling & Conveyance		2,467,123	1,656,131
Communication Expenses		2,500,467	1,923,627
Printing & Stationary		2,058,460	1,951,746
Legal & Professional Fees		2,399,901	1,735,670

Director sitting Fee		37,500	31,500
Payment to Auditor			
I) Audit Fee		40,000	40,000
II) Tax Audit Fee		12,500	12,500
III) Other Services		60,600	40,250
Octroi charges		72,671,414	81,570,171
Bad Dabts		161,189	-
Petrol Expenses			
I) New Cars		3,189,603	5,050,382
II) Services		1,084,897	273,443
Workshop Expenses		34,932,859	28,639,863
Miscellaneous Expenses		21,296,142	18,255,746
TOTAL	26	540,714,511	551,015,676

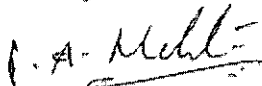
Depreciation & Amortization Exp	27		
Depreciation on Tangible Assets		18,969,880	17,516,680
Amortisation on Intangible Assets		110,799	110,799
TOTAL	27	19,080,679	17,627,479

As per our report of even date attached

For and on behalf of
Batliboi & Purohit

Chartered Accountants

Firm Registration No :- 101048W


Kaushal A. Mehta

Partner

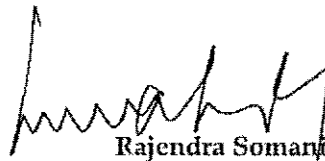
Membership No. 111749

Place : Mumbai

Date : 16/05/2016

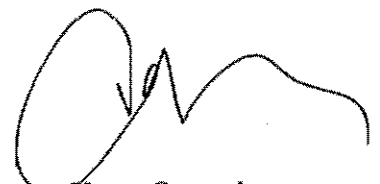


For and on behalf of the Board


Rajendra Somani

Director

DIN : 00332465


Varun Somani

Managing Director

DIN : 00015384

- 28) Debit and credit balances including Sundry Debtors amounting to Rs 25,77,27,292 ,Creditors amounting to Rs 4,06,30,462 , Loans taken aggregating Rs 29,80,89,089,loans and advances given aggregating to Rs 1,06,50,000 for which confirmation are not available are subject to adjustment or settlements. Sundry Debtors exceeding six months referred to Note no. 16 are considered 'good and recoverable' by the management.

29) **Deferred Taxation**

As the Company has unabsorbed depreciation and carry forward tax losses, no deferred tax assets are recognised as there is no virtual certainty supported by convincing evidence that they can be realised against future taxable profits. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date for any write down, as considered appropriate.

30) **Earning Per Shares**

	March 2016	March 2015
a) Profit/(Loss) After Tax (Rs.)	(8,45,60,135)	(24,91,544)
b) Weighted Average No. of Equity Shares - calculate for current year by weighted average method.	70,00,000	50,19,178
c) Earning Per Share	(12.08)	(0.50)

31) **Employees Benefits**

Consequent upon adoption of Accounting Standard on " Employees Benefits" (AS-15) (Revised 2005) issued by the Institute Of Chartered Accountants of India, as required by the Standard, the following disclosures are made:

a) **Gratuity**

	2015-16 Gratuity (Unfunded)	2014-15 Gratuity (Unfunded)
a) Change in benefit obligations		
Defined benefit obligation at the beginning of the year	53,33,509	35,38,576
Current Service cost	6,78,313	4,70,749
Interest cost	4,24,547	3,29,441
Actuarial (gain)/loss on obligations	(3,01,995)	6,63,514
Benefit paid	(6,71,376)	(1,41,373)
Defined benefit obligation at the end of the year recognized in Balance sheet	54,62,998	53,33,509
b) Assumptions used in the accounting for defined benefit plans		
Discount Rate	8.01%	7.96%
Salary Escalation Rate	5.00%	5.00%
Attrition Rate	2.00%	2.00%

C)	Expenses recognized in the income Statement	01/04/2015- 31/03/2016	01/04/2014- 31/03/2015
	Current Service Cost	6,78,313	4,70,749
	Interest cost	4,24,547	3,29,441
	Actuarial (Gain/Loss)	(3,01,995)	11,36,116
	Expense Recognized in P& L	8,00,865	19,36,306

b) Leave Encashment

	2015-16 Leave Encashment (Unfunded)	2014-15 Leave Encashment (Unfunded)
Projected Benefit Obligation	INR 28,50,265	INR 17,26,563
Funding Status	Unfunded	Unfunded
Fund Balance	N.A.	N.A.
Current Liability	INR 3,07,004	INR 2,83,227
Non Current Liability	INR 25,43,261	INR 14,43,336

Date of Valuation	31.03.2016	31.03.2015
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Retirement Age	58 Years	58 Years
Attrition Rate	2.00% p.a (as per applicable)	2.00% p.a for all Service Groups.
Salary Escalation Rate	5.00% p.a	5.00% p.a
Discount Rate	8.01% p.a.	7.96% p.a.
While in Service Encashment Rate	Not Considered For the Valuation	Not Considered For the Valuation

32) Segment Information

The Company is the Dealer of Toyota Cars and is in the business of servicing of cars incidental to the dealership. Due to the Nature of business and risk and return profile, the business of the company is considered as a single segment and accordingly there are no separate reportable segment as required by the Accounting standard on segment Reporting (AS-17) issued by the ICAI.

33) Foreign Currency

Expenditure in foreign currency is Nil (Previous year is Nil)

Earnings in foreign currency is Nil (Previous year is Nil)

34) **Related Party Disclosures**

Disclosure as per Accounting Standard 18 (AS-18) "Related Party Disclosure" issued by the Institute of Chartered Accountants of India

- 1) Holding Company
Oricon Enterprises Ltd.
- 2) Enterprises owned or controlled (Wholly Owned Subsidiaries)
Reay Road Iron & Metal Warehousing Pvt Ltd.
- 3) Key Managerial Personnels (KMP)
Mr. Varun Somani (Managing Director)
- 4) Enterprises significantly influenced by KMP or their relatives (with whom there are transactions)
 - a) Kopran Laboratories Ltd
 - b) Kopran Limited
 - c) Oriental Containers Ltd

Details of transactions, with related parties are as follows :

Particulars	Year ended 31st March 2016	Year ended 31st March 2015
1) Holding Company – Oricon Enterprises Ltd.		
Loan taken during the year	4,50,00,000	2,00,00,000
Loan repaid during the year	2,20,00,000	4,80,00,000
Sales of vehicle, Services & Facilities	15,568	11,702
Rent Paid	-	-
Interest Paid	33,70,986	52,05,289
<u>Outstanding Balances</u>		
Unsecured Loan Payable	4,36,50,000	2,06,50,000
Debtors	-	-
Interest (Payable)	96,98,161	63,27,175
Loan & Advances (Receivable)	-	-
2) Enterprises owned or controlled (Wholly Owned Subsidiaries)		
Reay Road Iron & Metal Warehousing Pvt Ltd.		
Loan Given During the Year	4,03,00,000	2,73,50,000
Interest Received	2,21,79,066	1,46,15,219
<u>Outstanding Balances</u>		
Receivable	19,90,98,532	13,66,19,466
3) Key Managerial Personnels (KMP) Mr. Varun Somani (Managing Director)		
Basic Salary-	15,12,000	
HRA-	7,56,000	
Conveyance-	1,80,000	
Special Allowance-	72,000	
P. Fund-	1,81,440	
Grand Total-	27,01,440	27,01,440
The above figures do not include provision for gratuity, as separate figure is not available for the managing director		

4) Enterprises significantly influenced by KMP or their relatives (with whom there are transactions)		
a) Kopran Laboratories Limited		
Loan Given	30,00,000	8,20,00,000
Interest	-	44,04,328
Loan Received back	30,00,000	8,20,00,000
<u>Outstanding Balances</u>		
Interest Receivable	-	8,07,780
b) Kopran Limited		
Loan Taken	11,00,00,000	5,20,00,000
Interest Payable	11,18,530	
Loan Repaid	11,00,00,000	5,20,00,000
Interest Paid	11,18,530	
Sale of Vehicle	19,79,216	29,56,171
Vehicles Service charges	5,13,486	3,95,169
c) Oriental Containers Ltd		
Loan Taken	4,00,00,000	
Interest Payable	16,22,950	
Loan Repayment	2,00,00,000	
Interest Paid	16,22,950	
d) Varun somani		
Loan taken	99,00,000	
Loan Repayment	99,00,000	

35)

a) Stock and Turnover:

		For the year ended 31 st MARCH, 2016		For the year ended 31 st MARCH, 2015	
		QTY.	VALUE	QTY	VALUE
A.	TURNOVER	Nos.	Rs.	Nos.	Rs.
	Cars	1765	2,68,42,30,143	2055	2,95,48,77,991
	Service (*)		11,36,28,535		8,89,89,770
	Spare Parts (*)		28,47,70,755		27,97,15,720
B.	PURCHASES				
	Cars	1706	2,22,17,92,138	2104	2,55,67,06,978
	Spares Parts (*)		23,40,94,235		22,90,90,344
C.	OPENING STOCK				
	Cars	175	18,69,60,438	126	11,09,30,582
	Spares Parts (*)		2,75,68,722		2,01,28,643
D.	CLOSING STOCK				
	Cars	116	12,04,46,814	175	18,69,60,438
	Spares Part		2,61,84,928		2,75,68,722

(*) Consists of various items, hence quantitative details are not possible.

36) The company has taken various commercial premises under cancelable operating lease. The rent expenses included in the statement of profit & loss for the year is Rs 3, 36, 75,138/- (Previous Year Rs 2,23,50,685 /-). None of the lease agreement entered into by the company contains a clause on contingent rent. The Company has taken many premises on rent and most of the agreements contain an escalation clause which varies depending upon the specific arrangement with the lessor. In all the rent agreements there are no terms for purchase option or any restriction such as those concerning dividend and additional debts.

37)

DISCLOSURES PURSUANT SECTION 186 OF THE COMPANIES ACT, 2013

	Year ended 31 st March, 2016	Year ended 31 st March, 2015
a)		
Loan to Subsidiary: Reay Road Iron & Metal Warehousing Pvt Ltd.		
Balance as at the year end	19,90,98,532	13,66,19,466
Maximum amount outstanding at any time during the year (The subsidiary has utilized the loan for development of car service workshop and the loan carries an average rate of interest of 15 %)	19,90,98,532	13,66,19,466
Loan to Related Parties: Kopran Laboratories Limited		
Balance as at the year end (Interest o/s)	-	8,07,780
Maximum amount outstanding at any time during the year (Kopran Laboratories Limited has utilized the loan for business purpose and the loan carries an average rate of interest of 18 %)	-	4,56,35,158

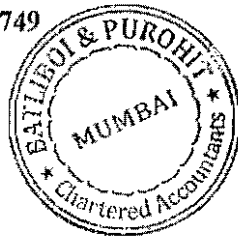
38) Previous year figures have been regrouped/ reclassified wherever necessary.

As per our report of even date attached.
For **BATLIBOI AND PUROHIT**
Chartered Accountants
Firm Registration No: - 101048W

Kaushal A. Mehta

Kaushal A. Mehta
Partner
Membership No.: 111749

Place: Mumbai
Date: 16/05/2016



For and on behalf of Board

Rajendra Somani

Rajendra Somani
Director
DIN : 00332465

Varun S. Somani

Varun S. Somani
Managing Director
DIN : 00015384

BATLIBOI & PUROHIT

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Shinrai Auto Services Ltd

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Shinrai Auto Services Ltd (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified by Institute of Chartered Accountants of India. Those Standards require that we comply with ethical



requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31st March, 2016 and their consolidated loss and their consolidated cash flows for the year ended on that date.

Other Matters

(a) We did not audit the financial statements / financial information of 1 subsidiary, whose financial statements / financial information reflect total assets of **Rs. 206.18 Lakhs** as at 31st March, 2016, total revenues of Rs. Nil lakhs and net cash inflows amounting to **Rs.1.22 lakhs** for the year ended on that date, as considered in the consolidated financial statements.

This financial statements / financial information have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Companies Act, 2013 ("the Act"), insofar as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.



Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors .

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, based on the comments in the auditors' reports of the Holding company and subsidiary company, incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

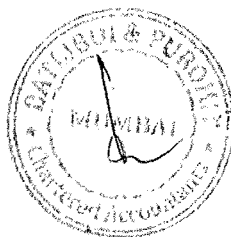
(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"

(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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Group does not have any pending litigations which has an impact on the on the consolidated financial position of the Group,



Chartered Accountants

- ii. The Group did not have any material 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 Holding Company and its subsidiary company.

This report is intended for the use of the management of the Company for submission to the Auditor's of the Parent Company for consolidation.

For Batliboi & Purohit

Chartered Accountants

ICAI Firm Registration number: 101048W

**Kaushal Mehta**

Partner

Membership number: 111749

Place: Mumbai

Date 16th May, 2016

Annexure - A to the Independent 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")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of **Shivraj Auto Services Limited** ("the Holding Company") and its subsidiary company which is company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary company, which is company incorporated in India, 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") issued by ICAI 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 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.



Chartered Accountants

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 Holding Company and its subsidiary company, which is company incorporated in India, have, 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 ICAI.

Other matters:

Our aforesaid reports under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one Subsidiary company, which is company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For **BATLIBOI & PUROHIT**

Chartered Accountants

Firm's registration number: 101048W


Kaushal Mehta

Partner

Membership number: 111749



Place: Mumbai

Date 16th May, 2016

SHINRAI AUTO SERVICES LTD
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2016

	Note No	SHINRAI	REAY ROAD	31st March'2016	31st March'2015
I EQUITY & LIABILITIES					
1 Shareholder's Funds					
(a) Share Capital	2	70,000,000	-	70,000,000	70,000,000
(b) Reserve & Surplus	3	(161,008,770)	(1,078,914)	(162,087,684)	(52,596,533)
Total		(91,008,770)	(1,078,914)	(92,087,684)	17,403,467
2 Non Current Liabilities					
(a) Long term Borrowings	4	298,089,089	-	298,089,089	196,707,068
(b) Deferred Tax liabilities (net)		-	22,123	22,123	7,705
(c) Long term Provision	5	7,441,357	-	7,441,357	7,191,459
Total		305,530,446	22,123	305,552,569	203,906,232
3 Current Liabilities					
(a) Short Term Borrowings	6	364,532,196	-	364,532,196	368,569,847
(b) Trade Payable	7	40,630,462	-	40,630,462	43,112,220
(c) Other Current Liabilities	8	145,621,726	2,481,516	148,103,242	159,968,960
(d) Short Term Provisions	9	871,906	-	871,906	2,126,744
Total		551,656,290	2,481,516	554,137,806	573,777,771
TOTAL		766,177,966	1,424,725	767,602,691	795,087,470
II Asset					
1 Non Current Assets					
(a) Fixed Assets (Net Block)					
(i) Tangible Assets	10	107,227,606	18,497	107,246,103	122,781,704
(ii) InTangible Assets	10	701,525	-	701,525	812,324
(iii) Capital Work in Progress		-	179,715,039	179,715,039	141,849,929
(b) Goodwill	11	-	4,335,399	4,335,399	4,335,399
(c) Deferred Tax Assets (net)	12	-	-	-	-
(d) Long Term Loans & Advances	13	54,810,558	65,500	54,876,058	51,227,106
(e) Other Non Current Assets	14	18,105	-	18,105	14,095
Total		162,757,794	184,134,435	346,892,229	321,020,557
2 Current Assets					
(a) Inventories	15	146,631,742	-	146,631,742	214,529,160
(b) Trade Receivables	16	257,727,292	-	257,727,292	211,615,543
(c) Cash & Cash Equivalents	17	8,071,279	1,745,415	9,816,694	40,339,069
(d) Short Term Loans & Advances	18	2,330,409	-	2,330,409	2,685,032
(e) Other Current Assets	19	4,204,326	-	4,204,326	4,898,109
Total		418,965,047	1,745,415	420,710,462	474,066,913
TOTAL		581,722,841	185,879,850	767,602,691	795,087,470
Summary of Significant accounting policies	1				

The accompanying notes are an integral part of the financial statement

As per our report of even date attached

For and on behalf of

Batliboi & Purohit

Chartered Accountants

Firm Registration No :- 101048W

Kaushal A. Mehta

Kaushal A. Mehta

Partner

Membership No. 111749

Place : Mumbai

Date : 16/05/2016



For and on behalf of the Board

Rajendra Somani

Rajendra Somani

Director

DIN : 00332465

Varun Somani

Varun Somani

Managing Director

DIN : 00015384

SHINRAI AUTO SERVICES LTD

Consolidated Statement of Profit & Loss for the year ended 31st March 2016

	Note No	SHINRAI	REAY ROAD	31st March'2016	31st March'2015
I Revenue From Operations	20	3,082,754,263	-	3,082,754,263	3,323,608,529
II Other Income	21	56,555,297	-	56,555,297	68,510,208
III Total Revenue		3,139,309,560	-	3,139,309,560	3,392,118,737
IV Expenses					
Purchase of Traded Goods	22	2,455,886,373	-	2,455,886,373	2,785,797,377
Changes In inventories	23	67,897,418	-	67,897,418	(83469935)
Finance Costs	24	81,692,027	-	81,692,027	68704837
Employee Benefits Expenses	25	83,242,093	-	83,242,093	79,990,196
Other Expenses	26	540,714,511	79,794	540,794,305	551,124,409
Depreciation & Amortization Exp	27	19,080,679	3,885	19,084,564	17,657,656
IV Total Expenses		3,248,513,101	83,679	3,248,596,780	3,419,804,485
Profit (Loss) Before Exceptional Item and tax		(109203542)	(83679)	(109287221)	(27685748)
Exceptional Item		-	0	0	29,478,427
IX Profit (Loss) Before Tax		(109203542)	(83679)	(109287221)	1792679
X Tax Expense					
a) Tax For Earlier Year		-	19,513	19,513	206,360
b) Current Tax		-	-	-	0
c) Deferred Tax		-	6,364	6,364	4,004,810
XI Profit (Loss) for the Year		(109,203,542)	(109,556)	(109,313,098)	(2,418,491)
XII Balance Carried Forwards to Balance sheet		(109,203,542)	(109,556)	(109,313,098)	(2,418,491)
XII Basic Earning Per Equity Share		(15.60)	(0.02)	(15.62)	(0.48)

Summary of Significant accounting policies

1

The accompanying notes are an integral part of the financial statement

As per our report of even date attached

For and on behalf of

Batliboi & Purohit

Chartered Accountants

Firm Registration No :- 101048W

Kaushal A. Mehta

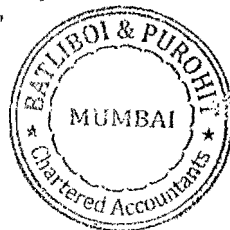
Kaushal A. Mehta

Partner

Membership No. 111749

Place : Mumbai

Date : 16/05/2016



For and on behalf of the Board

Rajendra Somani

Rajendra Somani

Director

DIN : 00332465

Varun Somani

Varun Somani

Managing Director

DIN : 00015384

Shinrai Auto Services Ltd

Consolidated Cash Flow statement for the year ended 31st March 2016

		For the year ended 31st March 2016	For the year ended 31st March 2015
A.	CASH FLOW FROM OPERATING ACTIVITIES	Rupees	Rupees
	Net Profit / (Loss) before taxes	(109,287,221)	1,792,679
	Adjustment For		
	Tax Paid		
	Exceptional Items Reversal of depreciation due charge in method		(29,478,427)
	Goodwill		4,335,399
	(Profit) Loss on sales of Fixed assets	1,107,344	477,816
	Depreciation	19,084,564	17,657,656
	Interest Income	(4,011)	(19,019,677)
	Finance Cost	81,692,027	68,704,837
	Operating Profit before Working capital changes	(7,407,297)	44,470,283
	(Increase) \ Decrease in Trade receivables	(46,111,749)	(37,278,320)
	(Increase) \ Decrease in Inventories	67,897,418	(83,469,935)
	Increase \ (Decrease) in Trade payable	(2,481,758)	(8,008,828)
	Increase \ (Decrease) in liabilities and provisions	(8,502,334)	36,699,187
	(Increase) \ Decrease in Loans & Advances and other current assets	(2,604,556)	(5,318,215)
	Cash generated from operations	8,197,021	(95,374,109)
	(Taxes Paid) \ Refunds (net)		-
	Net Cash from operating activities (A)	789,724	(50,903,826)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets	(10,217,267)	(58,471,698)
	Capital WIP	(37,865,110)	(32,374,368)
	Sale of Fixed Assets	5,485,000	640,000
	Interest received	4,011	19,019,677
	Net cash from investing activities (B)	(42,593,366)	(71,186,389)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Increase in Share Capital		20,000,000
	Proceeds from borrowing	2,292,825,387	3,562,609,309
	Repayment of borrowing	(2,206,930,376)	(3,393,990,768)
	Finance Cost paid	(74,613,744)	(68,151,253)
	Net Cash from financing activities (C)	11,281,267	120,467,288
	Net Changes in cash & cash equivalent (A+B+C)	(30,522,375)	(1,622,927)
	Net Increase / (Decrease) in cash & cash Equivalent :		
	Cash & cash equivalent at beginning of period	40,339,069	41,976,090
	Cash & cash equivalent as at 31st March	9,816,694	40,353,163
		(30,522,375)	(1,622,927)

As per our report of even date attached

For and on behalf of

Batliboi & Purohit

Chartered Accountants

Firm Registration No :- 101048W

Kaushal A. Mehta

Kaushal A. Mehta

Partner

Membership No. 111749

Place : Mumbai

Date : 16/05/2016



For and on behalf of the Board

Rajendra Somani *Varun Somani*

Rajendra Somani

Varun Somani

Director

Managing Director

DIN : 00332465

DIN : 00015384

SHINRAI AUTO SERVICES LTD

NOTE -1 TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTES ON ACCOUNTS

The Company its subsidiary (jointly referred to as the Group) considered in this consolidated financial statements are :

a) Name of subsidiary : Reay Road Iron and Metal warehousing Pvt Ltd ; Incorporated in India ; % of voting power 100 % as on 31.03.2016 (previous year 100%)

1) Accounting Policies

a) Basis for Accounting:

These consolidated financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable and in particular Accounting Standard 21 (AS 21) - 'Consolidated Financial Statements' .

The financial statements of the Company and its subsidiary, have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra company balances and intra company transactions and resulting unrealised profits are eliminated in full. Unrealised losses resulting from intra company transactions are also eliminated unless cost cannot be recovered.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The difference between the cost of investment in the subsidiary, and the Company's share of net assets at the time of acquisition of share in the subsidiaries is recognised in the financial statement as Goodwill.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

b) Use of Estimates:

The presentation of Financial Statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liability. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may diverge from these estimates.

c) **Revenue Recognition:**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Sales are recognised net of trade discounts, rebates, sales taxes and insurance charges.

Income from services rendered is recognized as and when the service is performed and when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and is recognised net of service tax, as applicable.

d) **Depreciation:**

Depreciation on tangible fixed assets has been provided on straight line method as per the useful life prescribed in schedule II to the Companies Act, 2013
Intangible are amortized over the period of 5 years.

e) **Fixed Assets:**

Fixed Assets are stated at cost of acquisition or construction less depreciation/amortization. Cost comprises of purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

f) **Inventories:**

Inventories are valued at cost or net realisable value, whichever is lower by using Weighted Average method of valuation. Cost is computed on a weighted average basis. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale. Finished goods include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

g) **Cash and Cash Equivalents:**

In the cash flow statement, cash and cash equivalents include cash in hand, term deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

h) **Retirement Benefits:**

i) Contributions to defined contribution schemes such as employees' state insurance, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

ii) Provision for Gratuity is accounted based on the actuarial valuation and charged to Profit & Loss Account.

iii) The Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. Provision for Leave Encashment is made on the basis of leave outstanding at the year ended, Provision for Leave Encashment is accounted based on the actuarial valuation and charged to Profit & Loss Account.

i) Operating Leases:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments under such leases are charged to the Statement of Profit and Loss on a straight line basis over the primary period of the lease.

j) Impairment

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of Profit and Loss. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

k) Earnings per share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

l) Taxes on Income

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

SHINRAI AUTO SERVICES LTD

Consolidated Notes to financial Statements for the year Ended 31st March 2016

	Note No	SHINRAI	REAY ROAD	31st March'2016	31st March'2015
Share Capital					
Share Capital	2				
Authorised Share Capital 7000000 equity shares (p.y 7000000 shares) of Rs 10/ each		70,000,000		70,000,000	70,000,000
No of Issued Subscribed & Fully Paid up Capital 7000000 equity shares (p.y 5000000 shares) of Rs 10/ each		70,000,000		70,000,000	50,000,000
Issued Shares during the year c.y. Nil (p.y.2000000 shares) of Rs 10/ each		-		-	20,000,000
Total		70,000,000		70,000,000	70,000,000
Reconciliation of the shares outstanding at the beginning and at the end of the Year					
At the Beginning of the year		7,000,000		7,000,000	5,000,000
Issued During The year		-		-	2,000,000
As at end of the year		7,000,000		7,000,000	7,000,000
Terms/ Rights attached to equity Shares					
The Company has only one class of equity shares having at par value of 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in indian rupees.					
In the event of liquidation of the Company , the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders					
Shares held by holding/ultimate holding company and/ or their subsidiaries/associates					
None of the shares of the company are held by the Subsidiaries or Associates of the Company.					
Shares held by the Holding Company					
Oricon Enterprises Ltd (holding co.)		69,99,930		69999300 99.99%	69999300 99.99%
(No. of Share holding 69,99,930 shares (P.Y. 69,99,930 Shares)) (@ the Rate of Rs. 10/- per share Fully paid up)					
TOTAL	2	70,000,000	-	70,000,000	70,000,000
Reserve & Surplus					
Balance Statement of Profit & Loss at the begning of the year	3	(51,805,228)	(791,305)	(52,596,533)	(44,970,563)
Add ; Transit effect to schedule II of Companies act 2013 on tangible fixed assets with nil remaining life (Ref. note no. 12)		-	(178,053)	(178,053)	(5,207,479)
Loss for the year		(109,203,542)	(109,556)	(109,313,098)	(2,418,491)
Closing Balance	3	(161,008,770)	(1,078,914)	(162,087,684)	(52,596,533)
Long Term Borrowing					
Secured Loan					
Kotak Mahindra Prime Ltd (secured Against Hypothecation of Vehicles)		4,497,173	-	4,497,173	7,610,693
Interest @ 10.25%, repayable in 36 monthly installments		-		-	
Toyota Financial Services Ltd (secured Against Hypothecation of Vehicles)		3,532,552	-	3,532,552	6,271,236
Interest @ 10.25%, repayable in 36 monthly installments		-		-	
Unsecured Loans					
Kotak Mahindra Prime Ltd (Term Loan)		70,709,516	-	70,709,516	
Oricon Enterprises Ltd (Related Parties)		43,650,000	-	43,650,000	-
Future Capital Holding Company Ltd Interest @ 13% repayable in 180 Installments over 15 Years		175,699,848	-	175,699,848	182,825,139
TOTAL	4	298,089,089	-	298,089,089	196,707,068

Long Term Provision	5				
(a) Provision for Employee Benefits					
1) Leave Encashment		2,543,261	-	2,543,261	2,554,385
2) Gratuity		4,898,096	-	4,898,096	4,637,074
TOTAL	5	7,441,357	-	7,441,357	7,191,459

Short Term Borrowing	6				
(i) Kotak Mahindra Prime Ltd		282,278,378		282,278,378	323,125,589
<i>Nature Of Loan- Working Capital</i>					
(secured Against Hypothecation of vehicles		-		-	-
Amount receivable/ Bookdebts Current Assets)		-		-	-
(ii) Kotak Mahindra Bank Ltd (CC Account)		46,468,833		46,468,833	45,444,258
(hypothecation against spare parts, book debts)		-		-	-
(iii) Kotak Mahindra Bank Ltd		10,784,985		10,784,985	-
(iv) Oriental Containers Ltd		20,000,000		20,000,000	-
(v) Sarvamangal Mercantile Co.		5,000,000		5,000,000	-
TOTAL	6	364,532,196	-	364,532,196	368,569,847

Trade Payable	7	40,630,462	-	40,630,462	43,112,220
TOTAL	7	40,630,462	-	40,630,462	43,112,220

Other Current Liability	8				
(a) Interest Accrued on Borrowing		15,451,105	-	15,451,105	8,372,821
(b) Other Liabilities		954,768	-	954,768	954,768
(C) Other Paybles		-		-	-
Advances From Customer		6,230,534		6,230,534	14,877,835
Credit balance in trade receivable		36,865,220		36,865,220	37,030,438
Statutory Liability		43,820,342	2,464,341	46,284,683	45,552,947
Unpaid Salary & wages		6,412,754		6,412,754	6,442,174
Provision for Expenses		12,506,599	17,175	12,523,774	11,908,213
Current Maturities of Long Term Borrowings		-		-	-
Related Parties					20,650,000
others		23,380,404		23,380,404	14,179,764
TOTAL	8	145,621,726	2,481,516	148,103,242	159,968,960

Short Term Provision	9				
(a) Provision for Employee Benefits					
Gratuity		564,902		564,902	696,435
Leave Encashment		307,004		307,004	-
(b) Others		-		-	-
(i) Provision for Income Tax (Net)		-		-	1,430,309
(ii) Provision for Current Year Tax		-		-	-
TOTAL	9	871,906	-	871,906	2,126,744

Shinrai Auto Services Ltd.

Notes No. 10 Financial Statement for year ended 31st March 2016

FIXED ASSETS (Tangible)

TANGIBLE ASSETS

(Own assets, unless otherwise stated)

	Air Conditioner	Building	Electrical Installation	Furniture & Fixtures	Office Equipments	Plant & Machinery	Workshop Tools	Vehicle	Computer	Reay Road	Lease hold Improvents	Total
Gross Block												
Balance as at April 01, 2014	3,696,477	34,236,674	6,154,642	11,915,144	3,471,065	18,808,777	7,182,142	39,602,902	12,432,168	487,540	-	137,987,531
Additions	188,500	-	-	3,314,806	1,021,527	2,317,621	1,296,941	7,694,082	3,502,508	-	39,035,713	58,471,698
Deletions	-	-	-	-	-	-	-	4,305,600	-	-	-	4,305,600
Effect of GR	1,652,375	-	3,109,923	5,756,563	1,730,986	-	-	-	4,962,993	-	-	17,213,340
Balance as at March 31, 2015	<u>2,232,102</u>	<u>34,236,674</u>	<u>3,044,719</u>	<u>9,473,387</u>	<u>2,761,606</u>	<u>21,126,398</u>	<u>8,479,083</u>	<u>42,991,384</u>	<u>11,071,683</u>	<u>487,540</u>	<u>39,035,713</u>	<u>174,940,289</u>
Additions	-	2,339,851	-	32,500	45,168	862,000	1,654,306	4,932,061	329,000	-	-	10,194,886
Deletions	-	-	-	-	-	-	-	10,572,158	-	-	-	10,572,158
Balance as at March 31, 2016	<u>2,232,102</u>	<u>36,576,525</u>	<u>3,044,719</u>	<u>9,505,887</u>	<u>2,806,774</u>	<u>21,988,398</u>	<u>10,133,389</u>	<u>37,351,287</u>	<u>11,400,683</u>	<u>487,540</u>	<u>39,035,713</u>	<u>174,563,017</u>
Accumulated Depreciation												
Balance as at April 01, 2014	1,763,271	22,867,378	3,907,017	8,793,012	1,860,289	7,099,464	3,841,734	19,221,368	9,738,182	270,601	-	79,362,316
Additions	258,637	1,140,153	576,859	1,084,490	927,718	2,368,723	852,100	6,218,762	1,926,531	5,649	2,162,709	17,522,331
Deletions	-	-	-	-	-	-	-	3,258,895	-	-	-	3,258,895
Effect of change in Method of Dep	529,669	9,737,385	1,247,366	2,258,030	770,977	2,750,837	1,754,531	8,943,288	1,493,751	-	-	29,485,834
Adjusted with General Reserve	- 538,850	-	- 1,019,673	- 977,852	- 859,597	-	-	-	- 1,811,507	-	-	- 5,207,479
Effect of GR	1,652,375	-	3,109,923	5,756,563	1,730,986	-	-	-	4,962,993	-	-	17,213,340
Balance as at March 31, 2015	<u>373,214</u>	<u>14,270,146</u>	<u>1,146,260</u>	<u>2,840,761</u>	<u>1,145,641</u>	<u>6,717,350</u>	<u>2,939,303</u>	<u>13,237,947</u>	<u>7,019,476</u>	<u>276,250</u>	<u>2,162,709</u>	<u>52,134,057</u>
Additions	264,006	1,174,239	349,804	1,151,762	646,011	1,408,161	708,006	6,403,455	2,515,253	3,884	4,349,184	18,973,764
Deletions	-	-	-	-	-	-	-	3,979,818	-	-	-	3,979,818
Adjusted with Reserves	-	-	-	-	-	-	-	-	-	188,909	-	188,909
Balance as at March 31, 2016	<u>642,220</u>	<u>15,444,385</u>	<u>1,496,064</u>	<u>3,992,523</u>	<u>1,791,652</u>	<u>8,125,511</u>	<u>3,647,309</u>	<u>15,661,584</u>	<u>9,534,729</u>	<u>469,043</u>	<u>6,511,893</u>	<u>67,316,913</u>
Net Block												
Balance as at March 31, 2015	<u>1,853,888</u>	<u>19,966,528</u>	<u>1,898,459</u>	<u>6,632,626</u>	<u>1,615,965</u>	<u>14,409,048</u>	<u>5,539,780</u>	<u>29,753,437</u>	<u>4,052,207</u>	<u>211,290</u>	<u>36,873,004</u>	<u>122,806,232</u>
Balance as at March 31, 2016	<u>1,589,882</u>	<u>21,132,140</u>	<u>1,548,655</u>	<u>5,513,364</u>	<u>1,015,122</u>	<u>13,862,887</u>	<u>6,486,080</u>	<u>21,689,703</u>	<u>1,865,954</u>	<u>18,497</u>	<u>32,523,820</u>	<u>107,246,104</u>

Shinrai Auto Services Ltd.

Notes No. 10 Financial Statement for year ended 31st March 2016

FIXED ASSETS (In Tangible)

IN TANGIBLE ASSETS

(Acquired, unless otherwise stated)

Particulars	Computer Software
Gross Block	
Balance as at April 01, 2014	1,107,990
Additions	-
Deletions	-
Adjusted with General Reserve	
Balance as at March 31, 2015	<u>1,107,990</u>
Additions	-
Deletions	-
Balance as at March 31, 2016	<u>1,107,990</u>
Accumulated Depreciation	
Balance as at April 01, 2014	177,460
Additions	110,799
Deletions	-
Effect of change in Method of Dep	- 7,407
Adjusted with General Reserve	-
Balance as at March 31, 2015	<u>295,666</u>
Additions	110,799
Deletions	-
Balance as at March 31, 2016	<u>406,465</u>
Net Block	
Balance as at March 31, 2015	<u>812,324</u>
Balance as at March 31, 2016	<u>701,525</u>

Assets				
Goodwill	11			
Share Capital			100000	100000
Add: Reserve & Surplus as on 03 May 2013			5564601	5564601
Sub Total			5664601	5664601
Less: Share Capital Sold on 3rd May 2013			10000000	10000000
TOTAL	11	-	4,335,399.00	4,335,399.00
Deffered Tax Assets	12			
Depreciation / Amortization charges for the financial reporting		-	22,123	22,123
Gratuity		-	-	-
Leav Encashment		-	-	-
TOTAL	12	-	22,123	22,123
Long Term Loan & Advances	13			
Unsecured Considered Good				
Advance to Ralated Party		-	-	807,780
Advance to others		10,650,000	65,500	10,715,500
Deposits		-	-	-
Unsecured Considered Good		-	-	-
1) with Related Parties		-	-	-
2) Other		13,499,911	-	13,499,911
Other Loan & advances		-	-	-
1) Prepaid Expenses		2,153,971	-	2,153,971
2) Service Tax on Input Materials		1,347,592	-	1,347,592
3) Value Added Tax on Input Materials		3,426,307	-	3,426,307
4) Tax Deduction at Source		23,732,776	-	23,732,776
TOTAL	13	54,810,558	65,500	54,876,058
Other Non Current Assets	14			
Margin Money in Indusnd Bank		18,105	-	18,105
TOTAL	14	18,105	-	18,105
Inventories -Traded	15			
Motor Vehicles		120,446,814	-	120,446,814
Spares Parts & Tools		26,184,928	-	26,184,928
TOTAL	15	146,631,742	-	146,631,742
Trade Receivable	16			
Unsecured Considered Good :				
(a) Outstanding for a period exceeding six months		96,233,679	-	96,233,679
(b) others		161,493,613	-	161,493,613
TOTAL	16	257,727,292	-	257,727,292

Cash & Cash Equivalents	17				
(a) Balances with Scheduled Banks		7,264,886	167,169	7,432,055	37,309,762
(b) Cash On Hand		806,393	1,578,246	2,384,639	3,029,307
TOTAL	17	8,071,279	1,745,415	9,816,694	40,339,069
Short Term Loan & Advances	18				
Advance to employees		2,330,409	-	2,330,409	2,685,032
TOTAL	18	2,330,409	-	2,330,409	2,685,032
Other current Assets	19				
Advance Recoverable in cash & kinds					
Considered Good		3,492,863	-	3,492,863	4,186,646
Octroi Refund Excess Payment Claimed from MCGM		711,463	-	711,463	711,463
TOTAL	19	4,204,326	-	4,204,326	4,898,109

As per our report of even date attached

For and on behalf of

For and on behalf of the Board

Batliboi & Purohit

Chartered Accountants

Firm Registration No :- 101048W

K. A. Mehta

Kaushal A. Mehta

Partner

Membership No. 111749

Place : Mumbai

Date : 16/05/2016



Rajendra Somani

Rajendra Somani

Director

DIN : 00332465

Varun Somani

Varun Somani
Managing Director

DIN : 00015384

SHINRAI AUTO SERVICES LTD

Consolidated Notes to financial statements for the year ended 31st March 2016

		SHINRAI	REAYROAD	31st March'2016	31st March'2015
REVENUE FROM OPERATIONS	NOTE				
	20				
<u>Sale of Product</u>					
<u>Traded Goods</u>					
(A) Car		2,684,230,143	-	2,684,230,143	2,954,877,991
(B) Sale of Service		113,628,535	-	113,628,535	88,989,770
(C) Sale of Spare Parts		284,770,755	-	284,770,755	279,715,720
<u>Other Operating Revenue</u>				-	-
Scrap Sales		124,829	-	124,829	25,048
TOTAL	20	3,082,754,263	-	3,082,754,263	3,323,608,529
<u>Other Income</u>	21				
(1) Insurance commission & Finance Incentive		37,892,169	-	37,892,169	37,993,345
(2) Credit Balance Written Back		12,967,341	-	12,967,341	5,683,742
(3) Commission on Car Sale		-	-	-	4,093,985
(4) Interest Received		4,011	-	4,011	19,019,677
(5) Others		5,691,776	-	5,691,776	1,719,459
TOTAL	21	56,555,297	-	56,555,297	68,510,208
<u>Purchases of Traded goods</u>	22				
Cars		2,221,792,138	-	2,221,792,138	2,556,706,978
Spares Parts & Others		234,094,235	-	234,094,235	229,090,344
TOTAL	22	2,455,886,373	-	2,455,886,373	2,785,797,322
<u>Changes In inventories</u>	23				
Inventory at the beginning of the year :					
Traded Goods		214,529,160	-	214,529,160	131,059,225
Inventory at the end of the year :					
Traded Goods		146,631,742	-	146,631,742	214,529,160
TOTAL	23	67897418	0	67897418	(83469935)

Finance Cost	24				
Documentry Charges on borrowing loans		1,699,285	-	1,699,285	226,384
Interest on Borrowing		79,992,742	-	79,992,742	68,478,453
	24	81,692,027	-	81,692,027	68,704,837
Employees Benefit Expenses	25				
Salary, Wages & Bonus		73,580,443	-	73,580,443	70,219,631
Director Remuneration		2,701,440	-	2,701,440	2,701,440
Contribution to Provident & Other Funds		4,128,786	-	4,128,786	3,969,390
Gratuity		800,865	-	800,865	1,936,306
Leave Encashment		818,464	-	818,464	84,536
Staff Welfare Expenses		1,212,095	-	1,212,095	1,247,965
TOTAL	25	83,242,093	-	83,242,093	79,990,196

Other Expenses	26				
Electricity Charges		15,208,816	-	15,208,816	11,818,106
Freight & Forwarding Charges		3,108,296	-	3,108,296	3,440,492
Rent		33,675,138	-	33,675,138	22,350,685
Office Maintainance Exps		7,506,000	-	7,506,000	7,506,000
Rates & Taxes		1,316,310	-	1,316,310	8,717,383
Registration Charges		294,487,441	-	294,487,441	313,544,949
Insurance Charges		1,521,322	-	1,521,322	650,094
Insurance Expenses		2,983,670	-	2,983,670	2,894,034
Repairs & Maintainance		-	-	-	-
I) Plant & Machinery		1,909,308	-	1,909,308	2,053,906
II) Repairs to Buildings		794,378	-	794,378	1,843,825
III) Repairs to Others		4,862,288	-	4,862,288	3,296,426
Advertising & Sales Promotion Expenses		7,192,409	-	7,192,409	10,096,731
Office Expenses		23,236,479	2,040	23,238,519	21,657,440
Travelling & Conveyance		2,467,123	-	2,467,123	1,656,131
Communication Expenses		2,500,467	-	2,500,467	1,923,627
Printing & Stationary		2,058,460	-	2,058,460	1,951,746
Legal & Professional Fees		2,399,901	40,500	2,440,401	1,746,906

Director sitting Fee	37,500	-	37,500	31,500
Payment to Auditor	-	-	-	-
I) Audit Fee	40,000	17,175	57,175	51,236
II) Tax Audit Fee	12,500	-	12,500	12,500
III) Other Services	60,600	-	60,600	40,250
Octroi charges	72,671,414	-	72,671,414	81,570,171
Bad Dabts	161,189	-	161,189	-
Petrol Expenses	-	-	-	-
I) New Cars	3,189,603	-	3,189,603	5,050,382
II) Services	1,084,897	-	1,084,897	273,443
Workshop Expenses	34,932,859	-	34,932,859	28,639,863
Miscellaneous Expenses	21,296,142	20,079	21,316,221	18,306,583
TOTAL	26	540,714,511	79,794	540,794,305

Depreciation & Amortization Exp	27	-	-	-
Depreciation on Tangible Assets	18,969,880	3,885	18,973,765	17,546,857
Amortisation on Intangible Assets	110,799	-	110,799	110,799
TOTAL	27	19,080,679	3,885	19,084,564

As per our report of even date attached

For and on behalf of

Batliboi & Purohit

Chartered Accountants

Firm Registration No :- 101048W

K. A. Mehta

Kaushal A. Mehta

Partner

Membership No. 111749

Place : Mumbai

Date : 16/03/2016



For and on behalf of the Board

Rajendra Somani

Rajendra Somani

Director

DIN : 00332465

Varun Somani

Varun Somani

Managing Director

DIN : 00015384

- 28) balances of Sundry Debtors amounting to Rs 25,77,27,292/- Creditors amounting to Rs 4,06,30,462/- , Loans taken aggregating Rs 29,80,89,089/- loans and advances given aggregating to Rs 1,07,15,500/- for which confirmation are not available are subject to adjustment or settlements. Sundry Debtors exceeding six months referred to Note no. 16 are considered 'good and recoverable' by the management.

29) **Deferred Taxation**

As the Group has unabsorbed depreciation and carry forward tax losses, no deferred tax assets are recognised as there is no virtual certainty supported by convincing evidence that they can be realised against future taxable profits. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date for any write down, as considered appropriate.

30) **Earning Per Shares**

	March 2016	March 2015
a) Profit/(Loss) After Tax (Rs.)	(10,93,13,098)	(24,18,491)
b) Weighted Average No. of Equity Shares - calculate for current year by weighted average method.	70,00,000	50,19,178
c) Earning Per Share	(15.62)	(0.48)

31) **Employees Benefits**

Consequent upon adoption of Accounting Standard on " Employees Benefits" (AS-15) (Revised 2005) issued by the Institute Of Chartered Accountants of India, as required by the Standard, the following disclosures are made:

a) **Gratuity**

		2015-16 Gratuity (Unfunded)	2014-15 Gratuity (Unfunded)
a)	Change in benefit obligations		
	Defined benefit obligation at the beginning of the year	53,33,509	35,38,576
	Current Service cost	6,78,313	4,70,749
	Interest cost	4,24,547	3,29,441
	Actuarial (gain)/loss on obligations	(3,01,995)	6,63,514
	Benefit paid	(6,71,376)	(1,41,373)
	Defined benefit obligation at the end of the year recognized in Balance sheet	54,62,998	53,33,509
b)	Assumptions used in the accounting for defined benefit plans		
	Discount Rate	8.01%	7.96%
	Salary Escalation Rate	5.00%	5.00%
	Attrition Rate	2.00%	2.00%

C)	Expenses recognized in the income Statement	01/04/2015- 31/03/2016	01/04/2014- 31/03/2015
	Current Service Cost	6,78,313	4,70,749
	Interest cost	4,24,547	3,29,441
	Actuarial (Gain/Loss)	(3,01,995)	11,36,116
	Expense Recognized in P& L	8,00,865	19,36,306

b) Leave Encashment

	2015-16 Leave Encashment (Unfunded)	2014-15 Leave Encashment (Unfunded)
Projected Benefit Obligation	INR 28,50,265	INR17,26,563
Funding Status	Unfunded	Unfunded
Fund Balance	N.A.	N.A
Current Liability	INR 3,07,004	INR 2,83,227
Non Current Liability	INR 25,43,261	INR14,43,336

Date of Valuation	31.03.2016	31.03.2015
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Retirement Age	58 Years	58 Years
Attrition Rate	2.00% p.a (as per applicable)	2.00% p.a for all Service Groups.
Salary Escalation Rate	5.00% p.a	5.00% p.a
Discount Rate	8.01% p.a.	7.96% p.a.
While in Service Encashment Rate	Not Considered For the Valuation	Not Considered For the Valuation

32) Segment Information

The Company is the Dealer of Toyota Cars and is in the business of servicing of cars incidental to the dealership. Due to the Nature of business and risk and return profile, the business of the company is considered as a single segment and accordingly there are no separate reportable segment as required by the Accounting standard on segment Reporting (AS-17) issued by the ICAI.

33) Foreign Currency

Expenditure in foreign currency is Nil (Previous year is Nil)
Earnings in foreign currency is Nil (Previous year is Nil)

34) **Related Party Disclosures**

Disclosure as per Accounting Standard 18 (AS-18) "Related Party Disclosure" issued by the Institute of Chartered Accountants of India

- 1) Holding Company
Oricon Enterprises Ltd.
- 2) Enterprises owned or controlled (Wholly Owned Subsidiaries)
Reay Road Iron & Metal Warehousing Pvt Ltd.
- 3) Key Managerial Personnels (KMP)
Mr.Varun Somani (Managing Director)
- 4) Enterprises significantly influenced by KMP or their relatives (with whom there are transactions)
 - a) Kopran Laboratories Ltd
 - b) Kopran Limited
 - c) Oriental Containers Ltd

Details of transactions, with related parties are as follows :

Particulars	Year ended 31st March 2016	Year ended 31st March 2015
1) Holding Company – Oricon Enterprises Ltd.		
Loan taken during the year	4,50,00,000	2,00,00,000
Loan repaid during the year	2,20,00,000	4,80,00,000
Sales of vehicle, Services & Facilities	15,568	11,702
Rent Paid	-	-
Interest Paid	33,70,986	52,05,289
<u>Outstanding Balances</u>		
Unsecured Loan Payable	4,36,50,000	2,06,50,000
Debtors	-	-
Interest (Payable)	96,98,161	63,27,175
Loan & Advances (Receivable)	-	-
2) Key Managerial Personnels (KMP) Mr.Varun Somani (Managing Director)		
Basic Salary-	15,12,000	
HRA-	7,56,000	
Conveyance-	1,80,000	
Special Allowance-	72,000	
P. Fund-	1,81,440	
Grand Total-	27,01,440	27,01,440
The above figures do not include provision for gratuity, as separate figure is not available for the managing director		
3) Enterprises significantly influenced by KMP or their relatives (with whom there are transactions)		

a) Kopran Laboratories Limited		
Loan Given	30,00,000	8,20,00,000
Interest	-	44,04,328
Loan Received back	30,00,000	8,20,00,000
<u>Outstanding Balances</u>		
Interest Receivable	-	8,07,780
b) Kopran Limited		
Loan Taken	11,00,00,000	5,20,00,000
Interest Payable	11,18,530	
Loan Repaid	11,00,00,000	5,20,00,000
Interest Paid	11,18,530	
Sale of Vehicle	19,79,216	29,56,171
Vehicles Service charges	5,13,486	3,95,169
c) Oriental Containers Ltd		
Loan Taken	4,00,00,000	
Interest Payable	16,22,950	
Loan Repayment	2,00,00,000	
Interest Paid	16,22,950	
d) Varun somani		
Loan taken	99,00,000	
Loan Repayment	99,00,000	

35)

a) Stock and Turnover:

		For the year ended 31 st MARCH, 2016		For the year ended 31 st MARCH, 2015	
		QTY.	VALUE	QTY	VALUE
A.	TURNOVER	Nos.	Rs.	Nos.	Rs.
	Cars	1765	2,68,42,30,143	2055	2,95,48,77,991
	Service (*)		11,36,28,535		8,89,89,770
	Spare Parts (*)		28,47,70,755		27,97,15,720
B.	PURCHASES				
	Cars	1706	2,22,17,92,138	2104	2,55,67,06,978
	Spares Parts (*)		23,40,94,235		22,90,90,344
C.	OPENING STOCK				
	Cars	175	18,69,60,438	126	11,09,30,582
	Spares Parts (*)		2,75,68,722		2,01,28,643
D.	CLOSING STOCK				
	Cars	116	12,04,46,814	175	18,69,60,438
	Spares Part		2,61,84,928		2,75,68,722

(*) Consists of various items, hence quantitative details are not possible.

36) The company has taken various commercial premises under cancelable operating lease. The rent expenses included in the statement of profit & loss for the year is Rs 3,36,75,138/- (Previous Year Rs 2,23,50,685/-). None of the lease agreement entered into by the company contains a clause on contingent rent. The Company has taken many premises on rent and most of the agreements contain an escalation clause which varies depending upon the specific arrangement with the lessor. In all the rent agreements there are no terms for purchase option or any restriction such as those concerning dividend and additional debts.

37) DISCLOSURES PURSUANT SECTION 186 OF THE COMPANIES ACT, 2013

	Year ended 31 st March, 2016	Year ended 31 st March, 2015
Loan to Related Parties:Kopran Laboratories Limited Balance as at the year end (Interest o/s)	-	8,07,780
Maximum amount outstanding at any time during the year (Kopran Laboratories Limited has utilized the loan for business purpose and the loan carries an average rate of interest of 18 %)	-	4,56,35,158

38) Previous year figures have been regrouped/ reclassified wherever necessary.

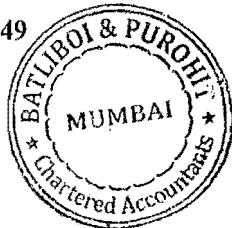
As per our report of even date attached.
For **BATLIBOI AND PUROHIT**
Chartered Accountants
Firm Registration No: - 101048W

for and on behalf of Board

Kaushal A. Mehta

Kaushal A. Mehta
Partner
Membership No.: 111749

Place: Mumbai
Date: 16/05/2016



Rajendra Somani

Rajendra Somani
Director
DIN : 00332465

Varun S. Somani

Varun S. Somani
Managing Director
DIN : 00015384