

**Eternity Business Centre Limited**

Financial Statements  
together with Auditors' Report  
for the year ended 31 March 2016

# **Eternity Business Centre Limited**

## **Financial statements together with Auditors' Report** *for the year ended 31 March 2016*

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**KHANDELWAL PRAKASH MURARI BHANDARI & CO.**  
CHARTERED ACCOUNTANTS

## **INDEPENDENT AUDITOR'S REPORT**

**TO**  
**THE MEMBERS OF**  
**ETERNITY BUSINESS CENTRE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Eternity Business Centre Limited ("the Company")**, which comprise the Balance Sheet as at 31st March, 2016, Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

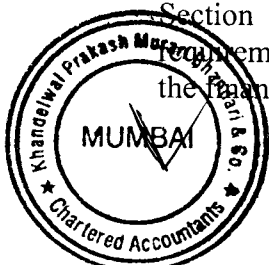
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

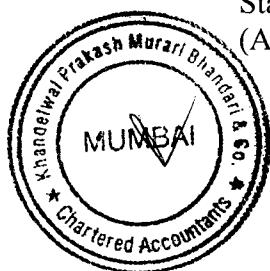
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, its Loss and its cash flows for the year ended on that date.

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

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matter specified in the paragraph 3 and 4 of the order.
- 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.
  - 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, 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, as applicable.



- e) On the basis of the written representations received from the Directors of the company 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 of the Company and the operating effectiveness of such controls, refer to our Report in “**Annexure B**”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The company does not have any pending litigations which would impact its financial position.
  - ii. The company did not have any long term contracts including derivative contracts for which any provision required for 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 Khandelwal Prakash Murari Bhandari & Co.**

Chartered Accountants

(Firm’s Registration No. 102454W)

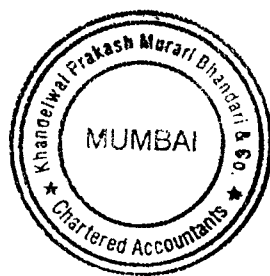
Pawan Kumar Gupta

Partner

Membership No. 051713

Place: Mumbai

Date: 10th May 2016



**M/s ETERNITY BUSINESS CENTRE LIMITED**

**Annexure "A" to Independent Auditor's Report**

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- (c) According to the information and explanations given to us and records examined by us, the title deeds of immovable properties are held in the name of the Company.
- (ii) Based on our examination of documents and records, the Company did not own any physical inventory at any time during the year. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanation given to us, during the year the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
- (iv) The Company has not granted any loans, guarantees, security or has not made any investment which attracts the provisions of section 185 and 186 of the Companies Act 2013. Accordingly, paragraph 3(iv) of the order is not applicable.
- (v) The Company has not accepted any deposits from public.
- (vi) The Central Government has not prescribed the maintenance of Cost records under section 148 (1) of Act, for the Company.
- (vii) (a) According to the information and explanation given to us and records examined by us, the Company is regular in depositing undisputed statutory dues including income tax, service tax and any other statutory dues applicable to the company with the appropriate authorities. As explained to us, the Company does not have any dues on account of provident fund, employees' state insurance, wealth tax, duty of customs, duty of excise and value added tax.

According to the information and explanation given to us, there are no undisputed statutory dues payable in respect of income tax, service tax and any other material statutory dues applicable to the company which are outstanding as on 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues of Income tax, service tax and other material statutory dues applicable to the company which have not been deposited on account of any dispute.



- (viii) Based on the information available and explanations given by the management, the company has not taken any loan from financial institutions, banks, government or debenture holders. Accordingly, paragraph 3(viii) of the order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The Company has not paid/provided any managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and records examined by us, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and records examined by us, 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 records examined by us, 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 Khandelwal Prakash Murari Bhandari & Co.**

Chartered Accountants

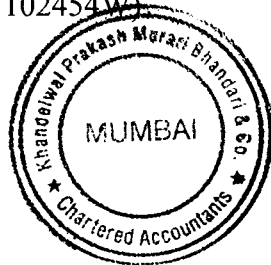
(Firm's Registration No. 102454W)

Pawan Kumar Gupta  
Partner

Membership No. 051713

Place: Mumbai

Date: 10th May 2016



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

### **Report on the Internal Financial Controls over financial reporting 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 **Eternity Business Centre Limited ("the Company")** as at 31<sup>st</sup> March 2016 in conjunction with our audit of the financial statements of the Company for the year ended and as on that date.

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

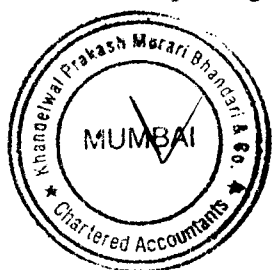
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note'). 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 Standard of Auditing prescribed under section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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





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

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

### **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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> 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 Khandelwal Prakash Murari Bhandari & Co.**

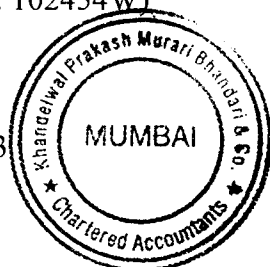
Chartered Accountants

(Firm's Registration No. 102454W)

Pawan Kumar Gupta

Partner

Membership No. 051713



Place: Mumbai

Date: 10th May 2016

# Eternity Business Centre Limited

## Balance Sheet

(Currency : Indian rupees)

### EQUITY AND LIABILITIES

#### Shareholders' funds

- (a) Share capital
- (b) Reserves and surplus

#### Non-current liabilities

- (a) Other long term liabilities

#### Current liabilities

- (a) Short-term borrowings
- (b) Trade payables
  - Total outstanding dues of Micro, Small and Medium enterprises
  - Total outstanding dues of creditors other than Micro, Small and Medium enterprises
- (c) Other current liabilities

### TOTAL

### ASSETS

#### Non-current assets

- (a) Fixed assets
  - (i) Tangible assets
  - (ii) Capital work-in-progress
- (b) Deferred tax assets (net)
- (c) Long-term loans and advances

#### Current assets

- (a) Trade receivables
- (b) Cash and bank balances
- (c) Short-term loans and advances
- (d) Other current assets

### TOTAL

Note	As at 31 March 2016	As at 31 March 2015
2.1	191,605,000	191,605,000
2.2	(38,331,190)	(1,493,627)
	<b>153,273,810</b>	<b>190,111,373</b>
2.3	11,475,600	-
2.4	205,307,644	-
2.27	-	-
2.5	20,185,229	26,500
2.6	7,512,443	2,518
	<b>397,754,726</b>	<b>190,140,391</b>
2.7	301,868,710	-
	-	189,340,880
2.8	17,140,865	650,136
2.9	5,886,498	-
	<b>324,896,073</b>	<b>189,991,016</b>
2.10	24,942,767	-
2.11	765,000	145,667
2.12	1,129,827	3,708
2.13	46,021,059	-
	<b>72,858,653</b>	<b>149,375</b>
	<b>397,754,726</b>	<b>190,140,391</b>

Significant accounting policies and notes to financial statements

1 & 2

As per our report of even date attached.

For M/s. Khandelwal Prakash Murari Bhandari & Co.

Chartered Accountants

Firms' Registration No. 102454W

Pawan Kumar Gupta

Partner

Membership No.: 051713



For and on behalf of the Board of Directors

Vishal Madia

Director

DIN No.: 06865560

Ramaswamy Krishnan

Director

DIN No.: 05158707

Kashyap Mehta

Chief Financial Officer

Karan Sahani

Company Secretary

Karan Verma

Manager

Mumbai  
10 May 2016

Mumbai  
10 May 2016

# Eternity Business Centre Limited


## Statement of Profit and Loss

(Currency : Indian rupees)

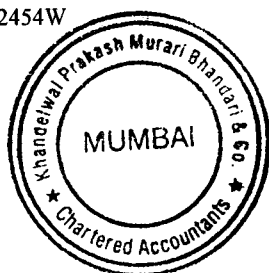
		For the Year 01 April 2015 to 31 March 2016	For the Period 31 October 2014 to 31 March 2015
<b>Revenue from operations</b>	<b>Note</b>		
Business centre service charges		20,084,754	-
Income from treasury operations and investments	2.14	(38,670,184)	-
Other operating revenue	2.15	249,672	-
<b>Other income</b>	2.16	115,000	-
<b>Total Revenue</b>		<b>(18,220,758)</b>	<b>-</b>
<b>Expenses</b>			
Finance costs	2.17	8,110,752	4,016
Depreciation and amortization expenses	2.7	14,615,756	-
Other expenses	2.18	12,381,026	2,139,747
<b>Total Expenses</b>		<b>35,107,534</b>	<b>2,143,763</b>
Loss before tax		(53,328,292)	(2,143,763)
Tax expense:			
Deferred tax benefit		(16,490,729)	(650,136)
<b>Loss for the year / period</b>		<b>(36,837,563)</b>	<b>(1,493,627)</b>
Earnings per equity share:			
Basic & diluted earnings per share (Face Value of Rs. 10 each)	2.24	(1.92)	(0.22)

Significant accounting policies and notes to financial statements  
As per our report of even date attached.

For M/s. Khandelwal Prakash Murari Bhandari & Co.  
Chartered Accountants  
Firms' Registration No. 102454W

  
Pawan Kumar Gupta  
Partner

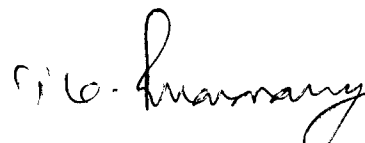
Membership No.: 051713



For and on behalf of the Board of Directors

  
Vishal Madia  
Director

DIN No.: 06865560

  
Ramaswamy Krishnan  
Director

DIN No.: 05158707

  
Kashyap Mehta  
Chief Financial Officer

  
Karan Sahani  
Company Secretary

  
Karan Verma  
Manager

Mumbai  
10 May 2016

Mumbai  
10 May 2016

# Eternity Business Centre Limited

## Cash Flow Statement

(Currency : Indian rupees)

**For the Year**  
**01 April 2015**  
**to 31 March 2016**

**For the Period**  
**31 October 2014**  
**to 31 March 2015**

### A Cash flow from operating activities

Loss before taxation	(53,328,292)	(2,143,763)
Depreciation	14,615,756	-
Interest expense	8,110,182	3,842
<b>Operating cash flow before working capital changes</b>	<b>(30,602,354)</b>	<b>(2,139,921)</b>
Add / (Less): Adjustments for working capital changes		
Increase in trade receivables	(24,942,767)	-
Increase in loans and advances	(4,908,877)	(3,708)
Increase in other assets	(46,021,059)	-
Increase in liabilities and provisions	38,126,202	29,018
<b>Cash used in operations</b>	<b>(68,348,855)</b>	<b>(2,114,611)</b>
Income taxes paid	2,103,740	-
<b>Net cash used in operating activities - A</b>	<b>(70,452,595)</b>	<b>(2,114,611)</b>

### B Cash flow from investing activities

Purchase of fixed assets	(127,143,586)	-
Paid for Capital work-in-progress	-	(189,340,880)
<b>Net cash used in investing activities - B</b>	<b>(127,143,586)</b>	<b>(189,340,880)</b>

### C Cash flow from financing activities

Proceeds from issue of Equity share capital	-	191,605,000
Short-term Loan taken	205,307,644	2,466,935
Short-term Loan repaid	-	(2,466,935)
Interest paid	(7,092,130)	(3,842)
<b>Net cash generated from financing activities - C</b>	<b>198,215,514</b>	<b>191,601,158</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>619,333</b>	<b>145,667</b>

Cash and cash equivalent as at the beginning of the period  
Cash and cash equivalent as at the end of the year (Refer note 2.11)

145,667  
765,000

-  
145,667

Net figures have been reported on account of volume of transactions.

As per our report of even date attached.

**For M/s. Khandelwal Prakash Murari Bhandari & Co.**  
*Chartered Accountants*  
Firm's Registration No. 102454W

**Pawan Kumar Gupta**  
Partner  
Membership No.: 051713



**For and on behalf of the Board of Directors**

*Vishal Madia*  
**Vishal Madia**  
Director  
DIN No.: 06865560

*Ramaswamy Krishnan*  
**Ramaswamy Krishnan**  
Director  
DIN No.: 05158707

*Kashyap Mehta*  
**Kashyap Mehta**  
Chief Financial Officer

*Karan Sahani*  
**Karan Sahani**  
Company Secretary

*Karan Verma*  
**Karan Verma**  
Manager

Mumbai  
10 May 2016

Mumbai  
10 May 2016

# Eternity Business Centre Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2016

(Currency: Indian rupees)

### 1. Significant accounting policies

#### 1.1 Basis of preparation of financial statements

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention, on the accrual basis of accounting, unless otherwise stated, and comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) rules, 2014, the provisions of the Companies Act, 2013 (to the extent notified), (hereinafter referred to as 'the Act') and the Schedule III to the Act. The financial statements are presented in Indian rupees.

#### 1.2 Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, disclosure of contingent liabilities on date of the financial statements and reported amount of revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results could differ from the estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

#### 1.3 Current / non-current classification

All assets and liabilities are classified into current and non-current.

##### Assets

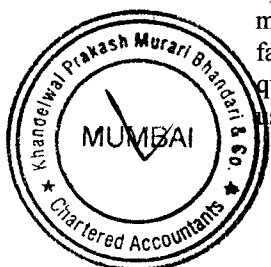
An asset is classified as current when it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle or it is held primarily for the purpose of being traded or it is expected to be realized within 12 months after the reporting date or it is cash or cash equivalent unless it is restricted from being exchanged or expected to be used to settle a liability for at least 12 months after the reporting date. Current assets include the current portion of non-current assets. All other assets are classified as non-current.

##### Liabilities

A liability is classified as current when it is expected to be settled in the company's normal operating cycle or it is held primarily for the purpose of being traded or it is due to be settled within 12 months after the reporting date or the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. Current liabilities include current portion of non-current liabilities. All other liabilities are classified as non-current.

#### 1.4 Revenue recognition

- a. Business centre service charges are recognised on accrual basis by reference to the agreement entered.
- b. Interest income is recognised on accrual basis.
- c. Income from treasury operations comprises profit/loss on sale of currency derivative instruments. In which, realised profit/ loss on closed positions of derivative instruments is recognized on final settlement on squaring-up of the contracts. Outstanding derivative contracts in the nature of forwards / futures / options are measured at fair value as at the balance sheet date. Fair value is determined using quoted market prices in an actively traded market, for the instrument, wherever available, as the best evidence of fair value. In the absence of quoted market prices in an actively traded market, market intermediary quotes, valuation techniques are used to determine the fair value. In most cases the valuation techniques use observable market data as input parameters in order to ensure reliability of the fair value measure.



# Eternity Business Centre Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian rupees)

### 1. Significant accounting policies (Continued)

#### 1.5 Fixed assets and depreciation

##### Tangible fixed assets and Capital work in progress

Tangible fixed assets acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Capital work in progress comprises the cost of fixed assets that are not ready for its intended use at the reporting date.

Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided up to the date of disposal.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule II of the Act for calculating the depreciation.

The estimated useful lives of the fixed assets are as follows:

Nature of assets	Useful Life
Building (other than factory building)	60 years
Furniture and fixtures	10 years
Office Equipment	5 years
Computers - Servers and networks	6 years
Computers - End user devices, such as desktops, laptops, etc.	3 years

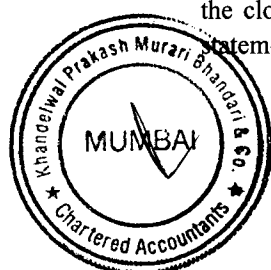
#### 1.6 Impairment of assets

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

#### 1.7 Foreign currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in the statement of profit and loss for the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.



# Eternity Business Centre Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian rupees)

### 1. Significant accounting policies (Continued)

#### 1.8 Tax

Tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961), deferred tax charge or benefit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

##### *Current tax*

Provision for current tax is recognised based on estimated tax liability computed after adjusting for allowances, disallowances and exemptions in accordance with the Income Tax Act, 1961.

##### *Deferred tax*

The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognised using the tax rates that have been enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of these assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

##### *Minimum alternative tax (MAT)*

MAT credit asset is recognised where there is convincing evidence that the asset can be realised in future. MAT credit assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

#### 1.9 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – “Earnings Per Share”. Basic earnings per share is computed by dividing the net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

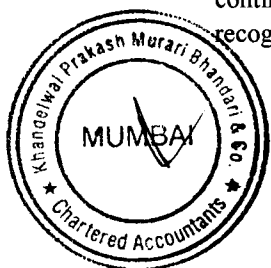
Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earning per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

#### 1.10 Provisions and contingencies

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.



# Eternity Business Centre Limited

## Notes to the financial statements

(Currency : Indian rupees)

	As at 31 March 2016	As at 31 March 2015
<b>2.1 Share capital</b>		
<b>Authorised :</b>		
21,000,000 (Previous Year: 21,000,000) equity shares of Rs. 10 each	210,000,000	210,000,000
	<u>210,000,000</u>	<u>210,000,000</u>
<b>Issued:</b>		
19,160,500 (Previous Year: 21,000,000) equity shares of Rs. 10 each	191,605,000	210,000,000
	<u>191,605,000</u>	<u>210,000,000</u>
<b>Subscribed and Paid up:</b>		
19,160,500 (Previous Year: 19,160,500) equity shares of Rs. 10 each, fully paid-up	191,605,000	191,605,000
	<u>191,605,000</u>	<u>191,605,000</u>
The entire equity paid up capital is held by Edelweiss Commodities Services Limited, the holding company and its nominees		
<b>a. Reconciliation of number of shares outstanding:</b>		
Number of shares outstanding at the beginning of the year / period	19,160,500	-
Shares issued during the year / period	-	19,160,500
Number of shares at the end of the year / period	<u>19,160,500</u>	<u>19,160,500</u>
<b>b. Reconciliation of Share Capital:</b>		
Share Capital at the beginning of the year / period	191,605,000	-
Share Capital issued during the year / period	-	191,605,000
Share Capital at the end of the year / period	<u>191,605,000</u>	<u>191,605,000</u>
<b>c. Terms/rights attached to equity shares:</b>		
The Company has only one class of shares referred to as equity shares having a par value of Rs 10 each. Each holder of equity shares is entitled to one vote per share held.		
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 proportion to the number of equity shares held by the shareholders		
<b>2.2 Reserves and surplus</b>		
Opening Balance in Statement of Profit and Loss	(1,493,627)	-
Less: Loss for the year / period	(36,837,563)	(1,493,627)
<b>Closing Balance in Statement of Profit and Loss</b>	<u>(38,331,190)</u>	<u>(1,493,627)</u>





# Eternity Business Centre Limited

## Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2016	As at 31 March 2015
<b>2.3 Other long term liabilities</b>		
Rental Deposits	11,475,600	-
	<u>11,475,600</u>	<u>-</u>
<b>2.4 Short-term borrowings</b>		
<u>Unsecured</u>		
Loan from related party (repayable on demand, at an interest rate of 11.50 per cent per annum)	205,307,644	-
	<u>205,307,644</u>	<u>-</u>
<b>2.5 Trade payables</b>		
Trade payables (refer note 2.27) (includes sundry creditors, provision for expenses)	20,185,229	26,500
	<u>20,185,229</u>	<u>26,500</u>
<b>2.6 Other current liabilities</b>		
Interest accrued and due on borrowings	1,018,052	-
Other payables		
Withholding and other taxes payable	1,707,204	2,518
Book overdraft	932,336	-
Retention money payable	3,854,851	-
	<u>7,512,443</u>	<u>2,518</u>



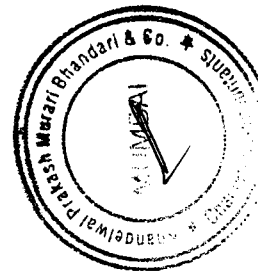
## Eternity Business Centre Limited

### Notes to the financial statements (Continued)

(Currency : Indian rupees)

#### 2.7 Fixed assets

Description of Assets	Gross Block			Depreciation		Net Block	
	As at 1 April 2015	Additions during the year	Deductions during the year	As at 31 Mar 2016	As at 31 Mar 2016	As at 31 Mar 2016	As at 31 March 2015
<b>Tangible assets</b>							
Building	-	238,117,654	-	238,117,654	3,876,291	234,241,363	-
Furniture and Fixtures	-	6,283,290	-	6,283,290	522,311	5,760,979	-
Office equipment	-	39,078,174	-	39,078,174	5,692,858	33,385,316	-
Computers	-	33,005,348	-	33,005,348	4,524,296	28,481,052	-
<b>Total : A</b>	-	<b>316,484,466</b>	-	<b>316,484,466</b>	<b>14,615,756</b>	<b>301,868,710</b>	-
Previous Year	-	-	-	-	-	-	-



# Eternity Business Centre Limited

## Notes to the financial statements (*Continued*)

(Currency : Indian rupees)

	As at 31 March 2016	As at 31 March 2015
<b>2.8 Deferred taxes (Net)</b>		
<b>Deferred tax assets on account of</b>		
Accumulated Losses	19,835,885	-
Deferred tax assets on account of stamp duty and ROC expenses	529,938	650,136
	<u>20,365,823</u>	<u>650,136</u>
<b>Deferred tax liabilities on account of</b>		
Difference between book and tax depreciation	3,224,958	-
	<u>17,140,865</u>	<u>650,136</u>
<b>2.9 Long-term loans and advances</b>		
Security deposits	958,500	-
Prepaid expenses	2,824,258	-
Advance income taxes	2,103,740	-
	<u>5,886,498</u>	<u>-</u>



# Eternity Business Centre Limited

## Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2016	As at 31 March 2015
<b>2.10 Trade receivables</b>		
Other debts		
Unsecured, considered good	24,942,767	-
	<u>24,942,767</u>	<u>-</u>
<b>2.11 Cash and bank balances</b>		
Balances with banks		
- in Current accounts	765,000	145,667
	<u>765,000</u>	<u>145,667</u>
<b>2.12 Short-term loans and advances</b>		
Prepaid expenses	1,000,140	-
Vendor advances	129,687	-
Input tax credits	-	3,708
	<u>1,129,827</u>	<u>3,708</u>
<b>2.13 Other current assets</b>		
Accrued interest on margin	18,610	-
Margin placed with broker	46,002,449	-
	<u>46,021,059</u>	<u>-</u>



# Eternity Business Centre Limited

## Notes to the financial statements (Continued)

(Currency : Indian rupees)

	For the Year 01 April 2015 to 31 March 2016	For the Period 31 October 2014 to 31 March 2015
<b>2.14 Income from treasury operations and investments</b>		
Profit/ (loss) on trading in currency derivative instruments (net)	(38,670,184)	-
	<u>(38,670,184)</u>	<u>-</u>
<b>2.15 Other operating revenue</b>		
Interest income on margin with brokers	249,672	-
	<u>249,672</u>	<u>-</u>
<b>2.16 Other income</b>		
Miscellaneous income	115,000	-
	<u>115,000</u>	<u>-</u>



# Eternity Business Centre Limited

## Notes to the financial statements (Continued)

(Currency : Indian rupees)

	For the Year 01 April 2015 to 31 March 2016	For the Period 31 October 2014 to 31 March 2015
<b>2.17 Finance costs</b>		
Interest on loan from holding company	8,109,744	3,842
Interest - others	438	-
Financial and bank charges	570	174
	<b>8,110,752</b>	<b>4,016</b>
<b>2.18 Other expenses</b>		
Auditors' remuneration (refer note 2.23)	30,000	25,000
Communication	1,473,634	-
Computer expenses	3,675	-
Clearing and custodian charges	80,050	-
Dematerialisation charges	30,000	-
Electricity charges (refer note 2.26)	1,344,658	-
Insurance	95,337	-
Legal and professional fees	682,546	-
Office expenses	3,733,821	-
Printing and stationery	58,448	9,147
Rates and taxes	1,667,933	-
Rent	1,027,740	-
Repairs and maintenance	1,049,469	-
ROC Expenses	3,700	1,686,600
Service tax expenses	38,773	-
Stamp duty	775,844	419,000
Stock exchange expenses	4,868	-
Travelling and conveyance	278,519	-
Miscellaneous expenses	2,011	-
	<b>12,381,026</b>	<b>2,139,747</b>



# Eternity Business Centre Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2016

(Currency: Indian rupees)

### 2.19 Segment reporting

The Company is engaged primarily into capital based business comprising of business centre services and trading activities and accordingly, based on materiality, management has identified that there are no other reportable business segments within the meaning of Accounting Standard 17 - Segment Reporting. Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

### 2.20 Contingent liabilities and commitments

#### (i) *Contingent liabilities*

The Company does not have any contingent liability as at the balance sheet date.

#### (ii) *Capital commitments*

The Company has capital commitments of Rs. 665,000 as at the balance sheet date. (Previous year: Rs. 19,760,883)

### 2.21 The Following currency futures have open interests as on the balance sheet date:

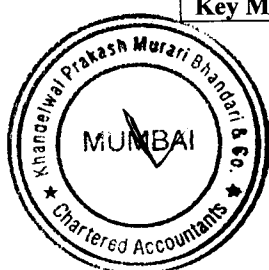
Open interests currency futures-USD INR as on the balance sheet date

Sr. No.	Name of future	For the Year 01 April 2015 to 31 March 2016		For the Period 31 October 2014 to 31 March 2015	
		Number of contracts	Number of units involved	Number of contracts	Number of units involved
1	Long position	8,305	8,305,000	-	-
2	Short position	-	-	-	-

### 2.22 Disclosure of Related parties as required under AS-18- "Related Party Disclosure"

#### i. List of related parties and relationship:

<b>Name of related parties by whom control is exercised</b>	Edelweiss Financial Services Limited (Ultimate holding company) Edelweiss Commodities Services Limited (Holding company)
<b>Fellow Subsidiaries (with whom transactions have taken place)</b>	Edelweiss Securities Limited Edelweiss Tokio Life Insurance Company Limited Auris Corporate Centre Limited Burlington Business Solutions Limited Olive Business Centre Limited Serenity Business Park Limited Edelweiss Broking Limited Edelcap Securities Limited
<b>Key Management Personnel (KMP)</b>	Mr. Karan Verma (Manager - w.e.f. August 3, 2015)



# Eternity Business Centre Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2016

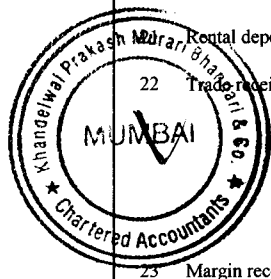
(Currency : Indian rupees)

### 2.22 Disclosure as required by Accounting Standard 18 – “Related Party Disclosure”: (Continued)

#### ii. Transactions with related parties :

Sr. No.	Nature of Transaction	Related Party Name	For the Year 01 April 2015 to 31 March 2016	For the Period 31 October 2014 to 31 March 2015
<b>Capital account transactions during the year</b>				
1	Share application money received from	Edelweiss Commodities Services Limited	-	191,605,000
2	Issue of equity shares to	Edelweiss Commodities Services Limited	-	191,605,000
<b>Current account transactions during the year</b>				
3	Short term loans taken from (refer note -1 below)	Edelweiss Commodities Services Limited	215,036,289	2,466,935
4	Short term loans repaid to (refer note -1 below)	Edelweiss Commodities Services Limited	9,728,645	2,466,935
5	Margin placed with (refer note -1 below)	Edelweiss Securities Limited	70,944,703	-
6	Margin withdrawn from (refer note -1 below)	Edelweiss Securities Limited	24,942,254	-
7	Nomination deposit received from	Edelweiss Commodities Services Limited	300,000	-
8	Nomination deposit paid to	Edelweiss Commodities Services Limited	300,000	-
9	Interest expenses on loan from	Edelweiss Commodities Services Limited	8,109,744	3,842
10	Reimbursement paid to	Edelweiss Commodities Services Limited Edelweiss Financial Services Limited	219,556 3,635,905	- -
11	Rent paid to	Burlington Business Solutions Limited	1,026,240	-
12	Legal & professional fees paid to	Edelcap Securities Limited	500,000	-
13	Clearing charges paid to	Edelweiss Securities Limited	80,050	-
14	Business centre service charges received from	Edelweiss Tokio Life Insurance Company Limited Serenity Business Park Limited Burlington Business Solutions Limited Olive Business Centre Limited Edelweiss Commodities Services Limited Edelweiss Broking Limited Auris Corporate Centre Limited	6,799,825 1,876,361 1,682,778 1,778,778 4,681,920 1,715,520 1,549,572	- - - - - - -
15	Electricity expenses recieved from	Olive Business Centre Limited Burlington Business Solutions Limited Auris Corporate Centre Limited Serenity Business Park Limited	895,185 895,185 779,970 944,504	- - - -
16	Interest income on Margin from	Edelweiss Securities Limited	249,672	-
<b>Balances with related parties</b>				
17	Short term borrowings from	Edelweiss Commodities Services Limited	205,307,644	-
18	Trade payables to	Burlington Business Solutions Limited Edelcap Securities Limited	1,072,421 522,500	- -
19	Interest accrued and due on loan taken from	Edelweiss Commodities Services Limited	1,018,052	-
20	Accrued Interest on Margin to	Edelweiss Securities Limited	18,610	-
21	Rental deposit received from	Edelweiss Tokio Life Insurance Company Limited	11,475,600	-
22	Trade receivables from	Edelweiss Commodities Services Limited Edelweiss Broking Limited Burlington Business Solutions Limited Olive Business Centre Limited Serenity Business Park Limited Auris Corporate Centre Limited Edelweiss Tokio Life Insurance Company Limited	4,892,607 1,792,718 2,765,586 2,865,906 3,023,365 2,496,769 7,105,816	- - - - - - -
23	Margin receivable from	Edelweiss Securities Limited	46,002,449	-

Note-1: Loan given/taken to/from parties and margin money placed / refund received with/ from related parties are disclosed based on the maximum incremental amount given/taken and placed / refund received during the reporting period.





## Eternity Business Centre Limited

### Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian rupees)

#### 2.23 Auditors' remuneration

Particulars	For the Year 01 April 2015 to 31 March 2016	For the Period 31 October 2014 to 31 March 2015
As auditors	30,000	25,000
<b>Total</b>	<b>30,000</b>	<b>25,000</b>

#### 2.24 Earnings per share

In accordance with Accounting Standard 20 on "Earnings Per Share" notified under section 133 of the companies Act 2013, read together with paragraph 7 of the companies (Accounts) Rules, 2014.

The Computation of earnings per share is set out below:

	For the Year 01 April 2015 to 31 March 2016	For the Period 31 October 2014 to 31 March 2015
a) Shareholders earnings (as per statement of profit and loss)	(36,837,563)	(1,493,627)
b) Calculation of weighted average number of equity shares of Rs 10/- each:		
- Number of equity shares at the beginning of the year / period	19,160,500	-
- Number of equity shares issued during the year / period	-	19,160,500
Total number of equity shares outstanding at the end of the year / period	19,160,500	19,160,500
Weighted average number of equity shares outstanding during the year / period (based on the date of issue of shares)	19,160,500	6,838,270
c) Basic and diluted earnings per share (in rupees) (a/b)	(1.92)	(0.22)

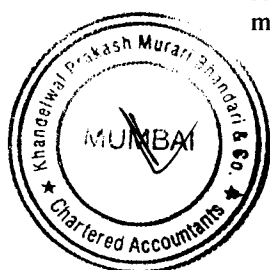
The basic and diluted earnings per share are the same as there are no dilutive potential equity shares.

#### 2.25 Foreign currency transactions

The company has purchased capital goods in foreign currency Rs. 1,054,888 during the year ended 31 March 2016 (Previous year: Rs. Nil)

#### 2.26 Cost sharing

The company incurs electricity expenses which is for the common benefit of itself and certain fellow subsidiary companies. This cost so expended is recovered from fellow subsidiary companies as reimbursement to the Company on the basis of area occupied. Accordingly, and as identified by the management, the expenditure head in notes 2.18 is net of the reimbursements received.



## Eternity Business Centre Limited

### Notes to the financial statements (*Continued*)

for the year ended 31 March 2016

(Currency: Indian rupees)

#### 2.27 Details of dues to micro, small and medium enterprises

Trade Payables includes Rs. Nil (Previous year: Rs. Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this Act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.

As per our report of even date attached.

For Khandelwal Prakash Murari Bhandari & Co.

Chartered Accountants

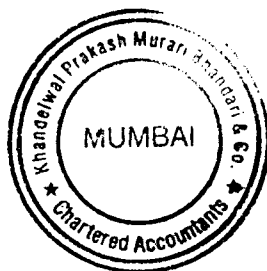
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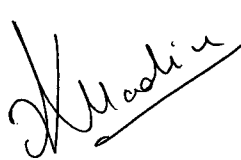
**Pawan Kumar Gupta**

Partner

Membership No.: 051713



For and on behalf of the Board of Directors



**Vishal Madia**

Director

DIN No.: 06865560



**Ramaswamy Krishnan**

Director

DIN No.: 05158707



**Kashyap Mehta**

Chief Financial Officer



**Karan Sahani**

Company Secretary



**Karan Verma**

Manager

Mumbai

10 May 2016

Mumbai

10 May 2016