

INDEPENDENT AUDITOR'S REPORT

To the Members of Store One Infra Resources Limited Report on the Financial Statements

We have audited the accompanying financial statements of **Store One Infra Resources Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2017, 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 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding of the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 standards and standards on auditing and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, 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 March 31, 2017, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required under provisions of 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 (as amended).
 - e. On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'.
 - 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 there were any material foreseeable losses.
 - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 24 of the aforesaid financial statements.

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number : 005975N

Vikas Aggarwal
Partner
Membership No.: 097848

Gurugram
May 26, 2017

Annexure A referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date on the financial statements for the year ended March 31, 2017

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- i)
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - c. The Company does not hold any immovable properties (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- iii) The Company has not granted any loans, secured or unsecured to companies, firm, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the order are not applicable to the Company
- iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) In respect of Statutory dues :
 - a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2017 for a period of more than six months from the date of becoming payable.

- b. According to the information and explanations given to us, there are no dues in respect of Income Tax or Sales Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax have not been deposited with the appropriate authorities on account of any dispute.
- viii) In our opinion, the Company has not defaulted in repayment of loans or borrowings to any bank during the year. Further, the Company has no loans or borrowings payable to a financial institution or government and no dues payable to debenture-holders during the year.
- ix) As explained to us, no money raised by way of initial public offer or further public offer (including debt instruments) during the year. The Company has not obtained any term loans during the year. Accordingly; the provisions of clause 3(ix) of the Order are not applicable to the Company.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or its employees was noticed or reported during the year.
- xi) In our opinion, the provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company as the Company does not pay/provide for any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii) According to the information and explanations given to us, all the transactions with the related parties are in compliance with Sections 177 & 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by applicable accounting standards.
- xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of Shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number : 005975N

Vikas Aggarwal
Partner
Membership No.: 097848

Gurugram
May 26, 2017

Annexure B to the Auditor's 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 **Store One Infra Resources Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in

accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number : 005975N

Vikas Aggarwal
Partner
Membership No.: 097848

Gurugram
May 26, 2017

Store One Infra Resources Limited

Balance Sheet as at March 31, 2017

(All Amounts in Indian Rupees,
except share data and where otherwise stated)

Particulars	Note	As at March 31, 2017	As at March 31, 2016
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share capital	4	500,000	500,000
(b) Reserves and surplus	5	(3,872,670)	(1,044,583)
		<u>(3,372,670)</u>	<u>(544,583)</u>
Non-Current Liabilities			
(a) Long-term borrowings	6	21,500,000	21,500,000
(b) Long-term provisions	8A	503,843	918,288
		<u>22,003,843</u>	<u>22,418,288</u>
Current Liabilities			
(a) Other current liabilities	7	3,106,383	2,924,290
(b) Short-term provisions	8B	23,509	106,643
		<u>3,129,892</u>	<u>3,030,933</u>
		<u>21,761,065</u>	<u>24,904,638</u>
Total of Equity and Liabilities			
II. ASSETS			
Non-current assets			
(a) Fixed assets	9		
(i) Tangible assets		16,134,012	18,283,564
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	18,283,564
(b) Long term loans and advances	10A	91,972	25,000
		<u>16,225,984</u>	<u>18,308,564</u>
Current assets			
(a) Trade receivables	11	2,542,768	3,403,417
(b) Cash and bank balances	12	41,090	1,289,733
(c) Short-term loans and advances	10B	2,951,223	1,902,924
		<u>5,535,081</u>	<u>6,596,074</u>
		<u>21,761,065</u>	<u>24,904,638</u>
Total of Assets			

Significant accounting policies 3

The accompanying notes are an integral part of financial statements.

This is the Balance Sheet referred to in our report of even date

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration No.:005975N

For and on behalf of Board of Directors

Vikas Aggarwal
Partner

Kishor Kumar Srivastava
Director
(DIN : 1223908)

Ravinder
Director
(DIN : 02873125)

Place: Gurgaon
Date: May 26, 2017

Store One Infra Resources Limited

Statement of Profit and Loss for the year ended March 31, 2017

(All Amounts in Indian Rupees,
except share data and where otherwise stated)

Particulars	Note	For the year ended March 31, 2017	For the period from □ November 05, 2015 to March 31, 2016
I. REVENUE			
(a) Revenue from operations (net of taxes)	13	14,558,570	3,776,609
(b) Other income	14	117,678	-
Total of Revenue		14,676,248	3,776,609
II. EXPENSES			
(a) Employee benefits expense	15	13,379,989	4,002,728
(b) Finance costs	16	1,935,000	58,156
(c) Depreciation and amortization expenses	9	2,149,552	716,436
(d) Other and operating expenses	17	39,794	43,872
Total of Expenses		17,504,335	4,821,192
III. Loss before tax (I - II)		(2,828,087)	(1,044,583)
IV. Tax expenses			
(a) Current tax	18	-	-
(b) Deferred tax		-	-
V. Loss for the period (III- IV)		(2,828,087)	(1,044,583)
Earnings per Equity Share □			
(a) Basic	19	(56.56)	(20.89)
(b) Diluted		(56.56)	(20.89)
Face value per Equity Share		10.00	10.00

Significant accounting policies

3

The accompanying notes are an integral part of financial statements.

This is the Statement of Profit and Loss referred to in our report of even date

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration No.-005975N

For and on behalf of Board of Directors

Vikas Aggarwal
Partner

Kishor Kumar Srivastava
Director
(DIN : 1223908)

Ravinder
Director
(DIN : 02873125)

Place: Gurgaon
Date: May 26, 2017

Store One Infra Resources Limited

Cash Flow Statement for the year ended March 31, 2017

(All Amounts in Indian Rupees,
except share data and where otherwise stated)

	For the Year ended March 31, 2017	For the period from November 05, 2015 to March 31, 2016
A Cash flow from operating activities:		
Net profit before tax	(2,828,087)	(1,044,583)
<i>Adjustments for statement of Profit and Loss items:</i>		
Liabilities written back	(114,948)	-
Provision for gratuity/compensated absences	850,442	1,024,931
Interest on Income tax refunds	(2,730)	-
Interest income on inter-corporate deposits	1,935,000	58,156
Depreciation and amortization expenses	2,149,552	716,436
	<u>4,817,316</u>	<u>1,799,523</u>
Operating profit before working capital changes and other adjustments:	1,989,229	754,940
<i>Working capital changes and other adjustments:</i>		
Decrease/(Increase) in trade receivables	860,649	(3,403,417)
Increase in loan and advances	(1,048,299)	(1,927,924)
(Decrease)/Increase in other liabilities and provisions	(2,072,024)	2,924,290
	<u>(2,259,674)</u>	<u>(2,407,051)</u>
Cash used in operating activities	(270,445)	(1,652,111)
Income taxes paid (net)	(64,242)	-
Net cash used in operating activities	(334,687)	(1,652,111)
B Cash flow from investing activities :		
Purchase of fixed assets (including capital advances)	-	(19,000,000)
Net cash used in investing activities	-	(19,000,000)
C Cash flow from financing activities		
Net proceeds from issue of equity shares	-	500,000
Proceeds from borrowing (unsecured)	21,500,000	21,500,000
Repayment of borrowing (unsecured)	(21,500,000)	-
Interest paid on borrowings	(913,956)	(58,156)
Net cash (used in)/flow from financing activities	(913,956)	21,941,844
D Net increase in cash and cash equivalents (A+B+C)	(1,248,643)	1,289,733
E Cash and cash equivalents at the beginning of the year	1,289,733	-
F Cash and cash equivalents at the end of the year (D+E)	41,090	1,289,733

Notes:

- The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 (AS-3) on "Cash flow statements" as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

	As at March 31, 2017	As at March 31, 2016
2. Cash and cash equivalents includes:		
(a) Cash on hand	-	-
(b) Balances with banks		
- in Current Accounts	41,090	1,289,733
Total	41,090	1,289,733

- The Company was incorporated on November 05, 2015, hence previous period figures are not comparable to current year figures.
- Previous year figures have been regrouped and/or reclassified wherever necessary to conform to those of the current year grouping and/or classification.

The accompanying notes are an integral part of financial statements.

This is the Cash Flow Statement referred to in our report of even date

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration No.:005975N

For and on behalf of Board of Directors

Vikas Aggarwal
Partner

Kishor Kumar Srivastava
Director
(DIN : 1223908)

Ravinder
Director
(DIN : 02873125)

Place: Gurgaon
Date: May 26, 2017

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

(1) Company Overview

Store One Infra Resources Limited (the Company) was incorporated on November 05, 2015 with the main objects of carrying on the business of equipment renting services and other related activities.

"Store One Infra Resources Limited" become the 100% subsidiary of "Store One Retail India Limited" with effect from November 20, 2015.

SORIL Infra Resources Limited (formerly known as Store One Retail India Limited) ("SORIL Infra") Holding Company of the Company, erstwhile Subsidiary of SORIL Holding and Ventures Limited (Formerly Known as Indiabulls Wholesale Services Limited), was incorporated as Pyramid Retail Limited on March 18, 2005. The name of the company was subsequently changed to Indiabulls Retail Services Limited on May 22, 2008 and then changed to Store One Retail India Limited on September 30, 2009 and now further changed to SORIL Infra Resources Limited on 21st December, 2016. The company received fresh certificate of incorporation consequent upon the change of name, from the Registrar of Companies, National Capital Territory of Delhi and Haryana.

(2) Basis of Preparation of financial statement

i) Statement of compliance

The financial statements have been prepared on going concern basis under the historical cost basis, in accordance with the generally accepted accounting principles in India and in compliance with the applicable accounting standards as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). All assets and liabilities have been classified as current or non-current as per the normal operating cycle and other criteria set out in the Companies Act 2013.

ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities, if any, on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

(3) Summary of significant accounting policies

i) Fixed Assets Recognition and measurement

(a) Tangible Assets:

Tangible assets are stated at cost, net of tax or duty credits availed, wherever applicable, less accumulated depreciation or impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

(b) Intangible Assets:

Intangible assets are stated at cost, net of tax or duty credits availed, wherever applicable, less any accumulated amortisation or impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

(c) Capital work in progress

Cost of fixed assets under construction are disclosed under capital work-in-progress. Advances paid towards acquisition or construction of fixed assets or intangible assets is included as capital advances under long term loans and advances.

ii) Depreciation / Amortisation

Depreciation on fixed assets is provided on the straight-line method, computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013, on a pro-rata basis from the date the asset is ready to put to use subject to transitional provisions of Schedule II.

iii) Impairment of Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or 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 reporting 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. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

iv) Investments

Investments are classified as non-current or current investments, based on management's intention. Investments that are readily realizable and intended to be held not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost less provision for diminution in their value, other than temporary, if made in the financial statements.

v) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized :

- a) Revenue from equipment renting services (including relevant manpower and supervision) is recognised when services is performed, usually on a time proportion basis as per the terms of the contract . The Company collects applicable taxes on behalf of Statutory Authorities and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.
- b) Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.
- c) Dividend income is recognized when the right to receive payment is unconditionally established.
- d) Profit on sale of investments is recognized on the date of its sale and is computed as excess of sale proceeds over its carrying amount as at the date of sale.

vi) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Cost of inventories is determined using the weighted average cost method and includes purchase price, and all direct costs incurred in bringing the inventories to their present location and condition.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

vii) Foreign Currency Transactions

a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the exchange rate between the reporting currency and the foreign currency at the date of the transaction to the foreign currency account.

b) Conversion

Foreign currency monetary items are converted to reporting currency using the closing rate. Non monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) Exchange Rate Differences

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise except those arising from investments in non-integral operations. Exchange differences arising on monetary items that in substance forms part of the Company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognized in the statement of profit and loss.

viii) Taxes on Income

Current tax

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred tax

Deferred tax resulting from timing differences between taxable income and accounting income is accounted for at the current rate of tax or substantively enacted tax rates as at reporting date, to the extent that the timing differences are expected to crystallize.

Deferred Tax Assets are recognised where realisation is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognised only if there is a virtual certainty of realisation backed by convincing evidence that such deferred tax assets will be realized. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each reporting date.

ix) Employee benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered. The Company's contribution to Employee Provident Fund and Employee State Insurance Schemes (defined contribution schemes) is charged to the Statement of Profit and Loss.

Post employment and other long term employee benefits for its eligible employees are recognized as an expense in the Statement of Profit and Loss, for the year in which the employee has rendered services. The Company has unfunded defined benefit plans, namely compensated absences and gratuity the liability for which is determined on the basis of actuarial valuation, conducted on annual basis, by an independent actuary, in accordance with Accounting Standard 15 (Revised 2005) - "Employee Benefits" the expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains or losses are recognized in the Statement of Profit and Loss as income or expenses.

x) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for:

a) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or,

b) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

xi) Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets in accordance with notified Accounting Standard 16 "Borrowing costs". A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

xii) Earnings Per Equity Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xiii) Share issue Expenses

Share issue expenses are adjusted against securities premium account to the extent of balance available and thereafter, the balance portion is charged off to the Statement of Profit and Loss, as incurred.

xiv) Segment Reporting

Identification of Segments:

The company's operating businesses are organised and managed separately with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

Segments policies:

The company prepares its segment information in conformity with the accounting policies adopted for preparation and presenting the financial statements of the company as a whole. The following additional policies are adopted for segment reporting:

a) Revenues and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

b) Assets and liabilities of the respective segments are separately identified.

xv) Preliminary expenses

Preliminary expenses are adjusted against securities premium account (net of tax) to the extent of balance available and thereafter, the balance portion is charged off to the statement of profit and loss, as incurred.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

(All Amounts in Indian Rupees,
except share data and where otherwise stated)

	As at March 31, 2017		As at March 31, 2016	
	Number of Shares	Amount (Rs.)	Number of Shares	Amount (Rs.)
(4) Share Capital				
Authorised				
Equity shares of face value Rs.10 each	50,000	500,000	50,000	500,000
		<u>500,000</u>		<u>500,000</u>
Issued, subscribed and fully paid up shares				
Equity shares of face value of Rs. 10 each fully paid up	50,000	500,000	50,000	500,000
Total Issued, subscribed and fully paid up share Capital		<u>500,000</u>		<u>500,000</u>
a. Reconciliation of the number of Shares and amount outstanding at the beginning and at the end of the year				
Equity shares				
Particulars	Number of Shares	Amount (Rs.)	Number of Shares	Amount (Rs.)
At the beginning of the year	50,000	500,000	-	-
Add:- Issued during the period against payment received in cash	-	-	50,000	500,000
Balance at the end of the year	<u>50,000</u>	<u>500,000</u>	<u>50,000</u>	<u>500,000</u>
b. Rights, preferences and restrictions attached to equity shares				
The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Holding Company. In the event of liquidation of the Holding Company, all preferential amounts, if any, shall be discharged by the Holding Company. The remaining assets of the Holding Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.				
c. Details of shareholder holding more than 5% share capital in the Holding Company				
Name of the Shareholders	No. of Shares held	As at March 31, 2017 Amount (Rs.)	No. of Shares held	As at March 31, 2016 Amount (Rs.)
(i) SORIL Infra Resources Limited (Formerly Known as Storeone Retail India Limited), Holding Company				
Equity shares of face value Rs. 10 each	50,000	500,000	50,000	500,000
(5) Reserves and Surplus				
Surplus/(Deficit) as per statement of profit and loss				
Balance as at the beginning of the year		(1,044,583)		-
Add: Loss for the year/period		(2,828,087)		(1,044,583)
Total of Reserves and Surplus		<u>(3,872,670)</u>		<u>(1,044,583)</u>
(6) Long -Term Borrowings				
Unsecured loans				
Loans from related parties (Refer note-22)		21,500,000		21,500,000
Total of Long-term borrowings		<u>21,500,000</u>		<u>21,500,000</u>
Repayment terms:-unsecured borrowings taken @9%p.a. for 4 years from the date of disbursement of loan.				
(7) Other Liabilities				
Other Current Liabilities				
Interest accrued but not due on borrowings		1,021,044		-
Payable to statutory authorities		307,770		478,171
Expenses payable		20,125		10,050
Other liabilities (Refer note -22)		1,757,444		2,436,069
Total of Other current liabilities		<u>3,106,383</u>		<u>2,924,290</u>
(8) Provisions				
A Long- Term Provisions				
Provision for gratuity (Refer note - 21)		445,782		804,807
Provision for compensated absences (Refer note - 21)		58,061		113,481
Total of Long-term provisions		<u>503,843</u>		<u>918,288</u>
B Short- Term Provisions				
Provision for gratuity (Refer note - 21)		1,989		25,595
Provision for compensated absences (Refer note - 21)		21,520		81,048
Total of Short-term provisions		<u>23,509</u>		<u>106,643</u>

(9) Fixed Assets-Tangible

Store One Infra Resources Limited

Particulars	Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017	
	Equipment	Total
Gross block (at cost)		
Additions during the year	19,000,000	19,000,000
Deletion/ Adjustment during the year	-	-
As at March 31, 2016	19,000,000	19,000,000
Additions during the year	-	-
Deletion/ Adjustment during the year	-	-
As at March 31, 2017	19,000,000	19,000,000
Accumulated depreciation/amortisation		
Depreciation/ amortisation for the year	716,436	716,436
Deletion/ Adjustment during the year	-	-
As at March 31, 2016	716,436	716,436
Depreciation/ amortisation for the year	2,149,552	2,149,552
Deletion/ Adjustment during the year	-	-
As at March 31, 2017	2,865,988	2,865,988
Net block		
As at March 31, 2017	16,134,012	16,134,012
As at March 31, 2016	18,283,564	18,283,564

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Store One Infra Resources Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

(All Amounts in Indian Rupees,
except share data and where otherwise stated)

	As at March 31, 2017	As at March 31, 2016
(10) Loans and Advances		
<i>(Unsecured considered good, unless otherwise stated)</i>		
A Long- Term Loans and Advances		
Security deposits	25,000	25,000
Advance income tax/ tax deducted at source, net of provision for tax	66,972	-
Total of Long- term loans and advances	<u>91,972</u>	<u>25,000</u>
B Short- Term Loans and Advances		
Balances with statutory and government authorities	1,018,555	-
Advances recoverable in cash or in kind or for value to be received	1,932,668	1,902,924
Total of Short-term loans and advances	<u>2,951,223</u>	<u>1,902,924</u>
(11) Trade Receivables		
<i>(Considered good, unsecured)</i>		
Outstanding for a period exceeding six months		
Others	2,542,768	3,403,417
Total of Trade receivables	<u>2,542,768</u>	<u>3,403,417</u>
(12) Cash and Bank balances		
<i>Cash and cash equivalents</i>		
Cash on hand	-	-
Balances with banks		
In current accounts	41,090	1,289,733
Total of Cash and bank balances	<u>41,090</u>	<u>1,289,733</u>

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Store One Infra Resources Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

(All Amounts in Indian Rupees,
except share data and where otherwise stated)

	For the year ended March 31, 2017	For the year ended March 31, 2016
(13) Revenue from Operations		
Income from equipment renting services	11,733,120	3,776,609
Sale of trading goods	2,825,450	-
Total of Revenue from operations	<u><u>14,558,570</u></u>	<u><u>3,776,609</u></u>
(14) Other Income		
Excess provision written back (Refer note -21)	114,948	-
Interest on Income Tax Refund	2,730	-
Total of Other income	<u><u>117,678</u></u>	<u><u>-</u></u>
(15) Employee Benefit Expenses		
Salaries and wages	12,440,520	2,970,956
Contribution to provident funds and other funds	89,027	6,841
Gratuity expenses	850,442	1,024,931
Compensated absences benefits		
Total of Employee benefit expenses	<u><u>13,379,989</u></u>	<u><u>4,002,728</u></u>
(16) Finance Costs		
Interest on borrowings (Refer note -22)	1,935,000	58,156
Total of Finance costs	<u><u>1,935,000</u></u>	<u><u>58,156</u></u>
(17) Other and operating expenses		
Rates and taxes	4,532	30,688
Legal and professional charges	21,813	600
Auditors' remuneration*	11,500	10,050
Printing and stationery	1,044	2,354
Miscellaneous expenses	905	180
Total of Other and operating expenses	<u><u>39,794</u></u>	<u><u>43,872</u></u>

*including non-deductible taxes

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Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

(All Amounts in Indian Rupees,
except share data and where otherwise stated)**(18) Deferred Tax Asset**

In compliance with Accounting Standard 22 (AS 22) - 'Accounting for taxes on income', as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), the Deferred Tax Assets on brought forward losses and unabsorbed depreciation has not been recognized as there is no virtual certainty supported by convincing evidence of the subsequent realization of such deferred tax assets in future.

(19) Earnings Per Equity Share

The basic earnings per equity share is computed by dividing the net loss attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The number of equity shares and potential diluted equity shares are adjusted for stock split, bonus shares, Convertible Preference Shares, Share Warrants and the potential dilutive effect of Employee Stock Option Plan as appropriate.

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Loss after tax available for equity shareholders (Rs.)	(2,828,087)	(1,044,583)
Weighted average number of shares used in computing basic earnings per equity share	50,000	50,000
Weighted average number of shares used in computing diluted earnings per equity share	50,000	50,000
Face value of equity shares (Rs.)	10	10
Basic earnings per equity share (Rs.)	(56.56)	(20.89)
Diluted earnings per equity share (Rs.)	(56.56)	(20.89)

(20) Contingent Liabilities and Commitments

There are no contingent liabilities and commitments to be reported as at 31 March 2017 and 31 March 2016.

(21) Employee Benefits (Non Funded)**Gratuity**

In accordance with "The Payment of Gratuity Act, 1972", the Company provides for gratuity a defined benefit retirement plan (the "Gratuity Plan") covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment. The amount of payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation and this plan is unfunded. The Company had charged Rs. 8,50,441 (previous period Rs. 8,30,402) during the year ended March 31, 2017 and the amount outstanding as at March 31, 2017 is Rs. 4,47,771 (previous period Rs. 8,30,402).

Compensated Absences

Eligible employees are entitled to accumulate compensated absences up to prescribed limits in accordance with the Company's policy and receive cash in lieu thereof. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date. Such measurement is based on actuarial valuation as at balance sheet date carried out by a qualified actuary. The Company had (reversed)/charged Rs. (1,14,948) (previous period Rs. 1,94,529) during the year ended March 31, 2017 and the amount outstanding as at March 31, 2017 is Rs. 79,581 (previous period Rs. 1,94,529).

The components of gratuity & compensated absences cost recognized, in accordance with AS-15 (Revised) on "Employee benefits", for the years ended March 31, 2017 and March 31, 2016 are enumerated as below:

Particulars	Gratuity		Compensated Absences	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Service cost	155,312	830,402	41,838	194,529
Interest cost	66,432	-	15,562	-
Benefits paid	-	-	-	-
Actuarial (gain)/loss, net	628,697	-	(172,348)	-
Cost recognized during the year	850,441	830,402	(114,948)	194,529

Details of the employee benefits obligation are provided below:

Particulars	Gratuity		Compensated Absences	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Obligation at the beginning of the year	830,402	-	194,529	-
Cost recognized during the year	850,441	830,402	(114,948)	194,529
Benefits paid during the year	(1,233,072)	-	-	-
Obligation at the end of the year	447,771	830,402	79,581	194,529

The assumptions used to determine cost include:

Particulars	For the year ended March 31, 2017	For the period March 31, 2016
Discount rate	7.51%	8.00%
Salary escalation rate	5.00%	5.00%
Mortality table	IALM (2006-08)	IALM (2006-08)

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Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

(22) Disclosures in respect of Accounting Standard (AS) - 18 'Related party'

a) Name and Nature of Relationship with related parties:

Relationship	Name of Related parties
i) Related Party exercising control	
Ultimate Holding Company Holding Company	SORIL Holding and Ventures Limited (Formerly Known as Indiabulls Wholesale Services Limited) SORIL Infra Resources Limited (Formerly Known as Storeone Retail India Limited)
ii) Other related parties:	
Entities under common control (Fellow Subsidiary Companies)	Albasta Wholesale Services Limited Airmid Aviation Services Limited
Key management personnel	Mrs. Pia Johnson, Whole Time Director of SORIL Infra Resources Limited Mr. Mehul Johnson, Director of SORIL Infra Resources Limited Mr. Vijay Kumar Agrawal, Chief Financial Officer of SORIL Infra Resources Limited

* With whom transactions entered during the year

(b) Summary of significant transactions with related parties

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Inter corporate deposit taken / (repaid), net		
<i>Ultimate Holding Company:</i>		
-SORIL Holding and Ventures Limited	(21,500,000)	21,500,000
<i>Holding Company:</i>		
-SORIL Infra Resources Limited	21,500,000	
Purchase of Fixed Assets		
<i>Holding Company:</i>		
-SORIL Infra Resources Limited	-	19,000,000
Finance costs:-		
Interest on term loan		
<i>Ultimate Holding Company:</i>		
-SORIL Holding and Ventures Limited	800,507	58,186
<i>Holding Company:</i>		
-SORIL Infra Resources Limited	1,134,493	-

(c) Statement of maximum outstanding balance during the year:

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Inter corporate deposit taken		
<i>Ultimate Holding Company:</i>		
-SORIL Holding and Ventures Limited	21,500,000	21,500,000
<i>Holding Company:</i>		
-SORIL Infra Resources Limited	21,500,000	-

(d) Outstanding balances :

Particulars	As at March 31, 2017	As at March 31, 2016
Inter corporate deposit taken		
<i>Ultimate Holding Company:</i>		
-SORIL Holding and Ventures Limited	-	21,500,000
<i>Holding Company:</i>		
-SORIL Infra Resources Limited	21,500,000	-
Total	21,500,000	21,500,000
Other current liabilities		
<i>Holding Company:</i>		
-SORIL Infra Resources Limited	1,021,044	
Total	1,021,044	-
Short-term loans and advances		
<i>Holding Company:</i>		
-SORIL Infra Resources Limited	1,018,555	1,555,414
Total	1,018,555	1,555,414

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Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

(All Amounts in Indian Rupees,
except share data and where otherwise stated)

- (23) *Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at March 31, 2017 and March 31, 2016:

Particulars	Amount
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

- (24) Disclosure of Specified Bank Notes

Disclosure on Specified Bank Notes (SBNs) as required vide MCA notification G.S.R. 308 (E) dated March 30, 2017 is as below:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	Nil	Nil	Nil
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(+) Amount withdrawn from Banks	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	Nil	Nil	Nil

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

- (25) Segmental Information

The company's primary business segments are reflected based on principal business activities carried on by the Company. The company operates in only one reportable business segments i.e. Equipment Hiring Services. The Company operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.

- (26) In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2017 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet after appropriate provision. Certain balances shown under loans and advances, sundry creditors and balances with banks are subject to confirmation/reconciliation. In the opinion of the Board of Directors, no provision is required to be made against the recoverability of such balances, other than as already provided in the financial statements.
- (27) The company has not entered into any foreign exchange derivative instruments during the year. There are no outstanding forex exposures as at March 31, 2017.
- (28) The Company was incorporated on November 05, 2015, hence previous period figures are not comparable to current year figures.
- (29) Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration No.:005975N

For and on behalf of Board of Directors

Vikas Aggarwal
Partner

Kishor Kumar Srivastava
Director
(DIN : 1223908)

Ravinder
Director
(DIN : 02873125)

Place: Gurgaon
Date: May 26, 2017