

**KSS LIMITED**

**Date : 07/10/2018**

**To,**

**The Corporate Relations Department,  
BSE Limited,  
PJ Tower, Dalal Street, Fort,  
Mumbai-400 001.  
Scrip Code: 532081.**

**National Stock Exchange of India Ltd,  
Exchange Plaza,  
Plot no. C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (E), Mumbai - 400 051.  
Scrip Code: KSERASERA**

**Sub. Submission of Annual Report for the financial year 2017-18**

Dear Sir/Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are enclosing herewith Annual Report of the Company for the Financial Year 2017-18 for your records.

**Kindly take the same on record.**

**Thanking You,**

**For KSS Limited  
(Formerly Known as K Sera Sera Limited)**

**Ankita Gupta  
(Company Secretary)**

**Encl : Annual report for Financial year 2017-18**

**KSS Limited**

**( Formerly Known as K Sera Sera Ltd. )**

**CIN : L22100MH1995PLC092438**

**Unit No.101 A & 102, 1st Floor, Plot No. B-17, Morya Landmark II, Andheri (West), Mumbai - 400 053. INDIA.  
Tel: 022 40427600 / 42088600 Fax: 022 40427601 Web : www.kserasera.com Email : info@kserasera.com**



## **KSS LIMITED**

**(Formerly Known as K Sera Sera Limited)**

**CIN : L22100MH1995PLC092438**

**Regd: Office : Unit No. 101A/102, 1<sup>st</sup> Floor, Morya Landmark II, Andheri (w) Mumbai -400053**  
**Tel No. 022-42088600 Fax. 022-40427601 Email: [Info@kserasera.com](mailto:Info@kserasera.com), Website: [www.kserasera.com](http://www.kserasera.com)**

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## COMPANY INFORMATION

### BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Satish RamswaroopPanchariya	- Executive Chairman & Director
Mr. Prasanna Prabhakar Jagtap	- Additional Managing Director (w.e.f. 10/05/2018)
Mr. Harsh Upadhyay	- Executive Director
Mr. Rakesh Roopram Sharma	- Independent Director
Mrs. KuntiRattanshi	- Non Executive Non Independent Women Director
Mr. Ashok Kacker	- Additional Independent Director (w.e.f. 12/03/2018)
Mr. Sandip Joshi	- Additional Independent Director (w.e.f. 23/01/2018)
Mrs. PratimaShailendra Singh	- Additional Independent Director (w.e.f. 14/02/2018)
Mr. ShamraoDaulatIngulkar	- Chief Financial Officer
Ms. Ankita Gupta	- Company Secretary (w.e.f. 23/01/2018)

### AUDITORS:

#### Statutory Auditor

M/S. Agrawal Jain And Gupta,  
Chartered Accountants  
FRN- 013538C  
Near Mamta Ice Factory,  
Opp. DharmKanta, Ringus Road,  
Chomu, Jaipur- 303702.

#### Internal Auditor

Mr. Sunil Sureka  
Chartered Accountants  
M. No.- 139836  
202/93 Poonam complex,  
Shanti Park,  
Mira Road East -401107

#### Secretarial Auditor

Mr. Sandeep Dubey  
Practicing Company Secretary  
M.No. 47940 Add:B-204, 2<sup>nd</sup> Floor,  
Rajani Park, SV Road,, Near Sai  
Mandir, Bhayander (East), Thane-  
401105

### BANKERS:

#### Kotak Mahindra Bank Limited

(ING Vysya Bank Limited )  
Aditya Tower, Chandrawalkar Road,  
Borivali (W)  
Mumbai – 400092

#### ICICI Bank Limited

Grd. Floor, Holar Arcade  
Basement & Ground Floor,  
Four Bungalows, Andheri (w)  
Mumbai – 400053

#### Axis Bank Limited

Laxmi Mall, Building No. 5, Laxmi  
Industrial Estate, New  
Link Road, Andheri (W),  
Mumbai- 400053

### REGISTERED OFFICE:

#### KSS Limited

(Formerly known as K Sera Sera  
Limited)

CIN:L22100MH1995PLC092438  
Unit No. 101A and 102, 1<sup>st</sup> Floor,  
Plot No. B-17, Morya Landmark II,  
Andheri (West), Mumbai – 400053.  
Tel: (022) 42088600 Fax: (022)  
40427601  
E-mail :info@kserasera.com  
website :www.kserasera.com

### REGISTRAR AND SHARE TRANSFER AGENTS:

#### Bigshare Services Private Limited

1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp.Vasant Oasis, Makwana Road, Marol,  
Andheri I, Mumbai – 400 059.  
Tel: 91-22-62638200 | 91-22- 40430200 | 91-22-2847  
0653 Fax: 91-22-62638299  
E-mail :investor@bigshareonline.com  
website: www.bigshareonline.com



## NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Members of KSS Limited (CIN L22100MH1995PLC092438) will be held at Kailash Parbat, K-P Restaurant, 7A/8A, 'A' A-Wing, Crystal Plaza, New Link Road, Andheri West, Mumbai 400053, Maharashtra on Saturday, September 29, 2018 at 9:30 A.M. to transact the following Business:

### Ordinary Business

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company together with the reports of the Directors' and Auditors' thereon for the year ended March 31, 2018.
2. To appoint a Director in place of Mr. Satish Panchariya (DIN: 00042934), who retires by rotation and being eligible offer himself for reappointment.
3. **To consider and appoint the Statutory Auditors of the Company and to authorize the Board of Directors/Audit Committee to fix their remuneration and if thought fit, to pass the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. Pipara & Co. LLP, Chartered Accountants (Firm Registration No. 107929W), be appointed as statutory auditors of the Company, in place of resigning auditors M/s. Agrawal Jain and Gupta., Chartered Accountants (Firm Registration No. 013538C), to hold office from the conclusion of this 23<sup>rd</sup> AGM until the conclusion of the 28<sup>th</sup> AGM, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors/Audit Committee of the Company."

### Special Business

4. **Appointment of Mr. Sandip Joshi (DIN: 08053397) as an Independent Director.**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 ("Act") and the rules made there under read with Schedule IV to the Act, (including any statutory modification (s) or re-enactment thereof for the time being in force), and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sandip Joshi (DIN: 08053397), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on January 23, 2018 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a notice in writing from him proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from January 23<sup>rd</sup>, 2018 to January 22<sup>nd</sup> 2023, not liable to retire by rotation"

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to the said resolution."

5. **Appointment of Mrs. Pratima Shailendra Singh (DIN: 08065730) as an Independent Director**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 ("Act") and the rules made there under read with Schedule IV to the Act, (including any statutory modification (s) or re-enactment thereof for the time being in force),



and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. PratimaShailendra Singh (DIN: 08065730), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on February 14, 2018 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a notice in writing from her proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from February 14, 2018 to February 13, 2023, not liable to retire by rotation."

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to the said resolution."

6. **Appointment of Mr. Ashok BrijmohanKacker (DIN: 01647408) as an Independent Director**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 ("Act") and the rules made there under read with Schedule IV to the Act, (including any statutory modification (s) or re-enactment thereof for the time being in force), and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ashok BrijmohanKacker (DIN: 01647408), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on March 12, 2018 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a notice in writing from him proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from March 12, 2018 to March 11, 2023, not liable to retire by rotation."

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to the said resolution."

7. **Appointment of Mr. PrasannaPrabhakarJagtap (DIN:07535855) as a Managing Director**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 161, 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 ("Act") and the rules made there under read with Schedule V to the Act, (including any statutory modification (s) or re-enactment thereof for the time being in force), and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. PrasannaPrabhakarJagtap (DIN:07535855), who was appointed as an Additional Managing Director of the Company by the Board of Directors at its meeting held on May 10, 2018 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a notice in writing from him along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as the Managing Director of the Company to hold office for a term of 5 (five) consecutive years commencing from May 10, 2018 at a gross remuneration of Rs. 19,80,000/- (Nineteen Lakhs Eighty Thousand only) per annum as agreed between Mr. PrasannaPrabhakarJagtap and Board."

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to the said resolution."

**Date: 13.08.2018**

Regd. office:  
Unit No. 101A and 102, 1<sup>st</sup> Floor,  
Plot No. B-17, Morya Landmark  
Andheri (West), Mumbai- 400053  
CIN: L22100MH1995PTC092438

**By Order of the Board  
For KSS Limited  
(Formerly known as K Sera Sera Limited)  
Sd/-  
Ankita Gupta  
Company Secretary (w.e.f.23.01.2018)**



#### Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING OF THE COMPANY IS ENTITLED TO APPOINT ANOTHER PERSON AS PROXY/ PROXIES TO ATTEND AND VOTE AT THE MEETING (ON THE CALLING OF A POLL ONLY) INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

*Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Notice. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.*

2. The Register of Members and Share Transfer Registers of the Company will remain closed from September 23, 2018 to September 29, 2018.
3. Members are requested to sign at the place provided for the attendance slip annexed to the Proxy Form and handover the slip at the entrance to the place of the meeting.
4. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the Annual Report to the meeting.
5. Corporate Members are requested to send a duly certified copy of the board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
6. Information to Shareholders in pursuance of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 with reference to Appointment of Directors in item no. 4, 5, 6 and 7 of the notice is provided in the Explanatory Statement under section 102 of the Companies Act, 2013 and for Item No. 2 for re-appointment of Director is annexed herewith the notice.
7. The Company is pleased to offer e-Voting facility for its Members to enable them to cast their votes electronically. The business as set out in the Notice may be transacted and that:
  - a. The Company is providing facility for voting by electronic means in compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.
  - b. The Facility for voting, either through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote electronically may exercise their vote through ballot paper.
  - c. The Members who have cast their vote by remote e-voting shall not be entitled to cast their vote again.

#### Voting through electronic means

- A. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than



venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- B. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- C. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- D. The remote e-voting period commences on Wednesday, 26<sup>th</sup> September, 2018 at 9:00 am (IST)) and ends on Friday, 28<sup>th</sup> September, 2018 at 5:00 pm (IST). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 22<sup>nd</sup>, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- E. The process and manner for remote e-voting are as under:
  - a) Your User ID details will be as per details given below :
    - 1. **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*).
    - 2. **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*).
    - 3. **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*).
  - b) In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - i. Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - iii. Click on Shareholder – Login
    - iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination of both thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - v. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - vi. Select "EVEN" of "KSS Limited".
    - vii. Now you are ready for remote e-voting as Cast Vote page opens.
    - viii. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - ix. Upon confirmation, the message "Vote cast successfully" will be displayed.
    - x. Once you have voted on the resolution, you will not be allowed to modify your vote.
    - xi. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at [cs.sandeepdubey@gmail.com](mailto:cs.sandeepdubey@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)





- c) In case a Member receives physical copy of the Notice of AGM for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy:

- i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :
- ii. EVEN (Remote e-voting Event Number)      USER ID      PASSWORD/PIN
- iii. Please follow all steps from Sl. No. (ii) to Sl. No. (xi) above, to cast vote.

- F. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- a. Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b. “Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- e. Now, you will have to click on “Login” button.
- f. After you click on the “Login” button, Home page of e-Voting will open after which you will have to follow all the steps mentioned above with respect to casting vote electronically.

- G. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

- H. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

- I. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

- J. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22<sup>nd</sup> September, 2018.

- K. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22<sup>nd</sup> September, 2018, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in), [investor@bigshareonline.com](mailto:investor@bigshareonline.com) or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or email [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) (with relevant details) or contact NSDL at the following toll free no.: 1800-222-990.

- L. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM

- M. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.





- N. Mr. Sandeep A. Dubey (Mem. No. ACS 47940) Practicing Company Secretary, has been appointed as the Scrutinizer for scrutinizing the voting and remote e-voting process in a fair and transparent manner.
- O. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” or “Ballot Paper” or “Polling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

1. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.Kserasera.com](http://www.Kserasera.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE / NSE Limited, Mumbai.
2. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the registered office of the Company on all working days between 11.00 a.m. and 1.00 p.m. except Sundays and public holidays, up to the date of the AGM.
3. The members are requested to note:
  - i. **Change of Address/ Bank Details:** Members holding shares in physical form are requested to inform M/s Bigshare Services Private Limited (Company’s Registrar & Transfer Agent), immediately of any change in their address and bank details. Members holding shares in dematerialized form are requested to intimate all changes with respect to their address, bank details, mandate etc. to their respective Depository Participants. These changes will then be automatically reflected in the Company’s records. This will help the Company to provide efficient and better service to the members. The Securities and Exchange Board of India has mandated submission of Permanent Account Number ( PAN ) by every participant in securities market for transaction of transfer , transmission /transposition and deletion of name of deceased shareholder. Members holding shares in demat form are, therefore requested to update their PAN and Other necessary data to depository participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to Registrar & Share Transfer Agent M/s. Bigshare Services Private Limited accordingly for registration of transfer of shares, Demat, or transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to M/s. Bigshare Services Private Limited.
  - ii. Section 72 of the Companies Act, 2013, provides for Nomination by the Shareholders of the Company in the prescribed Form No. SH-13 for shares held in physical form. Blank forms will be supplied by M/s Bigshare Services Private Limited on request. Members holding shares in dematerialized form may contact their respective Depository Participants for recording of nomination.
  - iii. Members seeking any information with regards to the Accounts are requested to write to the Company at an early date, as to enable the Management to keep the information ready at the meeting.
  - iv. Members attending the Annual General Meeting are requested to bring with them the followings (as applicable):
    - a. Members holding shares in dematerialized form, their DP & Client ID Numbers.
    - b. Members holding shares in physical form their folio numbers.
    - c. Copy of the Annual Report & Notice.
    - d. The Attendance slip duly completed as per the specimen signature lodged with the Company.



- e. Member Companies/Institutions are requested to send a copy of the resolution of their Board/Governing Body, authorizing their representative to attend and vote at the Annual General Meeting.

## **ANNEXURE TO THE NOTICE**

### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("The Act")**

#### **Item No 4.**

Based on the recommendation of Nomination and Remuneration Committee, Mr. Sandip Joshi was appointed as an Additional Director (Independent) on the Board with effect from January 23, 2018. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Sandip Joshi will hold office upto the conclusion of the ensuing Annual General Meeting of the Company. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from him for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Sandip Joshi (i) consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. The resolution seeks the approval of members for the appointment of Mr. Sandip Joshi as an Independent Director of the Company for a term of 5 consecutive years pursuant to section 149 and other applicable provisions of the Companies Act, 2013 and rules made thereunder. He will not be liable to retire by rotation.

In the opinion of the Board, Mr. Sandip Joshi, proposed to be appointed as an Independent Director of the Company, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder w.r.t to the criteria of independence as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is Independent of the Management. No Director, Key Managerial Personnel or their relatives, except Mr. Sandip Joshi, to whom the resolution relates, are interested or concerned in the resolution. The Board recommends the resolution set forth in Item No. 4 for the approval of the members. The brief profile of his is as follows:

<b>S.No</b>	<b>Name of the Director</b>	<b>Sandip Joshi</b>
1.	Date of Birth	04/02/1983
2.	Nationality	Indian
3.	Date of Appointment on the Board	23/01/2018
4.	Expertise in specific functional area	Marketing, Business, Leadership
5.	Number of Shares held in the Company	Nil
6.	Directorship held in other public companies (except	K Sera SeraMiniplex Limited,



	foreign companies and Government Bodies)	Birla Gold And Precious Metals Limited and Birla Jewels Limited
7.	Chairman/ Member in the Committee's of the boards in which he/ she is Director (includes only Audit Committee, Stakeholders' Relationship Committee and Nomination and Relationship Committee)	Nil

A copy of the draft letter of re-appointment of Mr. Sandip Joshi as an Independent Director would be available for inspection to the shareholders at the registered office of the Company on all working days (except Sundays and Public Holidays) between 11:00 a.m. and 1:00 p.m. till the date of the meeting.

The Notice and this Statement may also be regarded as a disclosure Regulation 36 (3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

The Board recommends this Resolution for your Approval.

#### Item No. 5

Based on the recommendation of Nomination and Remuneration Committee, Mrs. PratimaShailendra Singh was appointed as an Additional Director (Independent) on the Board with effect from February 14, 2018. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mrs. PratimaShailendra Singh will hold office upto the conclusion of the ensuing Annual General Meeting of the Company. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from her for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mrs. PratimaShailendra Singh (i) consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. The resolution seeks the approval of members for the appointment of Mrs. PratimaShailendra Singh as an Independent Director of the Company for a term of 5 consecutive years pursuant to section 149 and other applicable provisions of the Companies Act, 2013 and rules made thereunder. She will not be liable to retire by rotation.

In the opinion of the Board, Mrs. PratimaShailendra Singh, the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder with respect to the criteria of independence as also the requirements as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and she is Independent of the Management. No Director, Key Managerial Personnel or their relatives, except Mrs. PratimaShailendra Singh, to whom the resolution relates, are interested or concerned in the resolution. The Board recommends the resolution set forth in Item No. 5 for the approval of the members. The brief profile of her is as follows:

S.No	Name of the Director	PratimaShailendra Singh
1.	Date of Birth	02/06/1976
2.	Nationality	Indian



3.	Date of Appointment on the Board	14/02/2018
4.	Expertise in specific functional area	Marketing, Media and Fashion Industry.
5.	Number of Shares held in the Company	Nil
6.	Directorship held in other public companies (except foreign companies and Government Bodies)	Nil
7.	Chairman/ Member in the Committee's of the boards in which he/ she is Director (includes only Audit Committee, Stakeholders' Relationship Committee and Nomination and Relationship Committee)	Nil

A copy of the draft letter of re-appointment of Mrs. Pratima Shailendra Singh as an Independent Director would be available for inspection to the shareholders at the registered office of the Company on all working days (except Sundays and Public Holidays) between 11:00 a.m. and 1:00 p.m. till the date of the meeting.

The Notice and this Statement may also be regarded as a disclosure Regulation 36 (3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

The Board recommends this Resolution for your Approval.

#### **Item No 6.**

Based on the recommendation of Nomination and Remuneration Committee, Mr. Ashok Kacker was appointed as an Additional Director (Independent) on the Board with effect from March 12, 2018. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Ashok Kacker will hold office upto the conclusion of the ensuing Annual General Meeting of the Company. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from him for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Ashok Kacker (i) consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. The resolution seeks the approval of members for the appointment of Mr. Ashok Kacker as an Independent Director of the Company for a term of 5 consecutive years pursuant to section 149 and other applicable provisions of the Companies Act, 2013 and rules made thereunder. He will not be liable to retire by rotation.

In the opinion of the Board, Mr. Ashok Kacker, the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder with respect to the criteria of independence as also the requirements as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is Independent of the Management. No Director, Key Managerial Personnel or their relatives, except Mr. Ashok Kacker, to whom the resolution relates, are interested or concerned in the resolution. The Board recommends the resolution set forth in Item No. 6 for the approval of the members. The brief profile of his is as follows:



S.No.	Name of the Director	Ashok Kacker
1.	Date of Birth	04/02/1983
2.	Nationality	Indian
3.	Date of Appointment on the Board	12/03/2018
4.	Expertise in specific functional area	Public administration, finance, international taxations, mergers and acquisitions, capital and financial markets
5.	Number of Shares held in the Company	Nil
6.	Directorship held in other public companies (except foreign companies and Government Bodies)	<ol style="list-style-type: none"> <li>1. Max India Limited</li> <li>2. Max Ventures And Industries Limited</li> <li>3. Indiabulls Industrial Infrastructure Limited</li> <li>4. Golden Greens Golf And Resorts Limited</li> <li>5. Indiabulls Asset Management Company Limited</li> <li>6. Indiabulls Venture Capital Management Company Limited</li> </ol>
7.	Chairman/ Member in the Committees of the boards in which he/ she is Director (includes only Audit Committee, Stakeholders' Relationship Committee and Nomination and Relationship Committee)	<ol style="list-style-type: none"> <li>1. Chairman of Audit Committee- Max India Limited</li> <li>2. Chairman of Nomination and Remuneration Committee- Max India Limited</li> <li>3. Member of Stakeholders Relationship Committee- Max India Limited</li> <li>4. Member of Investment and Finance Committee- Max India Limited</li> <li>5. Member of CSR Committee- Max India Limited</li> <li>6. Chairman of Audit Committee- Max Ventures and Industries Limited</li> <li>7. Members of Nomination and Remuneration Committee- Max Ventures and Industries Limited</li> <li>8. Members of Stakeholders Relationship Committee- Max Ventures and Industries Limited</li> </ol>

A copy of the draft letter of re-appointment of Mr. Ashok Kacker as an Independent Director would be available for inspection to the shareholders at the registered office of the Company on all working days (except Sundays and Public Holidays) between 11:00 a.m. and 1:00 p.m. till the date of the meeting.

The Notice and this Statement may also be regarded as a disclosure Regulation 36 (3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

The Board recommends this Resolution for your Approval.



#### Item No 7.

Based on the recommendation of Nomination and Remuneration Committee, Mr. Prasanna Prabhakar Jagtap was appointed as an Additional Managing Director of the Company in the Board of Director Meeting held on 10<sup>th</sup> May, 2018 (Date of Appointment). Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Prasanna Prabhakar Jagtap will hold office upto the conclusion of the ensuing Annual General Meeting of the Company and is eligible for being appointed as a Managing Director.

Mr. Prasanna Prabhakar Jagtap has extensive profit and cost center experience in more than one business. He scripted the growth of the Group's Business towards a more competitive and sustainable model, guiding greenfield and brownfield expansions in India. He has brought in strong execution rigor to his work, and has considerably strengthened innovation. The Company has received from Mr. PrasannaPrabhakarJagtap(i) consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013,

The Company has received the notice pursuant to Section 160 of Companies Act, 2013 along with the requisite amount of deposit signifying his intention to be appointed as Managing Director of the Company. The remuneration and other terms and conditions of Mr. Prasanna Prabhakar Jagtap appointment as Managing Director as set out in the resolution is subject to your approval. The brief profile of his is as follows:

S.No.	Name of the Director	PrasannaPrabhakarJagtap
1.	Date of Birth	30/05/1974
2.	Nationality	Indian
3.	Date of Appointment on the Board	10/05/2018
4.	Expertise in specific functional area	Strategizing Business Model, Third Party Distribution, Channel Development and Management.
5.	Number of Shares held in the Company	Nil
6.	Directorship held in other public companies (except foreign/private companies and Government Bodies)	Nil
7.	Chairman/ Member in the Committee's of the boards in which he is Director (includes only Audit Committee, Stakeholders' Relationship Committee and Nomination and Relationship Committee)	Nil

A copy of the draft letter of appointment of Mr. Prasanna Prabhakar Jagtap as a Managing Director would be available for inspection to the shareholders at the registered office of the Company on all working days (except Sundays and Public Holidays) between 11:00 a.m. and 1:00 p.m. till the date of the meeting.



The Notice and this Statement may also be regarded as a disclosure Regulation 36 (3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

The Board recommends this Resolution for your Approval.

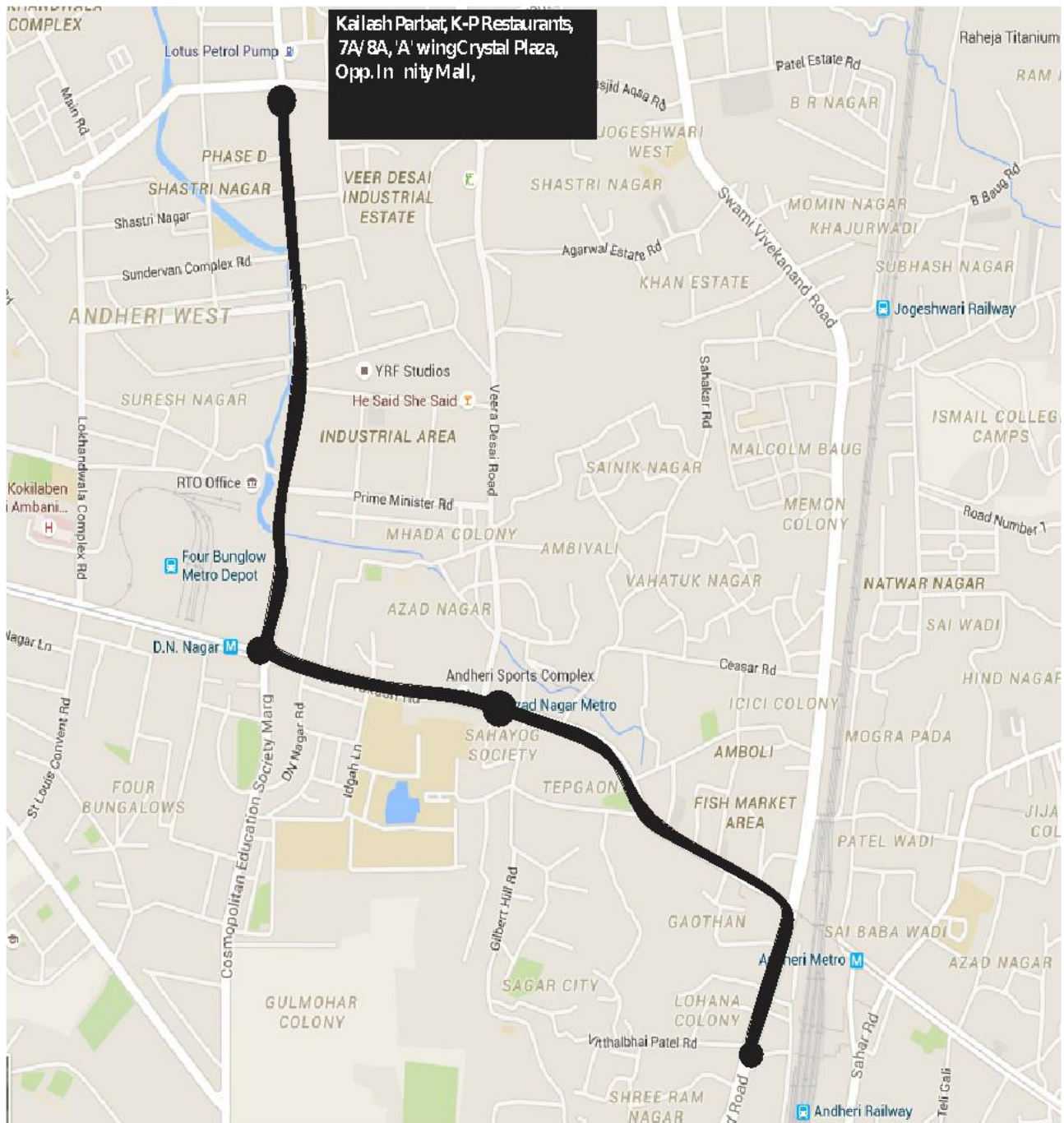
#### **DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

Information pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

Names of Director	Satish Panchariya
Date of Birth	27/07/1970
Date of Appointment	20/09/2012
Expertise in functional area	Marketing, Media, Investment Advisory
List of outside directorship held, excluding Alternate Directorship, Private Companies, and Foreign Companies	Alka India Limited (resigned w.e.f. 04/07/2018) , K Sera Sera Digital Cinema Limited.
Chairman/member of the Committee of the Board of Directors of the Company	NIL
Chairman/member of the Committee of the Board of Directors of the Company other Companies in which he/she is a director:  a. Audit Committee  b. Investor Grievance Committee	NIL
No. of Shares held in the Company	NIL



### ROUTE MAP FOR AGM VENUE





## BOARD'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 23<sup>rd</sup> Annual Report together with the Audited Financial Statements of KSS Limited for the year ended March 31, 2018.

### 1. Summarized Financial Highlights

Particulars	(Rs. In Lacs)			
	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Revenue from operations & other operating income	217.12	379.56	4,183.77	4,045.77
Profit/ (Loss) Before taxation & Exceptional Items	(141.00)	213.95	(514.30)	(218.76)
Add: Exceptional Items	(9,707.98)	-	(43,157.38)	-
Profit/ (Loss) before Tax	(9,848.98)	213.95	( 43,671.68)	218.76
Less: Tax expenses	-	(37.89)	(26.93)	(70.23)
Profit/ (Loss) after Taxation	(9,848.98)	(176.06)	(43,698.61)	(288.93)
Other comprehensive Income	-	-	(10.06)	(3.67)
Total Comprehensive Income for the Period	(9,848.98)	(176.06)	(43,688.55)	(285.26)
Balance brought forward from the previous year	(6,888.48)	(6,712.42)	20,281.90	20,567.16
Balance carried forward to next year	(16,737.45)	(6,888.48)	(23,406.65)	20,281.90

### 2. Highlights of the Performance of Company and its Subsidiaries:

On standalone basis total revenue of the Company stood at Rs. 217.12 Lacs during the period under review as compared to the total revenue of Rs.379.56 Lacs in the previous financial year. The post tax profit / (loss) for the financial year 2017-18 and 2016-17 is Rs. (9,848.98) and Rs.(176.06) Lacs respectively.

The Company has Six (6) Subsidiaries as on date, the financial highlights of the said subsidiaries are as follows:

- a) K Sera Sera Digital Cinema Limited – The total revenue of the Company stood at Rs. 2,146.82 Lacs during the period under review as compared to the total revenue of Rs. 1,854.15 Lacs in the previous financial year. The post tax profit for the financial year 2017-18 and 2016-17 is Rs. 69.47 Lacs and Rs. 11.50 Lacs respectively.
- b) K Sera SeraMiniplex Limited- The total revenue of the Company stood at Rs. 714.80 Lacs during the period under review as compared to the total revenue of Rs. 737.48 Lacs in the previous financial year.



The post tax profit / (loss) for the financial year 2017-18 and 2016-17 is Rs. 11.57 and Rs. (38.53) Lacs respectively.

- c) K Sera Sera Box Office Private Limited- The total revenue of the Company stood is 22.78 Lacs during the period under review and 0.59 Lacs during the corresponding previous financial year. The post tax profit/(loss) for the financial year 2017-18 and 2016-17 is Rs.2.92 Lacs and Rs. (0.001) Lacs respectively.
- d) K Sera Sera Productions FZE- The total revenue of the Company stood Nil during the period under review as compared to the total revenue of Rs. 174.89 Lacs in the previous financial year. The post tax profit for the financial year 2017-18 and 2016-17 is Nil and Rs. 12.66 Lacs respectively
- e) Birla Jewels Limited – The total revenue of the Company stood at Rs.918.12 Lacs during the period under review as compared to the total revenue of Rs. 754.74 Lacs in the previous financial year. The post tax profit for the financial year 2017-18 and 2016-17 is Rs. (81.52) Lacs and Rs. (72.43) Lacs respectively
- f) Birla Gold and Precious Metals Limited – The total revenue of the Company stood at Rs. 484.41 Lacs during the period under review as compared to the total revenue of Rs. 368.03 Lacs in the previous financial year. The post tax profit for the financial year 2017-18 and 2016-17 is Rs. (398.07) Lacs and Rs.3.18 Lacs respectively

Considering the performance of the above mentioned subsidiaries during the financial year ended 31st March 2018, the total revenue on a consolidated basis was Rs. 4,183.77 Lacs as compared to the total revenue of Rs. 4,045.77 Lacs in the previous financial year. The Company has incurred post tax profit/(loss) of Rs. (43,688.55) Lacs in the financial year 2017-18 as compared to the post tax profit/(loss) of Rs. (285.26) Lacs in the previous financial year.

**3. Transfer to reserves;**

No amount is being transferred to the reserves during the Financial Year 2017-18.

**4. Dividend:**

The Board of Directors do not recommended any dividend for the year ended March 31, 2018

**5. Management Discussion And Analysis Report**

The Management Discussion and Analysis of financial condition, including the results of operations of the Company for the year under review as required under Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, is provided as a separate section forming part of the Annual Report.

**6. Consolidated Financial Statements**

The audited consolidated financial statement of the Company prepared in accordance with applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 is provided in the Annual Report.

**7. Subsidiaries:**

The Company has following subsidiaries:

K Sera Sera Digital Cinema Limited - India  
K Sera Sera Box Office Private Limited-India  
K Sera Sera Miniplex Limited- India  
K Sera Sera Productions FZE- UAE  
Birla Gold and Precious Metals Limited- India  
Birla Jewels Limited – India

The Company has following step-down subsidiaries:

Cherish Gold Private Limited - India  
KSS Speed Technology Private Limited  
K Sera Sera Holdings Pty Limited - Australia



The Company's Policy for determining material subsidiaries is available on the Company's website at [www.kserasera.com](http://www.kserasera.com) under Investor Relations>Code of conduct> Policy on Determination of Material Subsidiary(ies).

The financial statements of all the subsidiary companies as on March 31, 2018, forms part of consolidated financial statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013 and the same are prepared in accordance with applicable accounting standards. The financial statements, both standalone and consolidated, are prepared in accordance with applicable accounting standards and as per Schedule III of the Companies Act, 2013 and applicable rules thereto.

A detailed statement containing the salient features of the financial statement of each of the subsidiary companies as on March 31, 2018 is annexed herewith as **Annexure -I (AOC 1) and forms part of this Report.**

**8. Directors Responsibility Statement :**

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- a. in the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the statement of profit and loss and cash flow of the Company for the same period;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts have been prepared on a going concern basis;
- e. they have laid down internal financial controls in the company that are adequate and were operating effectively.
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively

**9. Corporate Social Responsibility**

The provisions of the Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the Company yet.

**10. Insurance:**

The Company's property, equipment's and stocks are adequately insured against major risks after taking into account all the relevant factors.

**11. Internal Control Systems and their Adequacy**

The Company has in place adequate internal controls commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditors submits report to the Chairman of the Audit Committee of the Board. Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries.

Based on the report of Internal Auditors, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

**12. Directors and Key Managerial Personnel**

- Mr. Lalit Joshi resigned from the post of Independent Director w.e.f. 18/10/2017,



- Mr. Rahul Kanani resigned from the post of Chief Executive Officer (CEO) w.e.f 22/12/2017.
- Mr. Deepak Kamal Tripathi resigned from the post of Company Secretary and Compliance Officer (and its subsidiaries i.e. K Sera Sera Miniplex Limited, K Sera Sera Digital Cinema Limited and K Sera Sera Box Office Private Limited) w.e.f. 23/01/2018.
- Ms. Ankita Gupta was appointed as Company Secretary and Compliance Office of the Company (and its subsidiaries i.e. K Sera Sera Miniplex Limited, K Sera Sera Digital Cinema Limited and K Sera Sera Box Office Private Limited) w.e.f. 23/01/2018 under section 203 of companies act 2013 and other applicable regulations & provisions of SEBI (Listing Obligation and Disclosure Requirement) 2015.
- Mr. Sandip Joshi was appointed as an Additional (Independent) Director in the Board Meeting held on 23/01/2018 with immediate effect.
- Mr. Aditya Purohit resigned from the post of Independent Director w.e.f. 14/02/2018.
- Mrs. Pratima Shailendra Singh was appointed as an Additional (Independent) Director in the Board Meeting held on 14/02/2018 with immediate effect.
- Mr. Ashok Kacker was appointed as an Additional (Independent) Director in the Board Meeting held on 12/03/2018 with immediate effect.
- Mr. Prasanna Prabhakar Jagtap was appointed as an Additional Managing Director in the Board Meeting held on 10/05/2018 with immediate effect.

#### **Declaration by Independent Director(s)**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149 (6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 read with Rule 8 (4) of the Companies (Accounts) Rules, 2014 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an annual performance evaluation of the directors individually as well as the evaluation of the working of its Committees including the Chairman of the Board.

The board's performance for the current year was assessed on the basis of participation of directors, quality of information provided/available, quality of discussion and contribution etc. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering the aforesaid aspects of the Board's functioning. The overall performance of the Board and Committee's of the Board was found satisfactory.

The overall performance of Chairman, Executive Directors and the Non-executive Directors of the Company is satisfactory. The review of performance was based on the criteria of performance, knowledge, analysis, quality of decision making etc.

#### **Familiarisation programme for Independent Directors**

The Familiarisation Programme is formulated with the aim to make the Independent Directors of KSS Limited aware about their role, responsibilities and liabilities in the Company and to learn about the nature of the industry in which the company operates, business model of the Company, etc. The policy on Company's familiarization programme for Independent Director has been uploaded on the website of the Company at [www.kserasera.com](http://www.kserasera.com) under Investor Relations> Code of Conduct>Familiarization Programme for Independent Directors.

#### **Nomination and Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration. The summary of Remuneration Policy is stated in the Corporate Governance Report.





### 13. **Auditors & Auditors' Report**

#### **Statutory Auditor**

M/s. Agrawal Jain & Gupta (Firm Registration No: 013538C), Chartered Accountants, Statutory Auditor of your Company resigned w.e.f 14.08.2018 due to preoccupation. Accordingly as per the requirement of the section 139 of Companies Act, 2013 M/s Pipara & Co. LLP, (Firm Registration No. 107929W) are proposed to be appointed as auditors for a period of 5 years commencing from the conclusion of 23<sup>rd</sup> AGM till the conclusion of the 28<sup>th</sup> AGM, in place of M/s. Agrawal Jain & Gupta, Chartered Accountants (Firm Registration No. 013538C). M/s. Pipara & Co. LLP, Chartered Accountants (Firm Registration No. 107929W), have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

The Audit Committee and the Board of Directors have recommended the appointment of M/s. Pipara & Co. LLP, (Firm Registration No. 107929W), as statutory auditors of the Company from the conclusion of the 23<sup>rd</sup> AGM till the conclusion of 28<sup>th</sup> AGM, to the shareholders.

#### **Short Profile of M/s. Pipara & Co. LLP:**

Established in the year 1982, Pipara & Co LLP is actively working to be one of the most dynamic, effective and professional firms in India. People at Pipara & Co LLP, innovate to go out-of-the-box thereby creating unconventional ideas and solutions in helping their clients in achieving the next level. A balanced approach combining Innovation & experience creates an invincible blend. As an ISO Certified Organization that caters to wide spectrum of services it becomes important to demonstrate proficiency in each of the services.

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

#### **Internal Auditor:**

During the year under review Mr. Sunil Sureka (Membership No. 139836) Chartered Accountant is appointed as internal auditor of the company to conduct the internal audit of the company.

#### **Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s Sandeep Dubey & Associates, Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year 2017-18. The Secretarial Audit Report is annexed herewith marked as Annexure II (Form MR-3) to this Report. The Secretarial Audit Report does not contain any qualification, reservations or adverse remark.

### 14. **Disclosures**

#### **Audit Committee**

The Audit Committee as on March 31, 2018 comprises of the members namely, Mr. Rakesh Roopram Sharma (Chairman, Non Executive Independent Director), Mrs. Kunti Rattanshi (Non Executive Non Independent Director) and Mrs. Pratima Shailendra Singh (Non Executive Independent Director). The Audit Committee played an important role during the year. It coordinated with the Statutory Auditors, Internal Auditors and other key personnel of the Company and has rendered guidance in the areas of internal audit and control, finance and accounts. All the recommendations made by the Audit Committee were accepted by the Board.

7 meetings of the Audit Committee were held during the year.



### **Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee as on March 31, 2018 comprises of the members namely, Mrs. Kunti Rattanshi (Chairman, Non Executive Non Independent Director) Mr. Rakesh Roopram Sharma (Non Executive Independent Director), and Mrs. Pratima Shailendra Singh (Non Executive Independent Director). With the compulsory dematerialization of the Company's shares and electronic mode of transfers, postal dispatches which led to usual complaints, have been minimized. At the year end, 97.35% of the total shares were dematerialized with no unresolved pending investor grievances and intimation for compulsory dematerialization of shares (as per SEBI Circular) is also given to the physical shareholders of the Company.

5 meetings of the Stakeholders' Relationship Committee were held during the year.

### **Nomination & Remuneration Committee**

The Nomination & Remuneration Committee as on March 31, 2018 comprises of the members namely, Mr. Rakesh Roopram Sharma (Chairman, Non Executive Independent Director), Mrs. Kunti Rattanshi (Non Executive Non Independent Director) and Mrs. Pratima Shailendra Singh (Non Executive Independent Director). The purpose of the Nomination and Remuneration Committee is to recommends to the Board the suitability of candidates for appointment as Key Managerial Personnel, Directors and the remuneration packages payable to them and other employees.

7 meetings of the Nomination & Remuneration Committee were held during the year

### **Vigil Mechanism / Whistle Blower Policy**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established.

The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.kserasera.com](http://www.kserasera.com) under Investor Relations> Code of Conduct>Vigil Mechanism Policy

### **Meetings of Board**

The Board of Directors duly met 8 times during the financial year from April 01, 2017 to March 31, 2018. The dates on which meetings were held are as follows:

(i) 11.04.2017 (ii) 30.05.2017, (iii) 14.08.2017, (iv) 11.09.2017 (v) 14.12.2017, (vi) 23.01.2018 (vii) 14.02.2018 (viii) 12.03.2018.

### **Particulars of Loans, Investments, Guarantees by the Company**

The detailed particulars of loans, guarantees and investments made/given by the Company in the year 2017 -2018 as per Section 186 of the Companies Act, 2013 and Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is stated in the Notes to Account which forms part of this Annual Report.

### **Particulars of Contracts or Arrangements with Related Parties**

None of the transactions with related parties falls under the scope of Section 188 (1) of the Companies Act, 2013. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8 (2) of the Companies (Accounts) Rules, 2014 are given in **Annexure -III in Form AOC-2** and the same forms part of this report.

### **Public Deposits**

During the period under review Your Company has not accepted any Public Deposits falling within the purview of section 73 of the Companies Act, 2013. As such, no amount on account of principal or interests on public deposits was outstanding, as on March 31, 2018.

### **Policy on Related Party Transactions:**

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the





applicable provisions of the Companies Act 2013, the Rules thereunder and the Regulation 23 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

This Policy was considered and approved by the Board has been uploaded on the website of the Company at [www.kserasera.com](http://www.kserasera.com) under Investor Relations> Code of Conduct>Policy on Related party Transaction.

#### **Prevention, Prohibition and Redressal of Sexual Harassment at Workplace**

Your Company strongly believes in providing a safe and harassment-free workplace for each and every individual working for the Company through various interventions and practices. It is the continuous effort of the Management of the Company to create and provide an environment to all its employees that is free from discrimination and harassment, including sexual harassment. Company has Sexual Harassment Policy in place and available on Company's website. During the year under review, there were no complaints from any of the employee.

#### **15. Extract of Annual Return**

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure-IV.

#### **16. Conservation of Energy, Technology Absorption, Foreign Exchange**

The provisions of Section 134(3)(m) of the Companies Act, 2013, relating to conservation of energy and technology absorption are not applicable to the Company. However, the Company has been continuously and extensively using technology in its operations.

There were no foreign exchange earnings and foreign exchange outgo during the year and in previous year.

#### **17. Particulars of Employees and Directors**

The information required pursuant to Section 197 read with Rule, 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any re-enactment/modification thereof) in respect of employees of the Company is as follows:

During the period under review the company had two Executive Director, one Non Executive Non Independent Director and Four Non Executive Independent Director and they were not paid any remuneration except executive directors etc. Further, no sitting fees has been paid to any director during the year.

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

- |                                  |     |
|----------------------------------|-----|
| a) Employed throughout the year  | Nil |
| b) Employed for part of the year | Nil |

The remuneration paid to all Key Management Personnel was in accordance with remuneration policy adopted by the company.

The information required pursuant to section 197(12) read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect to remuneration to the Whole time directors and Key managerial Personnel, is prepared separately forming part of this report.

Having regard to the first proviso of section 136 (1) of the Companies Act, 2013 the Annual Report is being sent to the members of the Company excluding the aforesaid information. However the said information is available for inspection at the Registered Office of the Company before 21 days of the ensuing Annual General Meeting during business hours on working days.

#### **18. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future**

The company has received Order from Custom department for outstanding demand of Rs. 15,33,67,556 under section 142 of customs Act 1962.



**19. Share Capital**

The paid up Equity Share Capital as on March 31, 2018 is Rs. 2,135,875,070/-.The Company had allotted 56,48,873 equity shares (pursuant to subdivision 5,64,88,730 equity shares of Re.1/- each) of face value of Rs. 10/- each at the rate of Rs. 14.16/- per share on preferential basis pursuant to the conversion of Optionally Convertible Redeemable Bonds (OCRBs) as on November 14, 2014. However the listing permission from the NSE and BSE for the aforesaid issue of equity shares is awaited.

**20. Unclaimed Shares**

During the last financial year the Company had transferred 4,340 unclaimed equity shares of Re. 1/- each to the Demat Suspense Account belonging to 3 shareholders on November 07, 2015. The said amount is lying at the end of the year as none of the shareholders approached for transfer of shares from suspense account during the year. Company is holding these shares in a 'Demat Suspense Account' with DP- Nirmal Bang Sec. Pvt Ltd. On behalf of the allottees of these shares.

The voting rights in respect of these shares would remain frozen till the rightful owner claims it as per the procedure laid down under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**21. Corporate Governance and Shareholders Information**

Your Company has taken adequate steps to adhere to all the stipulations laid down in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance is included as a part of this Annual report. Certificate from the Practicing Company Secretary, confirming the compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included as a part of this report.

**22. Secretarial Standards**

The Institute of Company Secretaries of India had revised the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) with effect from 1st October 2017. The Company is in compliance with the revised secretarial standards to the extent applicable.

**23. Listing with Stock Exchanges**

The Company confirms that it has paid the Annual Listing Fees for the financial year 2018-19 to NSE and BSE where the Company's shares are listed

**24. Appreciation and Acknowledgements:**

Your Directors wish to place on record their appreciation and sincere gratitude to the various Departments of the Central and State Government, Company's Bankers, clients, media and business constituents for their valuable assistance and support. The Directors also acknowledge the continued support received from investors and shareholders and the confidence reposed by them. The Directors place on record their appreciation for the sincere and dedicated services rendered by all the employees of the Company at all levels.

**For and on behalf of Board of directors**

**Place: Mumbai**  
**Date: August 13, 2018**

**Sd/-**  
**Satish Panchariya**  
**Executive Chairman & Director**  
**DIN: 00042934**

**Sd/-**  
**Harsh Upadhyay**  
**Director**  
**DIN: 07263779**



## ANNEXURE –I

### FORM AOC-1

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

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

#### Part “A”: Subsidiaries

	Indian Subsidiary				
Particulars	K Sera Sera Digital Cinema Limited	K Sera SeraMini plex Limited	K Sera Sera Box Office Private Limited	Birla Gold and Precious Metals Ltd	Birla Jewels Ltd
Date of Acquisition of Subsidiary	June 04, 2009	Feb 02, 2010	Dec 06,2009	March 14, 2016	March 16, 2016
Reporting Period for the subsidiary	March 31, 2018	March 31, 2018	March 31, 2018	March 31, 2018	March 31, 2018
Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR
Share Capital	3,000.00	3,000.00	3,000.00	100	99.9
Reserves & Surplus	(142.07)	(536.50)	(332.57)	(47.48)	0.70
Total Assets	3968.41	3083.57	2747.62	556.29	584.78
Total Liabilities	1165.59	620.07	80.20	503.77	484.08
Investments	300.07	1265.99	2711.50	0	0
Turnover	1847.78	801.26	-	368.03	754.74
Profit before Taxation	100.90	34.56	(58.64)	2.21	1.38
Provision for Taxation	36.51	74.45	-	(0.96)	(0.77)



Profit after Taxation	64.38	(39.89)	(58.64)	3.18	2.16
Proposed Dividend	-	-	-	-	-
% of shareholding	100%	100%	91.42%	100%	100%

**Part “B”: Associates and Joint Ventures- Nil**

**For and on behalf of Board of directors**

**Place: Mumbai**  
**Date: August 13, 2018**

**Sd/-**  
**Satish Panchariya**  
**Executive Chairman & Director**  
**DIN: 00042934**

**Sd/-**  
**Harsh Upadhyay**  
**Director**  
**DIN: 07263779**



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED March 31, 2018

**ANNEXURE –II**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
**KSS Limited**  
**(Formerly known as K SERA SERA LIMITED)**

I/~~We~~ have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KSS Limited (formerly known as K SERA SERA LIMITED)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/~~us~~ a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/~~our~~ verification of the **KSS Limited (formerly known as K SERA SERA LIMITED)** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/~~We~~ hereby report that in my/~~our~~ opinion, the company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/~~we~~ have examined the books, papers, minute books, forms and returns filed and other records maintained by “the Company” for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;

As per information and explanation given to me and documents provided for inspection, the Company has maintained minutes book, statutory registers as required by the Act. The Company has filed various E-Forms during the year as a part of Compliance with the Act. The requisite forms were filed with appropriate authority/(ies) as and when required although there is a variation in Authorized Share Capital and Paid up share capital of the Company. All the Related Party transactions were carried out at Arm's Length Price.

- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;  
As per information provided the Company has complied with the stated rules.

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

As the shares of the Company are listed on BSE and NSE as per compliance requirement the shares of the Company are in De-mat form except 56656500 shares as on March 31, 2018 and Company complies with the Depositories Act. The RTA of the Company is Big Share Services Private Limited.

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



As per information and explanation given, the Company does not have any transaction attracting FEMA provisions during the year.

The company, having IEC number 0306007649, export rights of several films produced by them and/or for which, the distribution rights were purchased/ acquired by them in the past. By exporting distribution rights of the films in the territories abroad, KSS did import of various capital goods including 400 digital cinematographic projectors under EPCG Scheme – concessional rate of duty 3% with the proper compliances. Under EPCG Scheme company have to export eight times (approx. 4500.00 lacs) of duty saved within eight years, but till date company did not export under the said obligation and accordingly the company had received notice from custom department for payment of dues of Rs. 15,33,67,556/- (approx.) under section 142 of customs Act 1962.

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) **The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;**→intimations were given to exchanges as and when applicability was identified.

- (b) **The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;**

The notice for the closure of trading window was given to the persons identified to be possessing the price sensitive information.

The said regulations has Complied with as the insider trading notice is issued to the persons possessing price sensitive information before every Board or Members meeting and in case of any Corporate Action or announcements made to Stock Exchanges as the case may be.

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

The Company had converted 800 bonds into 56,48,873 equity shares for which requisite forms were filed and intimations were given to the regulators. The listing procedure for the said equity shares is in process, the said equity shares are pari-passu with existing equity shares of the Company.

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; → Not Applicable

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; →Not Applicable

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

The Bigshare Services Pvt. Ltd is RTA of the Company and is compliant with the said regulations.

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; → Not Applicable

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; →Not Applicable



(iv) The list of other acts applicable is as under:

- Provident Fund and other Employee Benefit related Statutes  
The EPF is not applicable to the company during the financial year under review, however, the Company has complied with other applicable Employee Benefit statutes as and when applicable.
  - TDS and Service Tax related statutes  
As per the information and explanation given, the company has been generally regular in depositing the applicable statutory dues (taxes) except delay in some cases which were then deposited with due late payment and interest as may be applicable. Details of pending cases in various regulatory authorities are disclosed in the Audit Report.
  - The Maharashtra Shops and Establishment Act, 1948.
  - Prevention of Money Laundering Act.
  - The Information Technology Act, 2000.
  - The Indian Stamp Act, 1899/Bombay Stamp Act.
  - Negotiable Instruments Act, 1881.
  - Registration of any property purchase/sale/long lease.
  - Wealth Tax Act, 1957.
  - Maharashtra Profession Tax under various state level legislations.
  - Indian Contract Act, 1872.
- As per information and explanation given, the Company has obtained various licenses as may be applicable during the year.

~~I/we~~ have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

As per the information and explanation given by the company and its officials During the period under review (F.Y. 2017-18) the secretarial standards were complied with as may be applicable.

**~~I/we~~ further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, along with detailed agenda, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through as there were no dissenting views by the members.

**~~I/we~~ further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Sandeep Dubey**  
**(Practicing Company Secretary)**

Sd/-  
**Sandeep Dubey**  
Place: Mumbai  
Date: August 14, 2018





## FORM AOC-2

## ANNEXURE -III

**Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

### 1.Details of contracts or arrangements or transactions not at arm's length basis

Sr.No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	-
b.	Nature of contracts/ arrangements/ transactions	-
c.	Duration of the contracts/ arrangements/ transactions	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e.	Justification for entering into such contracts or arrangements or transaction	-
f.	Date of Approval by the Board	-
g.	Amount paid as advances, if any	-
h.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

### 2.Details of material contracts or arrangements or transactions at arm's length basis

Sl.No.	Particulars	Details
A	Name (s) of the related party &	K Sera Sera Digital Cinema Ltd. (KSSDCL)
B	Nature of relationship	Subsidiary
C	Nature of contracts/ arrangements/ transactions	Holding company Assets used by KSSDCL
D	Duration of the contracts/ arrangements/ transactions	Life of projector
E	Salient terms of the contracts or arrangements or transaction including the value, if any	Holding company Assets used by KSSDCPL



F	Amount paid as advances, if any	Nil
G	Date of Approval by the Board	08.11.2010
H	Amounts incurred during the year (Rs. In Lakhs)	217.12

**For and on behalf of Board of directors**

**Place: Mumbai**  
**Date: August 13, 2018**

**Sd/-**  
**Satish Panchariya**  
**Executive Chairman & Director**  
**DIN: 00042934**

**Sd/-**  
**Harsh Upadhyay**  
**Director**  
**DIN: 07263779**



## ANNEXURE -IV

### EXTRACT OF ANNUAL RETURN FORM MGT-9

(Pursuant to section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Company (Management & Administration) Rules, 2014

Financial Year ended 31.03.2018

I.REGISTRATION & OTHER DETAILS			
1.	CIN		L22100MH1995PLC092438
2.	Registration Date		06/09/1995
3.	Name of the Company		KSS Limited (Formerly known as K Sera Sera Limited)
4.	Category/ Sub- Category of the Company		Company having Share Capital
5.	Address of the Registered Office & contact details		Unit No. 101A and 102, 1 <sup>st</sup> Floor, Plot No. B-17, Morya Landmark II, Andheri (West), Mumbai-400053 Tel : (022) 42088600 Fax: (022) 40427601 E-mail :info@kserasera.com website :www.kserasera.com
6.	Whether listed Company		Yes (NSE & BSE)
7.	Name , Address & contact details of the Registrar & Transfer Agent, if any.		Bigshare Services Private Limited E 2/3 Ansa Industrial Estate Saki Vihar Road, Saki Naka, Andheri( East ) Mumbai 400 072. Tel : (022) 42088600 Fax: (022) 40427601 E-mail :info@bigshareonline.com website: www.bigshareonline.com

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

S.No.	Name & Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Movies Distribution	59131	100%



### III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

No.	Name & Address of the Company	CIN / Registration No.	HOLDING/SUBSIDIARY/ ASSOCIATE
1.	K Sera Sera Box Office Private Limited Unit No. 101A and 102, 1 <sup>st</sup> Floor, Plot No. B-17, Morya Landmark-II, Andheri (West), Mumbai- 400053	U22130MH2009PTC193284	Indian Subsidiary
2.	K Sera Sera Digital Cinema Limited Unit No. 101A and 102, 1 <sup>st</sup> Floor, Plot No. B-17, Morya Landmark-II, Andheri (West), Mumbai- 400053	U72900MH2009PLC192998	Indian Subsidiary
3.	K Sera SeraMiniplex Limited Unit No. 101A and 102, 1 <sup>st</sup> Floor, Plot No. B-17, Morya Landmark-II, Andheri (West), Mumbai- 400053	U93090MH2010PLC199549	Indian Subsidiary
4.	Birla Gold and Precious Metals Limited Unit No. 101A and 102, 1 <sup>st</sup> Floor, Plot No. B-17, Morya Landmark-II, Andheri (West), Mumbai- 400053	U51900MH2001PLC133454	Indian Subsidiary
5.	Birla Jewels Limited (formerly known as K Bazaar Online Trading Private Limited) Unit No. 101A and 102, 1 <sup>st</sup> Floor, Plot No. B-17, Morya Landmark-II, Andheri (West), Mumbai- 400053	U74999MH2011PLC217746	Indian Subsidiary
6.	K Sera Sera Productions FZE-UAE P.O. Box 51822, ELOB Office No. E2-105F-63 Hamriyah Free Zone, Sharjah, UAE	5205	Foreign Subsidiary
7.	Cherish Gold Private Limited (formerly Known as K Kampus Education Private Limited) Unit No. 101A and 102, 1 <sup>st</sup> Floor, Plot No. B-17, Morya Landmark-II, Andheri (West), Mumbai- 400053	U74110MH2010PTC210556	Indian Step down Subsidiary
8.	KSS Speed Technology Private Limited (formerly known as K Sera Sera Consultancy Private Limited) Unit No. 101A and 102, 1 <sup>st</sup> Floor, Plot No. B-17, Morya Landmark-II, Andheri (West), Mumbai- 400053	U93000MH2011PTC211848	Indian Step down Subsidiary



9.	K Sera Sera Holdings Pty Limited Level 9, 550, Bourke Street, Melbourne, VIC, 3000	146219865	Foreign Step down Subsidiary
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**IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as % to total equity)**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Promoters	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
Indian									
Individual / HUF	-	-	-	-	-	-	-	-	-
Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks/ FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL: (A) (1)</b>	-	-	-	-	-	-	-	-	-
Foreign									
NRI-Individuals	-	-	-	-	-	-	-	-	-
Other Individuals	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-

Any Other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL: (A) (2)</b>	-	-	-	-	-	-	-	-	-
							-		
<b>Total Shareholding of promoter (A)= (A) (1)+ (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>B. Public Shareholding</b>									
1. Institutions									
a. Mutual Funds	-				-	-	-	-	
b. Banks/ FI	540	-	540	0.00	540	-	540	0.00	0.00
c. Central Government	-	-	-	-	-	-	-	-	
d. State Government	-	-	-	-	-	-	-	-	
e. Venture Capital Fund	-	-	-	-	-	-	-	-	
f. Insurance Companies	-	-	-	-					

s									
g. FI Is	89095393 3	-	8909539 33	41.71	776337556	-	7763375 56	36.35	(5.37)
Foreign Portfolio Investor/ VCF	49100000	-	4910000 0-	2.30-	49100000-	-	4910000 0-	2.30	0.00
Others	-	-	-	-	-	-	-	-	
<b>SUB TOTAL: (B) (1)</b>	9400544 73	-	9400544 73	44.012	825438096	-	25438096	38.65	(5.37)
Non Institutio ns									
a. B odies Corporate (Indian & Overseas)	30885008 0	5648873 0	3653388 10	17.10	279331607	56488730	3358203 37	15.75	(1.38)
Individual s									
i. Individual sharehold ers holding nominal share capital up to Rs. 1 Lakhs	2691123 55	167770	2692801 25	12.61	348165049	167770	3483328 19	16.31	3.70
Individual sharehold ers holding nominal share capital in excess of Rs. 1 Lakhs	4875210 97	-	4875210 97	22.83	546964574	-	5469645 74	25.61	2.78



Any Other (specify)									
Trust	10000	0	10000	0	10000	0	10000	0	0
Clearing Members	48931298	0	48931298	2.29	63527081	-	63527081	2.97	0.68
Non Resident Indians (NRI)	11566134	0	11566134	0.54	108280	-	108280	0.01	(0.54)
Non Resident Indians (REPAT)	9610826	0	9610826	0.45	12663546	0	12663546	0.59	0.14
Non Resident Indians (NON REPAT)	3237967	0	3237967	0.15	2685997	0	2685997	0.13	(0.03)
Unclaimed Suspense Account	4340	0	4340	0.00	4340	0	4340	0.00	0.00
Body Corporate NBFC	320000	0	320000	0.01	320000	0	320000	0.01	0.00
<b>SUB TOTAL: (B) (2)</b>	1139164097	56656500	1195820597	55.99	1253780474	56656500	1310436974	61.35	5.37
<b>Total Public Shareholding (B)= (B) (1)+ (B) (2)</b>	2079218570	56656500	2135875070	100.00	2079218570	56656500	2135875070	100.00	0.00
<b>Shares held by custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-



<b>Grand Total (A+B+C)</b>	2079218570	56656500	2135875070	100.00	2079218570	56656500	2135875070	100.00	0.00
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ii. **Shareholding of Promoters:**

SI. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged encumbered to total shares				
NIL								

iii. **Changes in Promoters' Shareholding (Specify if there is no change)**

I. No.		Shareholding at the beginning of the year	Cumulative Shareholding during the year
1.	At the beginning of the year	Nil	
2.	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons No changes in Promoters shareholding during the year for increase/decrease (e.g. allotment /transfer/bonus/ sweat equity etc.)	No changes in Promoters shareholding during the year	
3.	At the end of the year	Nil	

iv. **Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters, & Holders of GDRs & ADRs)**

	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>1</b>	Aspire Emerging Fund	205800000	9.64	205800000	9.64



2	Auctor Investments Ltd	200989500	9.41	200989500	9.41
3	Emerging Market opportunity Fund	185774746	8.7	185774746	8.7
4	India Focus Cardinal Fund	97100000	4.55	97100000	4.55
5	KII Limited	81707340	3.83	81707340	3.83
6	Darpad Trading Private Limited	69618680	3.26	69618680	3.26
7	Birla Financial Distribution Limited	56488730	2.64	56488730	2.64
8	Basmati Securities Pvt Ltd	47291590	2.21	47291590	2.21
9	Maars Infratech Private Limited	43257445	2.03	43257445	2.03
10	SunitaSarwankumarSaraf	27401070	1.08	27401070	1.08

**Note:** The change in the shareholding in the above shareholders (pt. 1 to pt. 12) was due to buying/ selling of shares by the shareholders on various dates. The shareholding of Birla Financial Distribution Limited in pt. 13 represents the allotment of 56,48,873 equity shares of face value of Rs. 10/- each at the rate of Rs. 14.16/- issued on a preferential basis pursuant to the conversion of Optionally Convertible Redeemable Bonds (OCRBs) in the financial year 2014-15.

- v. **Shareholding of Directors and Key Managerial Personnel as on March 31, 2018 :**  
During the period under review none of the Directors or KMPs holds shares in the Company
- vi. **Indebtness :**  
Indebtness of the Company including interest outstanding / accrued but not due for repayment

Rs. In Lakhs				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				

i) Principal Amount	-	560.14	-	560.14
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	388.69	-	388.69
<b>Net Change</b>	-	(388.69)	-	(388.69)
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	-	171.46	-	171.46
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>171.46</b>	-	<b>171.46</b>

vii. **Remuneration of Directors and Key Managerial Personnel**

**Remuneration to Managing Director, Whole-time Directors and/or Manager**

SI, No	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
	Gross Salary Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 Value of perquisites u/s 17(2) Income Tax Act, 1961 Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-	-
	Stock Option	-	-	-	-	-
	Sweat Equity	-	-	-	-	-
	Commission As % of profit Others, specify	-	-	-	-	-

	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

**B. Remuneration to other directors :**

No	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors <ul style="list-style-type: none"> <li>Fee for attending board / committee meetings</li> <li>Commission</li> <li>Others, please specify</li> </ul>	-	-	-	-	-
	Total (1)	-	-	-	-	-
1.	Other Non-Executive Directors <ul style="list-style-type: none"> <li>Fee for attending board / committee meetings</li> <li>Commission</li> <li>Others, please specify</li> </ul>	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)= (1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall ceiling as per the Act	-	-	-	-	-

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

Sl. No	Particulars of Remuneration	Company Secretary	Total Amount
1.	Gross Salary <ul style="list-style-type: none"> <li>a. Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961</li> <li>b. Value of perquisites u/s 17(2) Income Tax Act, 1961</li> <li>c. Profits in lieu of salary under section 17(3) Income Tax Act, 1961</li> </ul>	4.22	4.22
1.	Stock Option	-	-



1.	Sweat Equity	-	-
1.	Commission <ul style="list-style-type: none"> <li>As % of profit</li> <li>Others, specify</li> </ul>	-	-
1.	Others, please specify	-	-
	<b>Total (C)</b>	<b>4.22</b>	<b>4.22</b>

**viii. Penalties / Punishment / Compounding of Offences**

SI, No	Type	Sections of the Companies Act	Brief Description	Details of Penalty Authority Appeal made, Companies Act / Punishment	Authority (RD/NCLT/ Court)	Total Amount
A. COMPANY		-	-	-	-	-
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
B. DIRECTORS		-	-	-	-	-
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-

**For and on behalf of Board of directors**

**Place: Mumbai**  
**Date: August 13, 2018**

**Sd/-**  
**Satish Panchariya**  
**Executive Chairman & Director**  
**DIN: 00042934**

**Sd/-**  
**Harsh Upadhyay**  
**Director**  
**DIN: 07263779**



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **MACRO ECONOMIC ENVIRONMENT IN INDIA**

#### **Media and Entertainment Industry**

The Indian Media and Entertainment (M&E) industry is a sunrise sector for the economy and is making high growth strides. Proving its resilience to the world, the Indian M&E industry is on the cusp of a strong phase of growth, backed by rising consumer demand and improving advertising revenues. The industry has been largely driven by increasing digitization and higher internet usage over the last decade. Internet has almost become a mainstream media for entertainment for most of the people.

The Indian advertising industry is projected to be the second fastest growing advertising market in Asia after China. At present, advertising revenue accounts for around 0.38 per cent of India's gross domestic product.

#### **Market Dynamics**

Indian media and entertainment (M&E) industry grew at a CAGR of 12.25 per cent from 2011-2017; and is expected to grow at a CAGR of 11.6 per cent to touch Rs 2,032 billion (US\$ 31.53 billion) by 2020 from Rs 1,308 billion (US\$ 19.46 billion) in 2016. The industry provides employment to 3.5-4 million people, including both direct and indirect employment in 2017.

#### **Recent development/Investments**

The Foreign Direct Investment (FDI) inflows in the Information and Broadcasting (I&B) sector (including Print Media) in the period April 2000 – September 2017 stood at US\$ 6.86 billion, as per data released by Department of Industrial Policy and Promotion (DIPP).

- The Indian digital advertising industry is expected to grow at a Compound Annual Growth Rate (CAGR) of 32 per cent to reach Rs 18,986 crore (US\$ 2.93 billion) by 2020, backed by affordable data and rising smartphone penetration.
- India is one of the top five markets for the media, content and technology agency Wavemaker where it services clients like Hero Moto Corp, Paytm, IPL and Myntra among others
- After bagging media rights of Indian Premier League (IPL), Star India has also won broadcast and digital rights for New Zealand Cricket upto April 2020.
- Total number of Mergers and Acquisition deals increased to 63 in FY17 from 58 in FY16

#### **Employment**

The industry provides employment to 3.5-4 million people, including both direct and indirect employment in 2017.

#### **Government Initiatives**

The Telecom Regulatory Authority of India (TRAI) is set to approach the Ministry of Information and Broadcasting, Government of India, with a request to fastrack the recommendations on broadcasting, in an attempt to boost reforms in the broadcasting sector. The Government of India has agreed to set up the National Centre of Excellence for Animation, Gaming, Visual Effects and Comics industry in Mumbai. The Indian and Canadian Government have signed an audio visual co-production deal to enable producers from both the countries exchange and explore their culture and creativity, respectively.





The Government of India has supported Media and Entertainment industry's growth by taking various initiatives such as digitising the cable distribution sector to attract greater institutional funding, increasing FDI limit from 74 per cent to 100 per cent in cable and DTH satellite platforms, and granting industry status to the film industry for easy access to institutional finance.

### Road Ahead

The Indian Media and Entertainment industry is on an impressive growth path. The industry is expected to grow at a much faster rate than the global average rate.

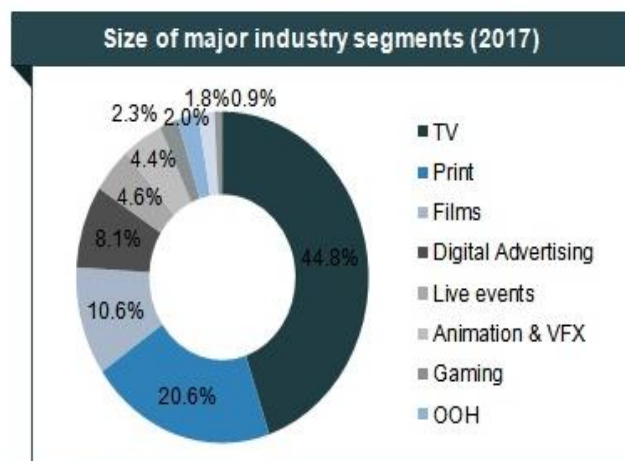
Growth is expected in retail advertisement, on the back of factors such as several players entering the food and beverages segment, e-commerce gaining more popularity in the country, and domestic companies testing out the waters. The rural region is also a potentially profitable target.

Exchange Rate Used: INR 1 = US\$ 0.0155 as on FY2018

References: Media Reports, Press Releases, Press Information Bureau, Department of Industrial Policy and promotion (DIPP), Union Budget 2016-1, KPMG – FICCI Report 2017

Note: @ - according to a joint report titled 'Mobile Ecosystem and Sizing Report' by Mobile Marketing Association (MMA) and GroupM

### Market Size



Notes: OOH – Out of Home, TV – Television

Source: KPMG - FICCI Report 2017, Economic Times, Aranca Research

### Gems and Jewellery Sector

UAE, US, Russia, Singapore, Hong Kong, Latin America and China are the biggest importers of Indian jewellery. Net exports of gems and jewellery from India rose at a compound annual growth rate (CAGR) of 7.06 per cent between FY05 and FY17. Exports of gold coins and medallions stood at US\$ 1,899.82 million and silver jewellery export stood at US\$ 3,332.95 million during April 2017-February 2018. The exports stood at US\$ 30.67 billion between April 2017-February 2018.



India's gems and jewellery sector is one of the largest in the world contributing 29 per cent to the global jewellery consumption. The market size of the sector is about US\$ 75 billion as of 2018 and is estimated to reach US\$ 100 billion by 2025. The sector is home to more than 300,000 gems and jewellery players, contributes about 7 per cent to India's Gross Domestic Product (GDP) and employs over 4.64 million employees. India's gems and jewellery sector contributes about 15 per cent to India's total merchandise exports. The overall net exports of gems and jewellery stood at US\$ 32.71 billion during FY18 registering a compound annual growth rate (CAGR) of 5.83 per cent over FY05; whereas gems and jewellery imports increased at a CAGR of 7.97 per cent from US\$ 11.63 billion in FY05 to US\$ 31.52 billion in FY18. India is the world's largest centre for cut and polished diamonds in the world and exports 75 per cent of the world's polished diamonds. Today, 14 out of 15 diamonds sold in the world are either polished or cut in India. India exported US\$ 6.29 billion worth of cut and polished diamonds in April - June 2018.

### **Company Overview:**

Your Company is engaged in the business of content distribution and exhibition of feature films and other activities through its subsidiaries viz., K Sera Sera Digital Cinema Ltd- handling the Digital Cinema Roll Out and K Sera Sera Miniplex Ltd- specializing in the Exhibition Business building Cinema Halls across India. The Company has also diversified in the jewellery business by acquiring two new subsidiaries namely, Birla Gold and Precious Metals Limited and Birla Jewels Limited. Both the companies are the wholly owned subsidiaries of KSS Limited.

### **State of Art Theatres- "K Sera Sera Miniplex Limited"**

K Sera Sera Miniplex Limited is continuing its growth adding new partners and new screens to its portfolio. We continue to provide top quality entertainment to our audience. The Company has started making Multiplexes with four screens. In the last year Company inaugurated four screen theatre of 75 seats each in Nagpur.

It has also started its own Food Cine Café in the name of CINE CAFÉ. The Company plans to extend the catering services in to cinema which are owned or operated by the Company. With this expansion plan the Company is also expecting a quantum jump in its revenue.

K Sera Sera Miniplex Limited is also in the process of launching ticketing application so that the patrons can book tickets from the comfort of their home without paying any internet handling charges.

The Company has installed its first 2K format projector in Nagpur and the Company expects a good jump in the revenue with this investment.

### **K Sera Sera Digital Cinema Limited**

K Sera Sera has launched high definition Cinema Projection Technology, under Sky CinexPrime. The revised technology enables to download high quality "Digitally Mastered Content" via various electronic medium. The company has heavily invested in Research and Development of this technology. K Sera Sera Digital Cinema currently has approx. 400 Screens under its umbrella and has grown its presence in the Hindi film market with growing reach in Delhi, UP, Punjab, Uttarakhand, Gujarat, Maharashtra, Himachal Pradesh, Chattisgarh, Madhya Pradesh, Andhra Pradesh Karnataka, West Bengal, Tamil Nadu, Bihar, Assam.

KSSDCL released all Hindi (Bollywood) films as well as Bhojpuri, Gujarati, Telugu, Kannada, Bengali and other regional language to a huge success. KSS Digital Cinema provides state-of-the-art Projection Technology to E-Cinema across India and is known for its Service and Efficiency and therefore obtained the ISO 9001:2008 Certificate.



KSSDCL has established “State of the Art” Digital Lab and Mastering Unit at Hyderabad, as part of expansion plan for the State of Andhra Pradesh and Telangana.

The Company has signed an MOU with Tamil Nadu Film Chamber for establishing Mastering Unit & Digital Lab for the State of Tamil Nadu, Karnataka and Kerala and same has been implemented.

In Order to bring in Technological Upgradation the Company through its high tech Mastering facilities, we have started Mastering 2K movies at its lab at Hyderabad, Chennai and Mumbai. The Company has more than 1000 screens overseas using our 2K Mastered KDM's for 2K Movies. The Company has recently ventured into installation of its Digital Equipment's to the state of West Bengal. The Company has been delivering 2K Mastered Content at Faridabad and Nagpur city own Miniplex theater.

#### **Skycinex Prime Technology Upgradation**

- Remote Access Management of our entire network of server widely spread in India.
- Support and Trouble shooting is managed electronically with our Prime Technology.
- Exceptional feature of One Time Password (OTP) for critical & sensitive situations.

#### **Birla Gold and Precious Metals Limited**

Birla Gold and Precious Metals Limited is a service provider and retailer for all kinds of goods and merchandise including precious and semi-precious metals, stones, gold, silver, diamonds, Jewellery and all such other commodities.

Birla Gold and Precious Metals Limited has launched a Jewellery Purchase Product named “Cherish Gold Plan-CGP” – A Smart Savings Plan through which it aims to present to end customers the flexibility to purchase and accumulate fractional amount of 22 karat gold, rather than spending large sums of money to purchase it in one go. Participation of Individuals under this product is voluntary and individuals are free to purchase as much as jewellery at any time. “Cherish gold” is a product and brand/trade name owned by BGPML.

Cherishgold.com is an e-commerce portal/virtual Jewellery Mall wherein the largest collection of Gold, Diamond and Gemstone Jewellery, in the country, is made available. Cherish Gold would help customers to shop from anywhere, any time and offers door-step delivery. The products meet the stringent quality standards of purity, weight, shape, size and aesthetic look.

#### **Birla Jewels Limited**

Birla Jewels carries on business as Service provider for all kinds of goods and merchandise including gold, diamonds, jewellery and such other products. It is engaged in distribution and retail of branded jewellery, jewellery products and life style products from its current set of retail outlets, and through their franchisee model under the brand name “BJewelz”. It provides services to equip a jewellery retail outlet through franchisees to successfully run exclusive jewellery retail business under the banner of “BJewelz”, a brand owned by Birla Jewels Limited.

The Company is currently focussing on the launching of “BJewelz” retail outlet through franchisee model in various states and down the year is planning to open the Company owned and Company operated retail store of its own.

Gold Mining – “Investment in Citigold Australia via our Australian Step Down Subsidiary” K Sera Sera Holdings Pty Ltd.



## **Financial Overview**

Revenue of the group stood at Rs. 4,183.77 Lacs and profit/ (loss) after tax and exceptional item stood at Rs. (43,698.61) Lacs. Reduction in revenue is mainly on account of paradigm shift in Company's focus and diversification. The diversification of the business are yet to bear fruit.

## **Outlook, Opportunities and Threats Outlook:**

The Company envisages a huge potential in motion picture production, distribution and television content production activities. The Company also proposes to expand its activities into overseas market. The Company is working towards diversification on and intends to de risk the business.

## **Exhibition Miniplex:**

The Company aims at opening Miniplex as compared to multiplexes as not many are block buster and facility of 4-5 screens with the capacity of 200-250 may not be viable for tier 2 and tier 3 cities as the population is not much. Hence a miniplex format theatre serves better. Hence a Miniplex format theatre serves better. The Company has also started building multiplexes whenever the space and opportunity arises. Miniplexes should have a positive impact on the profitability of the group.

## **Exhibition Digital Cinema:**

As briefed earlier that digitisation has seen good progress in digital cinema as they are going to play a crucial role in the future of film industry and there is huge potential for conversion of earlier movies in analogue to digital format with its State Of Art Technology, "Skycinex Prime" which should provide greater returns in the future. The company is presently focussing on development of DCI approved technology so that it can release the Hollywood movies.

## **Jewellery Market- Retailer**

- With a market size of almost INR 4,54,100 crore, the sector has a sizeable share of the GDP at ~5.9 percent, apart from large-scale employment generation and foreign exchange earnings.
- A share of wallet analysis reveals that jewellery accounts for more than a fourth of the discretionary spending by consumers in India. This coupled with rising income levels in India is a major growth driver
- India has an estimated 229 million women aged 20-49. The number of women, the key customer category for jewellery, who are employed in professional sectors is rising very fast
- With more than 300 million people in the 25-29 age group in the period 2011-21, 150 million weddings are expected to take place in this period
- Tier-III inclusion. With landlords and money lenders being the primary source of financial credit in such areas, jewellers have emerged as an alternative, providing investment options through gold jewellery.

## **Threats:**

Market competition, regulatory approvals and fast technological advancement remain a major threat. Piracy continues to dampen the growth, measures taken by the Company to go digital is helping reduce its extent. High Entertainment tax affects revenue to some extent. Film distribution is relatively risky business due to issue of under reporting by exhibitors.



## **RISK MANAGEMENT:**

Some of the key strategic risks the Company faces, their impact and corresponding risk mitigation actions undertaken by the Company are discussed in the table:

<b>KEY RISKS</b>	<b>IMPACT ON THE COMPANY</b>	<b>MITIGATION</b>
Technology	Inability to cope with swift technological developments can impact business	The company has expertise technical support staff who update the management regarding new impact business
Liquidity	Non availability of timely funds may affect our ability to operate and also delay our implementation plans for growth and expansion.	The Company has good Financial support of Banks and Financial Institutions helps the company to reduce its risks.
Regulatory	Unprecedented changes in government policies may impact business operations.	The company is suitably positioned to counter risks, posed by change in government policies.
Delay, cost overruns cancellation and abandonment or completion of films.	Such risks can significantly impact completion and release of films.	Enhanced industry corporatization enables the company to mitigate this risk. This is carried out by entering into specific agreements, fixing the responsibilities of the co-producers, better planning and execution.

## **Internal Control System and their Adequacy:**

Adequate systems of internal controls that commensurate with the size of operation and the nature of business of the Company have been implemented. The Internal control systems are implemented to safeguard company's assets from unauthorized use or disposition, to provide constant check on cost structure, to provide adequate financial and accounting controls and implement accounting standards.

## **Human Resource Management:**

The Company places major emphasis on providing a safe & a healthy working environment to all its employees. We encourage our employees to balance their work and personal relation. The field being one which requires absolute creativity, the performance of its employees is reviewed so as to provide them job enrichment opportunities.

The Directors recognize that continued and sustained improvement in the performance of the Company depends on its ability to attract, motivate and retain employees of the highest calibre. We are committed to the principle of equal employment opportunities.



Further we endeavor to create an environment where employee can use their capabilities in support of the business.

*Cautionary Statement: Statement in this Management Discussion and Analysis Report, describing the Company's Objectives, projections, estimates, expectation may be forward looking statements' with the meaning of applicable laws and regulations, Actual results could differ materially from those expressed or implied.*

**Place: Mumbai**  
**Date: August 13, 2018**

**For and on behalf of Board of directors**

**Sd/-**  
**Satish Panchariya**  
**Executive Chairman & Director**  
**DIN: 00042934**

**Sd/-**  
**Harsh Upadhyay**  
**Director**  
**DIN: 07263779**



## **CORPORATE GOVERNANCE REPORT**

### **Introduction Colleague**

Corporate governance is about commitment to values and ethical business conduct. It is a set of laws, regulations, processes and customs affecting the way a company is directed, administered, controlled or managed. Effective corporate governance practices constitute the strong foundations on which commercial enterprises are built to last. These practices are categorized through a framework enforced by regulation. It develops through adoption of ethical practices in all of its dealings with a wide group of stakeholders encompassing regulators, employees, shareholders, customers and vendors. This includes its corporate and other structures, culture, policies and the manner in which it deals with various stakeholders. Some of the important best practices of corporate governance framework are timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company. It has become an integral part of the business aligning the organizations to the best practices of good governance.

The detailed report on compliance by the Company of the Corporate Governance Code as incorporated in regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out below:

#### **1. Company's Philosophy on code of Corporate Governance**

Corporate Governance encompasses the value systems of integrity, transparency and adoption of high ethical standards.

KSS's philosophy on Corporate Governance is to enhance the long term economic value of the Company and its Stakeholders including shareholders and society at large through attainment of highest levels of transparency, accountability, professionalism and equity in all facets of its operations.

The Company envisions being a globally preferred business associates with responsible concern for society and stakeholders value. The Company is committed to ethical values and self-discipline through standards of good governance based on transparency, fairness, purposefulness, trust, responsibility, checks and balances directed at sustaining shareholders interest and overall organizational goals.

The Company makes best endeavors to uphold and nurture these core values in all facets of its operations and aims to increase and sustain its corporate value through growth and innovation.

The Company is fully committed to and continues to follow procedures and practices in conformity with the Code of Corporate Governance enshrined in the Listing Regulations.

#### **2. Board of Directors**

As on March 31, 2018 the Board of Directors comprises of two Executive Directors including Chairman of the Company, one non-executive non independent director and four non-executive independent directors

##### **a. Disclosure of relationship between Directors**

None of the Directors are related to each other in accordance with the section 2 (77) read with rule 4 of the Companies (Specification of Definition Details) Rules, 2014 of the Companies Act, 2013.

##### **b. Composition and category of Directors as of March 31, 2018**

<b>Name of the Director</b>	<b>Category</b>	<b>No. of board meeting attended</b>	<b>Attendance at the last AGM</b>	<b>No. of Equity Shares held as on 31.03.18</b>



Mr. Satish RamswaroopPanchariya	Executive Chairman & Director	8	Attended	Nil
Mr. Harsh Upadhyay	Executive Director	8	Attended	Nil
Mr. Rakesh Roopram Sharma	Non-Executive Independent Director	8	Attended	Nil
Mrs. KuntiRattanshi	Non Executive Non Independent Director	8	Attended	Nil
Mr. Sandip Joshi	Independent Director	2	Not Applicable	Nil
Mrs. PratimaShailendra Singh	Independent Director	1	Not Applicable	Nil
Mr. Ashok Kacker	Independent Director	Not Applicable	Not Applicable	Nil

**c. No. of Board meetings & date of holding the meeting:**

(i) 11.04.2017 (ii) 30.05.2017, (iii) 14.08.2017, (iv) 11.09.2017 (v) 14.12.2017, (vi) 23.01.2018 (vii) 14.02.2018 (viii) 12.03.2018.

The Company has held at least one meeting in every three (3) months and the maximum time gap between two meetings was not more than 120 days.

**d. Particulars of Directorship of Directors in other Companies as on March 31, 2018**

<b>Name and Designation of the Director</b>	<b>Name of the Company</b>	<b>Position</b>
<b>Mr. Satish Panchariya (Executive Chairman &amp; Director)</b>	Alka India Limited	Director
	K SeraSera Digital Cinema Limited	Director
	K SeraSera Box Office Private Limited	Director
	KSS Speed Technology Private Limited (Formerly known as K Sera Sera Consultancy Private Limited)	Director
<b>Mr. Harsh Upadhyay (Executive Director)</b>	K Sera Sera Box Office Private Limited	Director
	K Sera SeraMiniplex Limited	Director
	KSS Speed Technology Private Limited (Formerly known as K Sera Sera Consultancy Private Limited)	Director
	Cherish Gold Private Limited (formerly Known as K Kampus Education Private Limited)	Director



	K Sera Sera Digital Cinema Limited	Director
<b>Mr. Rakesh Roopram Sharma (Independent Director)</b>	K Sera Sera Digital Cinema Limited	Director
<b>Ms. KuntiRattanshi (Non Executive Non Independent Women Director)</b>	K Sera SeraMiniplex Limited	Director
<b>Sandip Joshi</b>	K Sera SeraMiniplex Limited	
	Birla Jewels Limited	
	Birla Gold and Precious Metals Limited	
<b>Mrs. PratimaShailendra Singh</b>	Nil	NIL
<b>Mr. Ashok Kacker</b>	Indiabulls Industrial Infrastructure Limited	
	Salins Commodities Private Limited	
	Indiabulls Asset Management Company Limited.	
	Indiabulls Venture Capital Management Company Limited	
	Inventive Green Technology Solutions Private Limited	
	Golden Greens Golf And Resorts Limited	
	Max India Limited	
	Max Ventures And Industries Limited	

e. **No. of other Board Committees they are Members/ Chairman as on March 31, 2018**

<b>Audit Committee</b>	<b>Stakeholder Committee</b>	<b>Relationship</b>	<b>Nomination and Remuneration Committee</b>
Mr. Rakesh Roopram Sharma	Mrs. KuntiRattanshi		Mr. Rakesh Roopram Sharma
Mrs. KuntiRattanshi	Mr. Rakesh Roopram Sharma		Mrs. PratimaShailendra Singh
Mrs. PratimaShailendra Singh	Mrs. PratimaShailendra Singh		Mrs. KuntiRattanshi



### 3. Independent Directors

The Company has complied with the definition of Independence as per regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and according to the provisions of section 149 (6) of the Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013

#### Training of Independent Directors

Whenever new Non Executive and Independent Directors are inducted in the Board they are introduced to the Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks, and management strategy.

The appointment letters of Independent Director has been placed on the Company's website at [www.kserasera.com](http://www.kserasera.com) under Investor Relations>Code of conduct>letter of appointment of ID

#### Separate meeting of the Independent Directors

The Independent Directors held one separate meeting without the attendance of the Non- Independent Directors and members of management. All the Independent directors were present at the meeting held on 12/03/2018. The following issues were discussed in detail:

- i. Reviewed the performance of the Non Independent Directors and the Board as a whole
- ii. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive and non-executive directors
- iii. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties

### 4. Audit Committee

#### a. Terms of Reference

The Audit Committee reviews the audit reports submitted by the Internal Auditors and Statutory Auditor, financial results, effectiveness of internal audit processes and the Company's risk management strategy. It reviews the Company's established systems and the Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18 read with part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### b. Composition

During the period under review the Audit committee comprises of two (2) independent and one (1) non-executive directorsnon independent director. All these directors possess knowledge of corporate finance, accounts and company law. Company Secretary acts as secretary to the committee.

#### c. No. of Meetings held during the year

During the period under review, 7 (Seven) Audit Committee meetings were held on 11.04.2017; 30.05.2017; 14.08.2017; 11.09.2017, 23.01.2018, 14.02.2018 and 12.03.2018.

#### d. Composition, name of Members and Attendance during the year

Name of Member	Position	No. of meetings held	No. of Meetings Attended
Mr. Rakesh Roopram Sharma	Chairman	7	7



Mrs. KuntiRattanshi	Member	7	7
Mrs. PratimaShailendra Singh	Member	1	1

## 5. Nomination and Remuneration Committee

### a. Terms of Reference:

This Committee was constituted as on November 14, 2014 in compliance with the section 178 read with rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014. This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The Remuneration policy as adopted by the Company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The employees in the Company including those rendering clerical, administrative and professional service are suitably remunerated according to Industry norms. During the period under review the Company has not paid remuneration/sitting fees to any of its Directors.

### b. Composition:

During the period under review the Nomination and Remuneration Committee of the Company consists of two (2) independent and one (1) non-executive directors

### c. No. of meetings held during the year:

During the year Company had 7 (Seven) meeting i.e. on 11.04.2017; 30.05.2017; 14.08.2017; 11.09.2017, 23.01.2018, 14.02.2018 and 12.03.2018.

### d. Composition, name of members and attendance of during the year:

Name of the Director	Position	No. of Meetings held	No. of meetings Attended
Mr. Rakesh R Sharma	Chairman	7	7
Mrs. Kunti Rattanshi	Member	7	7
Mrs. Pratima Shailendra Singh	Member	1	1

## 6. Stakeholder Relationship Committee:

### a. Terms of Reference:

The Company had constituted transfer cum shareholders grievance committee in 2002. The Committee normally meets as and when required. The nomenclature of the said committee was changed to Stakeholder Relationship Committee as on March 31, 2016. The Committee looks into redressal of shareholders complaints like non transfer of shares, non-receipt of balance sheet etc. Further, the committee reviews the cases of transfer, issue of duplicate share certificates, dematerialized shares received by the registrar and transfer agents.



**b. Composition of the Committee**

During the period under review the Committee consisted of 1 Non – executive and 2 Independent Directors.

Name of the Director	Position	No. of Meetings held	No. of meetings Attended
Mrs. Kunti Rattanshi	Chairman	5	5
Mr. Rakesh R Sharma	Member	5	5
Mrs. Pratima Shailendra Singh	Member	1	1

**c. No. of meetings held and attended during the year**

During the period under review 5 Stakeholder Relationship Committee Meetings were held i.e. on 11.04.2017; 30.05.2017; 14.08.2017; 11.09.2017 and 12.03.2018.

**d. Name and Designation of Compliance Officer**

Ms. Ankita Gupta  
Company Secretary and Compliance Officer (w.e.f. 23.01.2018)

**e. Details of Shareholders Complaints / queries:**

There were only three shareholders complaint /queries received during the period under review and the same was resolved to the satisfaction of the shareholder during the year ended March 31, 2018, and thus there were no outstanding complaints as on March 31, 2018.

**7. Subsidiary Companies:**

As on March 31, 2018 the Company has 9 subsidiaries (including 6 direct subsidiaries and 3 step down subsidiaries). Out of 6 direct subsidiaries 5 are Indian and 1 is foreign subsidiary. The Board of Directors of the Company have also formulated a policy for determining 'material' subsidiaries and the same is being displayed on the website of the Company at [www.kserasera.com](http://www.kserasera.com) under Investor Relations>Code of conduct>Policy on Determination of Material Subsidiary(ies).

Financial Statements in particular the investments made by the unlisted subsidiaries, statement containing all significant transactions and arrangements entered into by the unlisted subsidiaries forming part of the financials are being reviewed by the Audit Committee of your Company on a quarterly basis. Also statements of all significant transactions and arrangements entered into by the unlisted subsidiary companies, if any, are periodically brought to the attention of the Board by the management.

**8. Related Party Transaction**

A policy on materiality of Related Parties and dealings with Related Party Transactions has been formulated by the Board of Directors and has also been uploaded on the website of the Company of the Company at [www.kserasera.com](http://www.kserasera.com) under Investor Relations>Code of conduct>Policy on Related party Transaction.

The objective of the Policy is to ensure due and timely identification, approval, disclosure reporting and transparency of transactions between Company and any of its Related Parties in compliance with the applicable laws and regulations, as may be amended from time to time.

**9. General Body Meetings:**

**a. Location and Time when last Three (3) Annual General Meetings were held:**

The details of the Annual General Meetings held in last three years are as under:



Financial Year	Day	Date	Time	Venue
2016-17	Friday	30.09.2017	9:30A.M.	Kailash Parbat, K-P Restaurant, 7A/8A, 'A' Wing, Crystal Plaza, Link Road, Andheri (West), Mumbai – 400053.
2015-16	Wednesday	30.09.2016	9:30A.M.	La Patio, 802, Morya Landmark II, Off New Link Road, Opposite Infiniti Mall, Lokandwala, Andheri West, Mumbai, Maharashtra 400053
2014-15	Wednesday	30.09.2015	9:30A.M.	Kailash Parbat, K-P Restaurant, 7A/8A, 'A' Wing, Crystal Plaza, Link Road, Andheri (West), Mumbai – 400053.

No Extra Ordinary General Meeting was held during the period under review.

**b. Special Resolutions passed at last Three (3) Annual General Meetings:**

Annual General Meeting Held On	Special Resolution Passed For
30.09.2017	NIL
30.09.2016	1. To consider and determine the fees for delivery of any document through a particular mode of delivery to a member
30.09.2015	1. Adoption of new set of Articles of Association of the company containing Articles in conformity with the Companies Act, 2013 2. Ratification for Conversion of Optionally Convertible Redeemable Bonds (OCRBs) into Equity shares

**c. Passing of resolution by postal ballot:** During the period under review, your Company has not passed any resolution through Postal Ballot process.

**10. Disclosures:**

**a. Disclosures on materially significant related party transactions that may have Potential conflict with the interest of the Company at large :**

During the year, there were no transactions of materially significant nature with the Promoters or Directors or the Management or the subsidiaries or relatives etc. that had potential conflict with the interests of the Company at large. However a statement of summary of related party transactions is duly disclosed in the Notes to accounts.

**b. Disclosure of Accounting treatment:**

No treatment different from the Indian accounting standards (Ind. AS), prescribed by the Institute of Chartered Accountants of India, has been followed in the preparation of financial statements.

**c. Disclosure for Risk Management:**

The Company has laid down procedures to inform the Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that the executive management controls risk through means of properly defined framework.



**d. Proceeds from public issues, rights issue, preferential issues, etc.**

During the period under review, the Company has not made any public issues, rights issue, preferential issues.

**e. Details of non compliance by the Company, penalties, and restrictions imposed on the Company by stock exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years :**

The Company has complied with all requirements of Listing Agreement/ SEBI LODR with the Stock Exchange & SEBI Regulations and Guidelines. Further, no penalty was imposed by SEBI, Stock Exchange or any statutory Authority on any matter related to capital markets during the last three years. However SEBI vide its interim ex-parte order dated September 21, 2011 pending investigation directed under sections 11(1), 11(4) and 11 b of the SEBI Act, 1992 in the matter of market manipulation using GDR issues directed to the company not to issue equity shares or any other instrument convertible into shares or alter their capital structure in any manner till further direction in this regard and SEBI has confirmed this ad interim ex-parte order on December 30, 2011.

The Company has received an Order from SEBI imposing penalty for Rs.10,00,000/- for violating Regulations 8A(4)SEBI(SAST Reg. 2009, Clause 36(7) of Listing Agreement r/w Section 21 of SCRA 1956 & Clause 2.1 of Schedule II of Reg12(2) of SEBI (PIT) Reg. 1992

**f. Details of compliance with mandatory requirements:**

The Company is fully compliant with the applicable mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, relating to Corporate Governance.

**g. Whistle Blower Policy:**

The Company has laid down the Whistle Blower mechanism for employees and stakeholders of the Company to report to the management about any instances of unethical behaviour, actual or suspected fraud, illegal or unethical practices in the Company.

**h. Code of Conduct:**

The company has adopted a code of Code of Business Conduct and Ethics for Directors, Key Managerial Personnel & Senior Management Personnel of the company. The code of conduct has already been posted on the website of the company for general viewing. All Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the code on annual basis The Annual Report contains a declaration to this effect signed by the Chairman of the Company.

**i. Code of Conduct for Prevention of Insider Trading:**

The company has adopted a Code of conduct for Insider Trading and Fair Disclosure of Unpublished Price Sensitive Information pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 for directors, Key Managerial Personnel, Designated Employees of the Company and their dependants along with the Indian Subsidiary of the Company.

The Code is uploaded on the Company's website at [www.kserasera.com](http://www.kserasera.com) under Investor Relations>Code of conduct>Code of Conduct for Insider Trading and fair disclosure of UPSI.

**11. Secretarial Audit**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the concerned stock exchanges. This audit report states that total listed and paid up capital differs due to the allotment of 5,64,88,730 equity shares of the face value of Re. 1/- each at the rate of Rs. 14.16/- per share on a preferential basis whose listing approval is awaited from the concerned stock exchanges pursuant to the conversion of Optionally Convertible Redeemable Bonds (OCRBs)

Further the Annual Secretarial Audit as required under Section 204 of the Companies Act, 2013 & applicable rules thereto is duly carried out





## 12. **Certificate on Compliance of Conditions of Corporate Governance**

In accordance with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from Practicing Company Secretary confirming the compliance of conditions of Corporate Governance as stipulated in the said clause has been obtained by the Company and the same forms a part of this Report.

## 13. **Executive Chairman & Director and CFO Certification:**

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 the Executive Chairman & Director and Chief Financial Officer have submitted a certificate to the Board of Directors in the prescribed format for the financial year ended March 31, 2017.

## 14. **Green Initiative in Corporate Governance**

The Company has undertaken a Green Initiative in Corporate Governance whereby the companies are allowed to send notices, documents and other communication(s) to the shareholders in electronic mode.

Your Company encourages its shareholders to support the "Green Initiative" by registering their e-mail addresses with the Company/Registrar & Transfer Agent/ respective Depository Participants (DP's) by specifying their Client Id and DP Id and intimating changes in the email id from time to time.

Discretionary Requirements under Regulation 27 of Listing Regulation

The status of compliance with discretionary recommendations of the Regulation 27 of the Listing Regulations with Stock Exchanges is provided below:

1. Non-Executive Chairman's Office: The Chairperson of the Company is Executive at present.
2. Shareholders' Rights: As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
3. Modified Opinion in Auditors Report: The Company's financial statement for the financial year 2017-2018 does not contain any modified audit opinion.
4. Separate posts of Chairman and CEO: The Company only have Chairman, no CEO of the Company is appointed as on 31<sup>st</sup> March, 2018
5. Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

## 15. **General Shareholder Information:**

- a. Annual General Meeting - Date &Time : September 29, 2017 at 9:30 A.M. Venue : Kailash Parbat, K-P Restaurant, 7A/8A, 'A' A-Wing, Crystal Plaza, New Link Road, Andheri West, Mumbai 400053, Maharashtra
- b. Financial reporting during the Year 2017-18

Financial Reporting for the quarter ending June 30,2017	On 11 <sup>th</sup> September, 2017
Financial Reporting for the quarter ending September 30 ,2017	On 14 <sup>th</sup> December, 2017
Financial Reporting for the quarter ending December 31,2017.	On 14 <sup>th</sup> February , 2018
Financial Reporting for the quarter ending March 31, 2018	On 05 <sup>th</sup> June, 2018

## c. **Date of Book Closure:**

From September 23, 2018 to September 29, 2018. (Both days Inclusive)



**d. Dividend payment :** Since no dividend is recommended, this is not applicable

**e. Listing on Stock Exchanges:**

Equity Shares	
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.	National Stock Exchange of India Limited “Exchange Plaza”, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

**f. Stock Code :**

Stock Exchange	Scrip code
BSE Limited National Stock Exchange of India Limited	532081 KSERASERA
ISIN	INE216D01026

**g. Market Price Data :**

	NSE Limited			Bombay Stock Exchange of India Limited (BSE Limited)		
Month	High (In Rs.)	Low (In Rs.)	Volume	High (In Rs.)	Low (In Rs.)	Volume
April 2017	0.20	0.15	16337534	0.18	0.15	18139761
May 2017	0.20	0.10	8863202	0.17	0.14	16261167
June 2017	0.20	0.10	6733699	0.16	0.14	17011613
July 2017	0.20	0.10	6337814	0.16	0.12	36415269
August 2017	0.15	0.10	4439577	0.15	0.14	3050368
September 2017	0.15	0.10	13098865	0.15	0.14	10178378
October 2017	0.20	0.10	16806373	0.15	0.14	12487678
November 2017	0.20	0.10	6086853	0.19	0.14	37831315
December 2017	0.20	0.15	20123996	0.19	0.19	13365979



January 2018	0.55	0.15	3812182	0.31	0.19	29762867
February 2018	0.35	0.25	8907105	0.35	0.25	13473960
March 2018	0.30	0.15	33779276	0.27	0.19	10609460

**Distribution of Shareholding as on March 31, 2018:**

No of Equity Shares held	No. of Share Holders	% of Share holders	Total No of Shares held	% of Share holding
1-5000	24461	62.92	46388057	2.17
5001-10000	5583	14.36	49644490	2.32
10001-20000	3313	8.52	54267589	2.54
20001-30000	1458	3.75	38191807	1.79
30001-40000	661	1.70	24351014	1.14
40001-50000	907	2.33	43927064	2.06
50001-100000	1317	3.39	105470215	4.94
100001-999999999	1176	3.03	1773634834	83.04
<b>GRAND TOTAL</b>	<b>38876</b>	<b>100.00</b>	<b>2135875070</b>	<b>100.00</b>

**Categories of Shareholders as on March 31, 2018**

Sr. No	Category	No. of Shares Held	% of Share Capital
1.	Promoter holding	0	0
2.	Clearing Members	63527081	2.97
3.	Bodies Corporate	335820337	15.72
4.	Foreign Company	49100000	2.3



5.	FII's	776337556	36.35
6.	Non Nationalised Banks	540	0
7.	Non Resident Indians	15457823	0.73
8.	Public	895297393	41.92
9.	Unclaimed Suspense Account	4,340	0
10.	Body Corporate NBFC	320,000	0.01
11.	Trusts	10000	0
12	Shares held by Custodians and against which Depository Receipts have been issued	0	0
	<b>GRAND TOTAL</b>	<b>2,135,875,070</b>	<b>100.0</b>

**Dematerialization of Shares and Liquidity as on March 31, 2018:**

The securities of the Company are compulsory traded in dematerialized form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity Shares of the Company representing 97.35% of the Company's Equity Share Capital are in dematerialized form as on March 31, 2018.

**Outstanding GDRs/Warrants/Convertible Instruments:** None

**Means of Communication:**

- a. The Board of Directors of the Company approves and takes on record quarterly, yearly & financial results in the prescribed format by Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Company has always promptly reported to BSE Limited and National Stock Exchange of India Limited declaration of quarterly and yearly financial results within the stipulated time prescribed as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.
- b. The approved Financial results are forthwith sent to the Stock exchanges and are published in one English daily newspaper (Financial Express) and one Regional language daily newspaper (ApaleMahanagar or Mumbai Lakshadeep).
- c. The Company's Financial Results, Annual Reports, and official news releases are displayed on the Company's website [www.kserasera.com](http://www.kserasera.com)
- d. The Company has formed grievance redressal@kserasera.com exclusively for the purpose of redressal of investor's complaints.



- e. Management Discussion and Analysis Report (MDA) forms part of the Annual Report, which is posted to the shareholders of the Company.

**Address for Investor Correspondence**

The Company has appointed M/s. Bigshare Services Private Limited as Registrar and Share Transfer Agents for physical and demat segment. The address for correspondence is as under:

**Bigshare Services Private Limited**

Bharat Tin Works Building, 1st Floor

Opp. Vasant Oasis, Makwana Road

Marol, Andheri East, Mumbai 400059, Maharashtra

Tel: 91-22-2862638200 | 91-22- 40430200 | 91-22-2847 0653

Fax: 91-22-2847 5207

E-mail :investor@bigshareonline.com

website: www.bigshareonline.com

**Plant Locations:**

Since the Company is engaged in service industry, there are no plants or manufacturing units.

**Address for Correspondence:**

**KSS Limited**

**RegdOffice :**

Unit No. 101A and 102, 1st Floor,

Plot No. B-17, Morya Landmark II,

Andheri (West), Mumbai – 400053.

Tel : (022) 42088600 Fax: (022) 40427601

E-mail :info@kserasera.com

website :www.kserasera.com

**For and on behalf of Board of directors**

**Place: Mumbai**

**Date: August 13, 2018**

**Sd/-**

**Satish Panchariya**

**Executive Chairman & Director**

**DIN: 00042934**

**Sd/-**

**Harsh Upadhyay**

**Director**

**DIN: 07263779**



## EXECUTIVE CHAIRMAN & DIRECTOR AND CFO CERTIFICATIONS

The Board of Directors  
KSS Limited

Dear Sirs,

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief :
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. there are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the Financial statements; and
  3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Yours sincerely,**

Place: Mumbai  
Date: August 13, 2018

Sd/-  
**Shamrao Daulat Ingulkar**  
Chief Financial Officer

Sd/-  
**Satish Panchariya**  
Executive Chairman & Director

### DECLARATION BY THE CHAIRMAN REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Regulation 17 (5), 34(3) & 53(F) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015/ clause 49 of the Listing Agreement with the Stock Exchange, the Company has obtained affirmation from all the Directors and the Senior Management that they have complied with the Code of Business Conduct and ethics and posted on the website of the company, as applicable to them for the Financial Year ended March 31, 2018.

Date: August 13, 2018  
Place: Mumbai

Sd/-  
**Satish Panchariya**  
Executive Chairman & Director  
DIN: 00042934



## **PRACTICING COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE**

To,

The Members of KSS Limited

I have examined the compliance of conditions of Corporate Governance by KSS Limited ("the Company"), for the year ended on March 31, 2018, as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of the information and explanations given, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with the stock exchanges.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place: Mumbai**

**Date: August 17, 2018**

**Sandeep Dubey**  
**Practicing Company Secretary**  
**Membership No. 47940**  
**C.P. No. 17902**





## **STANDALONE FINANCIAL STATEMENTS INDEPENDENT AUDITORS' REPORT**

To  
The Members of  
KSS Limited.

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

We have audited the accompanying financial statements of KSS LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including other comprehensive Income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters 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 state of affairs (financial position), Profit or loss (financial Performance including other comprehensive income), change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind. AS') specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 standalone 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 including Ind. AS specified under section 133 of the Act, of the state of affairs (financial position) of the company as at 31<sup>st</sup> March 2018, and its profit and loss account (financial performance including other comprehensive Income), its cash flow and the changes in equity for the year ended on that date.



### **Emphasis of Matters**

**a.** We draw attention to the Note 32 to the financial statement for a demand of Rs 734.06 Lacs excluding interest and penalty under section 142 of the Custom Act 1962. Custom department freeze/attached the various assets and bank accounts against the said recovery. Based on legal Opinion obtained, the company is of the view that said demand contesting. Provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter.

**b.** We draw attention to the Note 32 to the financial statement for a demand of Rs 1035.05 Lacs including the interest and penalty under MVAT. In line with film industry consensus, the Company is of the opinion that there are no grounds for levying VAT Based on legal Opinion obtained; the company is of the view that said demand contesting. Hence, no provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter.

**c.** Notes to the financial statements which describe the uncertainty related to the outcome of the pendency's of appeals and legal matters filed by the company as well as against the company.

Our opinion is not modified in respect of these matters.

### **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' statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

**2.** Further to our comments in Annexure A, as required by section 143(3) of the Act, we report that:

**a)** We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

**b)** In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;

**c)** The Balance sheet, statement of profit and loss (including other comprehensive income), the statement of changes in Equity and statement of cash flows dealt with by this report are in agreement with the books of account;

**d)** In our opinion, the aforesaid standalone financial statements comply with Ind. AS specified under section 133 of the Act;

**e)** In our opinion, the matter described under the Emphasis of Matter Para above may have an adverse effect on the functioning of the Company;

**f)** on the basis of written representations received from the directors as on 31<sup>st</sup> march, 2018, taken on record by the board of directors, none of the directors is disqualified as on 31<sup>st</sup> march, 2018, from being appointed as a director in terms of section 164(2) of the act;

**g)** With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls refer to our separate report in 'annexure B'; and

**h)** With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule 2014 in our opinion best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements Refer to Note No. 32;

ii. The Company does not have any long-term contracts including derivatives contracts for which any provision is required;



- iii. The Company is not required to transfer amounts to the Investor Education and Protection Fund.
- iv. The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since requirement does not pertain to financial year ended 31 march 2018.

**For Agrawal Jain and Gupta.**

Chartered Accountants

Firm Reg. No. 013538C

**Sd/-**

**CA Narayan Swami**

PARTNER

Membership No. 409759

Place: Mumbai

Dated: 05<sup>th</sup> June, 2018



**Annexure A to the Standalone Auditors' Report-31 March 2018 on the standalone Ind AS financial statements**

The Annexure referred to in Independent Auditors' Report to the members of the KSS Limited on the standalone financial statements for the year ended 31 March 2018, we report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of all fixed assets.  
 (b) The Company has regular Programme of physical verification of its fixed assets at reasonable intervals; no material discrepancies were noticed on such verification.  
 (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The Company is a service company. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the company.
- iii. The Company has granted loans corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

S/no	Name of Company	Opening Balance	Loan given	Repay/Adjusted	Closing Balance
1.	Birla Jewels Limited	158.48	32.00	160.00	30.48
2.	Birla Gold and Precious Metals Limited	319.14	739.76	320.22	738.68
3.	K Sera Sera Box office Pvt. Limited	79.65	80.73	80.75	79.63
4.	K Sera Sera Productions FZE *(Foreign exch. Gain)	443.75	31.93	*27.06	448.62

- a. In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
- b. In the case of the loans granted to the bodies corporate listed in the register maintained under Section 189 of the Act have been regular in the payment of the principle and interest as stipulated.
- c. There are no overdue amounts in respect of the loan granted to body corporate listed in the register maintained under Section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of loans and advances given, investments made and, guarantees given has been complied with by the Company. The provisions of section 185 in respect of loans to directors including entities in which they are interested and provisions of section 186 with respect to securities given are not applicable to the Company and hence not commented upon
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 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.



- vi.** The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii.** (a) According to the information and explanation given to us and records examined by us, the company is regular in depositing 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 to the appropriate authorities. According to the information and explanation given to us, there were no undisputed amounts payable in respect of Income Tax, and any other statutory dues outstanding as on 31st March, 2018 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the dues in respect of Income Tax, Sales Tax, wealth Tax, Value Added Tax, Service tax customs duty, have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are as given below:

**(Amount in Lacs)**

<b>Nature of Statues</b>	<b>Nature of Dues</b>	<b>Amount</b>	<b>Period for which amount related</b>	<b>Forum where dispute is pending</b>
MVAT- 2002	Value Added taxes	1,035.05	F.Y. 2005-06 to 2010-11	Joint Commissioner of Sales Tax, Mumbai
Income tax Act- 1961	Income tax	887.68	A.Y. 2006-07 to 2013-14	ITAT Mumbai
Custom Act 1962	Custom duty	734.06	2009-10 to 2010-11	Writ petition filed in Hon'ble high Court Mumbai Demand U/s 114A of Customs Act,

(c) Demand of Rs 734.06 Lacs excluding the interest and penalty under section 142 of the Custom Act 1962. Custom department freeze/attached the various assets and bank accounts against the said recovery. Based on legal Opinion obtained, the company is of the view that said demand contesting. Provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter.

(d) Demand of Rs 1035.05 Lacs including the interest and penalty under MVAT. In line with film industry consensus, the Company is of the opinion that there are no grounds for levying VAT Based on legal Opinion obtained; the company is of the view that said demand contesting. Hence, no provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter

- viii.** The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix.** The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- x.** According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi.** According to the information and explanations given to us and based on our examination of our records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Act.



- xii.** In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable
- xiii.** According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- xiv.** According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv.** According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or person connected with him as referred to in section 192 of the Act.
- xvi.** The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For Agrawal Jain and Gupta**

Chartered Accountants

Firm Reg. No. 013538C

**Sd/-**

**CA Narayan Swami**

Partner

Membership No. 409759

Mumbai: 05/06/2018



**Annexure B to the Independent Auditors' Report of the even date on the standalone financial statement of KSS Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

**To the member of KSS Limited**

We have audited the internal financial controls over financial reporting of **KSS LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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, 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, 2018, 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 Agrawal Jain and Gupta**

Chartered Accountants

ICAI Firm Reg. No. 013538C

**Sd/-**

**CA Narayan Swami**

PARTNER

Membership No. 409759

Place: Mumbai

Dated: 05/06/2018





# KSS LIMITED (Formerly known as K SERA SERA LIMITED)

## Standalone Balance Sheet as at March 31, 2018

(All amounts are in INR in lakhs, unless otherwise stated)

Particulars	Notes	As at 31-March- 2018	As at 31-March- 2017	As at 1 April 2016
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	3	855.20	1,072.13	1,523.13
Intangible assets	4	169.51	776.73	776.73
Financial Assets				
Investments	5	13,369.47	18,363.52	18,138.73
Others	6	31.70	31.70	25.70
Deferred tax assets (Net)		348.41	348.41	310.52
Other non-current assets	7	463.90	4,501.74	4,296.77
<b>Total</b>		<b>15,238.19</b>	<b>25,094.23</b>	<b>25,071.59</b>
<b>Current assets</b>				
Financial assets				
Trade receivables	8	0.07	-	24.53
Cash and cash equivalents	9	0.81	0.84	2.85
Loans	10	854.51	2,029.61	1,923.92
Other current assets	11	710.47	701.27	489.85
		<b>1,565.86</b>	<b>2,731.72</b>	<b>2,441.14</b>
Asset held for sale	12	<b>375.49</b>		
<b>TOTAL ASSETS</b>		<b>17,179.54</b>	<b>27,825.96</b>	<b>27,512.73</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	13	21,358.75	21,358.75	21,358.75
Other equity	14	(6,662.97)	3,186.01	3,362.06
<b>Total</b>		<b>14,695.78</b>	<b>24,544.76</b>	<b>24,720.81</b>
<b>LIABILITIES</b>				
<b>Non-current Liabilities</b>				
Financial liabilities				
Other financial liability	15	-	-	110.95
<b>Total</b>		<b>-</b>	<b>-</b>	<b>110.95</b>
<b>Current Liabilities</b>				
Financial liabilities				
Borrowings	16	1,216.46	2,060.15	1,587.00
Trade Payable	17	16.82	21.51	24.98
Other financial liabilities	18	494.52	455.48	288.03
Other current liabilities	19	755.96	744.07	780.96
<b>Total</b>		<b>2,483.76</b>	<b>3,281.20</b>	<b>2,680.97</b>
<b>Total Equity and Liabilities</b>		<b>17,179.54</b>	<b>27,825.96</b>	<b>27,512.73</b>
		0.00	(0.00)	(0.00)

Corporate information and summary of significant accounting policies 1 & 2  
The accompanying notes form an integral part of the financial statements

As per our report on even date

**FOR AGRAWAL JAIN & GUPTA**  
**CHARTERED ACCOUNTANTS**

For and on behalf of Board of Directors  
**For KSS Limited**

Sd/-  
(CA Narayan Swami)  
Partner  
Membership No. : 409759  
Firm Reg. No.: 013538C

Sd/-  
Satish Panchariya  
Director  
DIN: 00042934

Sd/-  
Harsh Upadhyay  
Director  
DIN: 07263779

Sd/-  
Ankita Gupta  
Company Secretary

Sd/-  
Shamrao Ingulkar  
Chief Financial Officer

PLACE: MUMBAI  
DATE : 05/06 /2018



# KSS LIMITED (Formerly known as K SERA SERA LIMITED)

## Standalone Statement of Profit and Loss for year ended 31 March 2018

(All amounts are in INR in lakhs, unless otherwise stated)

Particulars	Notes	For the year ending 31 March, 2018	For the year ending 31 March, 2017
<b>Income</b>			
Revenue from operations	20	-	175.00
Other income	21	217.12	204.56
<b>Total Income</b>		<b>217.12</b>	<b>379.56</b>
<b>Expenses</b>			
Employee benefits expense	22	7.05	4.72
Finance costs	23	55.78	0.17
Depreciation and amortisation expense	24	216.92	268.22
Other expenses	25	78.37	320.40
<b>Total expenses</b>		<b>358.12</b>	<b>593.51</b>
(Loss)/ Profit before exceptional and tax		(141.00)	(213.95)
Exceptional items	26	(9,707.98)	
<b>Loss before tax</b>		<b>(9,848.98)</b>	<b>(213.95)</b>
Tax expense:	27		
Current tax		-	-
Deferred tax charge/ (credit)		-	(37.89)
<b>Loss for the year from continuing operations</b>		<b>(9,848.98)</b>	<b>(176.06)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive loss for the year</b>		<b>(9,848.98)</b>	<b>(176.06)</b>
Earnings per equity share: [Nominal Value per share: Rs.1 (2017: Rs.1)] -Basic & diluted			

Corporate information and summary of significant accounting policies  
The accompanying notes form an integral part of the financial statements

1 & 2

As per our report on even date

For and on behalf of Board of Directors

**FOR AGRAWAL JAIN & GUPTA**  
**CHARTERED ACCOUNTANTS**

**For KSS Limited**

Sd/-  
**(CA Narayan Swami)**  
**Partner**  
Membership No. : 409759  
Firm Reg. No.: 013538C

Sd/-  
**Satish Panchariya**  
**Director**  
DIN: 00042934

Sd/-  
**Harsh Upadhyay**  
**Director**  
DIN: 07263779

Sd/-  
**Ankita Gupta**  
**Company Secretary**

Sd/-  
**Shamrao Ingulkar**  
**Chief Financial Officer**

PLACE: MUMBAI  
DATE:05/06/2018


**KSS LIMITED (Formerly known as K SERA SERA LIMITED)**
**Standalone statement of cash flows for the year ended March 31, 2018**

(All amounts are in INR in lakhs, unless otherwise stated)

Particulars	For the year ended	
	31-Mar-18	31-Mar-17
<b>Cash flow from operating activities</b>		
Profit/(Loss) Before Tax	(141.00)	50.91
Adjustment for:		
Depreciation	216.92	208.08
Foreign Exchange Loss/(Gain)	(4.85)	-
<b>Operating Profit Before Working Capital changes</b>	<b>71.08</b>	<b>258.99</b>
Adjustment for:		
(Increase)/Decrease in Trade Receivable	(0.07)	24.53
(Increase)/Decrease in short term loans & advance	(44.07)	(340.29)
(Increase)/Decrease in other current Assets	(9.19)	-
Increase / (Decrease) in Trade Payables	(4.68)	16.13
Increase / (Decrease) in other financial liabilities	39.04	-
Increase / (Decrease) in Current Liabilities	11.89	-
<b>Sub Total of working capital adjustments</b>	<b>(7.09)</b>	<b>(299.63)</b>
<b>Cash Generated from Operations</b>	<b>63.98</b>	<b>(40.64)</b>
Direct Taxes paid	-	-
Exceptional Items	69.70	191.80
<b>Net cash from operating activities (A)</b>	<b>(5.72)</b>	<b>(232.44)</b>
<b>Cash flow from investing activities</b>		
Purchase of Fixed Assets	-	(5.00)
Investment made	-	(237.72)
Foreign Exchange Loss/(Gain)	4.85	-
Financial Assets from Others Activity	-	-
Other non-current assets	-	-
<b>Net cash from /(in used) in investing activities(B)</b>	<b>4.85</b>	<b>(242.72)</b>
<b>Cash flow from financing activities</b>		
Repayment of Borrowings	-	473.15
<b>Net cash flow from financing activities ('C)</b>	<b>-</b>	<b>473.15</b>
<b>Net increase in Cash and Cash equivalent (A+B+C)</b>	<b>(0.87)</b>	<b>(2.01)</b>
Cash & Cash equivalent at the beginning of the year	0.84	2.85
Cash & Cash equivalent at the end of the year	<b>(0.03)</b>	<b>0.84</b>
<b>Components of Cash and Cash equivalent</b>		
Cash on Hand	0.81	0.84
With Banks-		
On current account	0.00	0.00
On deposit account		
<b>Total</b>	<b>0.81</b>	<b>0.84</b>
As per our report of even date	For and on behalf of Board of Directors	
<b>FOR AGRAWAL JAIN &amp; GUPTA</b>	<b>For KSS Limited</b>	
<b>CHARTERED ACCOUNTANTS</b>		
Sd/-	Sd/-	Sd/-
(CA Narayan Swami)	Satish Panchariya	Harsh Upadhyay
Partner	Director	Director
Membership No. : 409759	DIN: 00042934	DIN: 07263779
Firm Reg. No.: 013538C	Sd/-	Sd/-
PLACE: MUMBAI	Ankita Gupta	Shamrao Ingulkar
DATE:05/06/2018	Company Secretary	Chief Financial Officer



**KSS LIMITED (Formerly known as K SERA SERA LIMITED)**  
**Standalone statement of changes in equity for the year ended 31 March 2018**  
*(All amounts are in INR in lakhs, unless otherwise stated)*

**A Equity Share Capital**

Particulars	Number	Amount
Balance at the beginning of the year - As at 01 April 2016	2,135,875,070	21,358.75
Changes in equity share capital during the F.Y. 2016-17	-	-
<b>Balance at the end of the year 31 March 2017</b>	<b>2,135,875,070</b>	<b>21,358.75</b>
Changes in equity share capital during the F.Y. 2017-18		
<b>Balance at the end of the year 31 March 2018</b>	<b>2,135,875,070</b>	<b>21,358.75</b>

**B Other Equity**

Particulars	Reserves & Surplus		Total other equity
	Securities premium reserve	Retained Earnings	
<b>Balance at the beginning of the reporting period - 01 April 2016</b>			-
Ind AS Adjustments as on 1st April 2016	10,074.48	(6,712.42)	3,362.06
<b>Restated balance at the beginning of the reporting period - April 1, 2016</b>	<b>10,074.48</b>	<b>(6,712.42)</b>	<b>3,362.06</b>
Profit for the financial year 2016-17		(176.06)	(176.06)
<b>Balance at the end of the reporting period 31 March 2017</b>	<b>10,074.48</b>	<b>(6,888.48)</b>	<b>3,186.01</b>
Profit for the financial year 2017-18		(9,848.98)	(9,848.98)
<b>Balance at the end of the reporting period 31 March 2018</b>	<b>10,074.48</b>	<b>(16,737.45)</b>	<b>(6,662.97)</b>

Corporate information and significant accounting policies

1&2

The accompanying notes form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

**FOR AGRAWAL JAIN & GUPTA**  
**CHARTERED ACCOUNTANTS**

**For KSS Limited**

Sd/-  
**(CA Narayan Swami)**  
**Partner**  
 Membership No. : 409759  
 Firm Reg. No.: 013538C

Sd/-  
**Satish Panchariya**  
**Director**  
 DIN: 00042934

Sd/-  
**Harsh Upadhyay**  
**Director**  
 DIN: 07263779

Sd/-  
**Ankita Gupta**  
**Company Secretary**

Sd/-  
**Shamrao Ingulkar**  
**Chief Financial Officer**

PLACE: MUMBAI  
 DATE:05/06/2018

**Note 3: Property, plant & equipment**

Particulars	Computer & Peripherals	Office Equipment	Motor Vehicles	Digital Technology Assets	Total
<b>Gross block</b>					
Deemed cost as at 1 April 2016	0.02	0.63	12.03	1,510.46	1,523.14
Addition	5.00	-	-	-	5.00
Less: Adjustments/ disposals	-	-	-	187.79	187.79
<b>Balance as at 31 March 2017</b>	<b>5.02</b>	<b>0.63</b>	<b>12.03</b>	<b>1,322.67</b>	<b>1,340.35</b>
Addition	-	-	-	-	-
Less: Adjustments/ disposals	-	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>5.02</b>	<b>0.63</b>	<b>12.03</b>	<b>1,322.67</b>	<b>1,340.35</b>
<b>Accumulated Depreciation</b>					
Balance as at 1 April 2016					-
Depreciation charge	0.29	0.28	3.11	264.53	268.21
Less: Adjustments/ disposals	-	-	-	-	-
<b>Balance as at 31 March 2017</b>	<b>0.29</b>	<b>0.28</b>	<b>3.11</b>	<b>264.53</b>	<b>268.21</b>
Depreciation charge	2.99	-	2.31	211.63	216.93
Adjustments/ disposals	-	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>3.28</b>	<b>0.28</b>	<b>5.42</b>	<b>476.16</b>	<b>485.14</b>
<b>Net block</b>					
Balance as at 1 April 2016	0.02	0.63	12.03	1,510.46	1,523.14
Balance as at 31 March 2017	4.73	0.35	8.92	1,058.14	1,072.13
<b>Balance as at 31 March 2018</b>	<b>1.74</b>	<b>0.35</b>	<b>6.61</b>	<b>846.51</b>	<b>855.20</b>

**Note 4: Intangible assets**

Particulars	Motion Picture Rights	Trade Marks	Total
Gross block			
Deemed cost as at 1 April 2016	770.5	6.2	776.7
Addition	-	-	-
Adjustments/ disposals	-	-	-
<b>Balance as at 31 March 2017</b>	<b>770.5</b>	<b>6.2</b>	<b>776.7</b>
Addition	-	-	-
Adjustments/ disposals	-	-	-
<b>Balance as at 31 March 2018</b>	<b>770.5</b>	<b>6.2</b>	<b>776.7</b>
Accumulated Depreciation			
Balance as at 1 April 2016			
Depreciation charge	-	-	-
Adjustments/ disposals	-	-	-
<b>Balance as at 31 March 2017</b>	<b>-</b>	<b>-</b>	<b>136.2</b>
Depreciation charge	-	-	-
Adjustments/ disposals	(607.2)	-	(607.2)
<b>Balance as at 31 March 2018</b>	<b>607.2</b>	<b>-</b>	<b>136.2</b>
<b>Net block</b>			
Balance as at 1 April 2016	770.5	6.2	776.7
Balance as at 31 March 2017	770.5	6.2	776.7
<b>Balance as at 31 March 2018</b>	<b>163.3</b>	<b>6.2</b>	<b>169.5</b>

Note	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>5</b>	<b>Non-current investments</b>			
	<b>Investment in subsidiaries (measured at cost)</b>			
	2,74,24,999 (31 March 2017: 2,74,24,999 & 1 April 2016: 2,74,24,999 ) Equity shares of Rs.10 each fully paid in K Sera Sera Box Office Private Limited	2,742.50	2,742.50	2,742.50
	2,99,99,999 (31 March 2017: 2,79,04,999, 1 April 2016: 2,79,04,999) Equity shares of Rs.10 each fully paid in K Sera Sera Miniplex Limited	3,000.00	3,000.00	2,790.50
	2,99,99,998 (31 March 2017: 2,99,99,998, 1 April 2016: 2,99,99,998) Equity shares of Rs.10 each fully paid in K Sera Sera Digital Cinema Private Limited	3,000.00	3,000.00	3,000.00
	1,154 (31 March 2017: 1154, 1 April 2016: 1154) Equity Shares of AED 35,000 each fully paid up of K Sera Sera Productions FZE	-	4,994.63	4,994.63
	9,99,000 (31 March 2017: 9,99,000, 1 April 2016: 9,99,000 ) Equity shares of Rs.10 each fully paid in Birla Jewels Ltd	99.90	99.90	99.90
	10,00,000 (31 March 2017: 10,00,000, 1 April 2016: 10,00,000) Equity shares of Rs.10 each fully paid in Birla Gold & Precious Metals Ltd	100.00	100.00	100.00
	2,64,00,000 (31 March 2017: 2,64,00,000, 1 April 2016: 2,64,00,000) Equity shares of Rs.10 each fully	2,640.00	2,640.00	2,640.00
	Share Application Money - KSS FZ LLC	-	-	18.45
	50 Equity Shares of AED 1,000 each fully paid up of K Sera Sera Productions FZ LLC	-	-	6.15
	<b>Investment in Joint-venture (measured at cost)</b>			
	Investment in joint venture-Citigate Trade FZE	582.72	582.72	594.90
	<b>Investment in equity shares of unlisted entities (measured at fair value)</b>			
	Investment in equity instruments	1,204.35	1,203.77	1,151.70
		13,369.47	18,363.52	18,138.73
<b>6</b>	<b>Financial asset -Non-Current</b>			
	<b>Others (measured at amortized cost)</b>			
	Security deposit - Sales tax	31.70	31.70	25.70
		31.70	31.70	25.70
<b>7</b>	<b>Other non-current asset</b>			
	Advance recoverable in cash or kind			
	Unsecured, Considered Good	463.90	4,501.74	4,296.77
		463.90	4,501.74	4,296.77
<b>8</b>	<b>Financial asset -Current (measured at amortized cost)</b>			
	Trade receivables			
	a) Unsecured, Considered Good :	0.07	-	24.53
	<b>Total</b>	0.07	-	24.53
<b>9</b>	<b>Cash and Cash Equivalent</b>			
	Balances with Banks in Current Account:	0.00	0.00	1.98
	Cash on hand	0.81	0.84	0.87
		0.81	0.84	2.85
<b>10</b>	<b>Loans (Unsecured, considered good)</b>			
	Advances given to related parties	854.51	1,001.04	426.07
	Others advances	-	1,028.57	1,497.85
		854.51	2,029.61	1,923.92
<b>11</b>	<b>Other Current Assets</b>			
	Advance for properties	399.46	399.46	404.46
	TDS and Advance Income Tax	92.35	88.11	84.01
	Advance to creditors	28.56	-	0.18
	Insurance claim receivable	-	-	1.20
	Asset held under government custody (custom dept)	190.10	213.70	-
		710.47	701.27	489.85
<b>12</b>	<b>Asset held for sale</b>			
	Investment in Subsidiary- K Sera Sera Productions FZE	4,994.63		
	Advance given to subsidiary	443.76		
	Less: Impairment provision	(5,062.90)		
	<b>Total</b>	375.49	-	-

As at reporting date, management has classified investment in overseas subsidiary i.e. K Sera Sera Productions FZE including advance given to the subsidiary as asset held for sale, being the management is committed for sale in near future. Asset held for sale has been stated at cost impairment and management believes that the fair value less costs to sell is higher than their carrying value.



**KSS LIMITED (Formerly known as K SERA SERA LIMITED)**  
**Notes to the standalone financial statements for the year ended March 31, 2018**  
*(All amounts are in INR in lakhs, unless otherwise stated)*

13	<b>Equity share capital</b>			
	<b>Authorised capital</b>			
	23,000,000,000 (March 31, 2016 : 23,000,000,000, April 1, 2016 : 23,000,000,000)	230,000.00	230,000.00	230,000.00
	Equity Shares of Rs. 1/- each			
		230,000.00	230,000.00	230,000.00
	<b>Issued &amp; Subscribed &amp; Paid Up Capital</b>			
	2,135,875,070 (March 31, 2016 : 2,135,875,070, April 1, 2016 : 2,135,875,070) Equity Shares of Rs. 1/- each	21,358.75	21,358.75	21,358.75
		21,358.75	21,358.75	21,358.75
	<b>Details of shareholders holding more than 5% shares in the company</b>			
	<b>Name of share holders</b>	<b>Number &amp; % of holding</b>	<b>Number &amp; % of holding</b>	<b>Number &amp; % of holding</b>
14	Aspire Emerging Fund	205,800,000 (9.64%)	205,800,000 (9.64%)	205,800,000 (9.64%)
	Auctor Investment Limited	200,989,500 (9.41%)	200,989,500 (9.41%)	200,989,500 (9.41%)
	Emerging Market Opportunities Fund	185,774,746 (8.70%)	189,100,000 (8.85%)	189,100,000 (8.85%)
	<b>Terms &amp; Conditions attached to equity shares:</b>			
The Company has only one class of equity shares having per value of Rs 1/- per share. Each holder of equity shares having par value of Rs 1/- per equity share is entitled to one vote per equity share. 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.				
15	<b>Other Equity</b>			
	a) Security premium reserve	10,074.48	10,074.48	10,074.48
	Other comprehensive income - employee benefits	10,074.48	10,074.48	10,074.48
	b) Retained earning -opening	(6,888.48)	(6,712.42)	(6,712.42)
	Addition during the year	(9,848.98)	(176.06)	-
	Closing	(16,737.45)	(6,888.48)	(6,712.42)
	<b>Total (a) +(b)</b>	<b>(6,662.97)</b>	<b>3,186.01</b>	<b>3,362.06</b>
	<b>Non-Current</b>			
	<b>Other financial liabilities</b>			
	- Others	-	-	110.95
16	<b>Financial liabilities (measured at amortized cost)</b>			
	<b>Short term borrowings</b>			
	- from related party	716.46	560.15	20.00
	- from others (8% Optionally convertible redeemable Bonds) Refer note below	500.00	1,500.00	1,567.00
		1,216.46	2,060.15	1,587.00
	Company issued 2,300 (Two Thousand three Hundred sixty seven) Optionally Convertible Redeemable Bond of Rs 1,00,000/- each. out of them 800 OCRBs converted into 56,48,873 fully paid equity shares allotted in Financial Year 2014-15. And remaining 1500 (One Thousand Five Hundred) Optionally Convertible Redeemable Bond not converted till the reporting date.			
	<b>Other financial liabilities</b>			
	Salary payable	0.32	0.67	0.42
	Other liabilities	494.20	454.81	287.61
		494.52	455.48	288.03
18	<b>Trade Payables (Measured at amortized cost)</b>			
	Payable for expenses	16.82	21.51	24.98
		16.82	21.51	24.98
	<b>Other current liabilities</b>			
	GST payable	3.64	-	-
	Service tax payable	12.40	8.21	46.90
	TDS payable	5.86	1.80	-
	Government grant- deferred income	734.06	734.06	734.06
		755.96	744.07	780.96



**KSS LIMITED (Formerly known as K SERA SERA LIMITED)**  
**Notes to the standalone financial statements for the year ended March 31, 2018**  
(All amounts are in INR in lakhs, unless otherwise stated)

Notes	Particulars	For the year ending 31 March, 2018	For the year ending 31 March, 2017
<b>20</b>	<b>Income from operation</b>		
	Income from operation	-	175.00
		-	<b>175.00</b>
<b>21</b>	<b>Other income</b>		
	Foreign Exchange gain	4.85	-
	Hire charges income	211.63	204.40
	Fair value gain on equity instruments measured through profit or loss	0.58	-
	Royalty Income	0.07	0.16
		<b>217.12</b>	<b>204.56</b>
<b>22</b>	<b>Employee benefit expense</b>		
	Salaries and wages	7.04	4.72
	Bonus	-	-
	Staff welfare	0.00	-
		<b>7.05</b>	<b>4.72</b>
<b>23</b>	<b>Finance cost</b>		
	Interest paid	55.78	-
	Bank charges	-	0.17
		<b>55.78</b>	<b>0.17</b>
<b>24</b>	<b>Depreciation and amortisation expense</b>		
	Depreciation & amortisation expense	216.92	268.22
		<b>216.92</b>	<b>268.22</b>
<b>25</b>	<b>Other expenses</b>		
	Rent Rates and taxes	1.41	1.59
	Power and fuel	-	4.94
	Communication costs	2.01	4.50
	Brokerage & Commission	-	17.50
	Printing & Stationery Expenses	0.19	0.34
	Advertisement & Publicity	2.97	14.47
	Foreign Exchange Revaluation Loss	-	21.16
	Travelling and conveyance	0.76	0.01
	Legal and professional fees	26.39	33.60
	Auditors Remuneration	-	-
	Statutory Audit Fees	2.00	3.00
	Other professional fees	-	1.00
	Internal Audit Fees	0.20	0.20
	Interest & Penalties Paid	38.19	201.71
	Postage & Telegrams Expenses	-	0.02
	Loss on sale of fire	-	0.06
	Swachh Bharat Cess	0.05	0.34
	Fair value loss on equity instruments measured through profit or loss	-	12.93
	Other expenses	4.22	3.03
		<b>78.37</b>	<b>320.40</b>
<b>26</b>	<b>Exceptional items</b>		
	Provision towards Impairment loss of subsidiary investements (refer to Note No. 12)	5,062.90	-
	Provision towards Trade Advances	4,037.85	-
	Impairment provision of Intangible assets	607.22	-
		<b>9,707.98</b>	<b>-</b>



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**Income tax**

Income tax expense in the statement of profit and loss consists of:

**Statement of profit or loss**

Current income tax:

In respect of the current period

**Deferred tax**

In respect of the current period (credit)

**Income tax expense reported in the statement of profit or loss**

**Income tax recognised in other comprehensive income**

- Deferred tax arising on income and expense recognised in other comprehensive income

**Total**

For the year ended	
March 31, 2018	March 31, 2017
-	-
-	(37.89)
-	(37.89)
-	-
-	-
-	(37.89)

**The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:**

Loss before tax

Enacted income tax rate in India

Computed expected tax expense

**Effect of:**

Loss on which deferred tax asset not recognized

Expenses disallowed for tax purpose

Others

**Total income tax expense (credit)**

For the year ended	
March 31, 2018	March 31, 2017
(9,848.98)	(213.95)
25.75%	30.90%
(2,536.11)	(66.11)
2,536.11	28.22
-	-
-	(37.89)

**Deferred tax**

Deferred tax relates to the following:

	Balance sheet			Statement of profit and loss	
	As at			For the year ended	
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017
Property, plant and equipment	348.41	348.41	310.52	0.0	37.9
<b>Net deferred tax (charge)</b>				<b>0.0</b>	<b>37.9</b>
<b>Net deferred tax assets/ (liabilities)</b>	<b>348.41</b>	<b>348.41</b>	<b>310.52</b>		

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**Financial instruments**

The carrying value and fair value of financial instruments by categories are as below:

	Carrying value		
	March 31, 2018	March 31, 2017	April 1, 2016
<b>Financial assets</b>			
<b>Fair value through profit and loss</b>			
Investment in equity shares (*)	1,204.35	1,203.77	1,151.70
<b>Amortised cost</b>			
Loans and advances (^)	463.90	4,501.74	4,296.77
Security deposit (^)	31.70	31.70	25.70
Trade receivable (^)	0.07	-	24.53
Cash and cash equivalents (^)	0.81	0.84	2.85
Advances given to related parties (^)	854.51	1,001.04	426.07
Others advances (^)	-	1,028.57	1,497.85
<b>Total assets</b>	<b>2,555.34</b>	<b>7,767.65</b>	<b>7,425.47</b>
<b>Financial liabilities</b>			
<b>Amortised cost</b>			
Borrowings (^)	1,216.46	2,060.15	1,587.00
Trade and other payables (^)	16.82	21.51	24.98
Other financial liabilities (^)	494.52	455.48	288.03
<b>Total liabilities</b>	<b>1,727.80</b>	<b>2,537.13</b>	<b>1,900.01</b>

**Fair value hierarchy**

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(\*) The fair value of these investment in equity shares are calculated based on discounted cash flow approach for un-quoted market instruments which are classified as level III fair value hierarchy.

(^) The carrying value of these accounts are considered to be the same as their fair value, due to their short term nature. Accordingly, these are classified as level 3 of fair value hierarchy.

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Financial risk management

The Company has exposure to following risks arising from financial instruments-

- credit risk
- market risk
- liquidity risk

(a)

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(b)

Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) from its financing activities including deposits with banks and investment in quoted and un-quoted equity instruments.

i) Trade and other receivables:

Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

The impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

Expected credit loss (ECL) assessment for corporate customers as at 1 April 2016, 31 March 2017 and 31 March 2018

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (including but not limited to past payment history, security by way of deposits, external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement.

ii) Other financial assets and deposits with banks:

Credit risk on cash and cash equivalent is limited as (including bank balances, fixed deposits and margin money with banks) the Company generally transacts with banks with high credit ratings assigned by international and domestic credit rating agencies.

(c)

Market Risk

Equity price risk

The Company is exposed to equity price risk from investments in equity securities measured at fair value through profit and loss. The Management monitors the proportion of equity securities in its investment portfolio based on market indices and based on company performance for un-quoted equity instruments. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board of Directors. Further, major investments in un-quoted equity instruments are strategic in nature and hence invested for long-term purpose.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to its short term borrowings in nature of working capital loans, which carry floating interest rates. Accordingly, the Company's risk of changes in interest rates relates primarily to the Company's debt obligations with floating interest rates.

(d)

Liquidity Risk

Liquidity is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing the liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the cash and cash equivalents is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

Exposure to liquidity risk

The table below details the Company's remaining contractual maturity for its non-derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars

	Carrying value	Contractual cash flows			
		Total	On demand	< 1 Yr	>1 Yr
31 March 2018					
Borrowings	1,216.46	1,216.46		1,216.46	
Trade and other payables	16.82	16.82	16.82	-	-
Other financial liabilities	494.52	494.52	494.52	-	-
	511.35	511.35	511.35	-	-
31 March 2017					
Borrowings	2,060.15	2,060.15		2,060.15	-
Trade and other payables	21.51	21.51	21.51	-	-
Other financial liabilities	455.48	455.48	455.48	-	-
	2,537.13	2,537.14	476.99	2,060.15	-
1 April 2016					
Borrowings	1,587.00	1,587.00	-	1,587.00	-
Trade and other payables	24.98	24.98	24.98	-	-
Other financial liabilities	288.03	288.03	288.03	-	-
	1,900.01	1,900.01	313.01	1,587.00	-

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Capital management

The Company's objective is to maintain a strong capital base to ensure sustained growth in business and to maximise the shareholders value. The Capital Management focusses to maintain an optimal structure that balances growth and maximizes shareholder value.

The Company's adjusted net debt to equity ratio is analysed as follows:

Particulars

	31 March 2018	31 March 2017	1 April 2016
Total equity (A)	14,695.78	24,544.76	24,720.81
Total borrowings (B)	1,216.46	2,060.15	1,587.00
Total capital (C)= (A) +(B)	15,912.24	26,604.90	26,307.81
Total loans and borrowings as a percentage of total capital (B/C)	7.64%	7.74%	6.03%
Total equity as a percentage of total capital (A/C)	92.36%	92.26%	93.97%

**31 First-time adoption of Ind AS**

These financial statements, for the year ended March 31, 2018, have been prepared in accordance with Ind AS. For the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Indian GAAP' or 'Previous GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on March 31, 2018 together with the comparative period data, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

**Optional exemptions availed and mandatory exceptions**

In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

**A. Optional exemptions availed**
**(i) Investment in subsidiary**

As per Ind AS 101, a Company may elect to:

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for investment in subsidiary as deemed cost.

**B. Mandatory exceptions**
**(i) Estimates**

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS)

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL
- Impairment of financial assets based on the expected credit loss model

**(ii) Derecognition of financial assets and liabilities**

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

**(iii) Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost and fair value through profit and loss have been done retrospectively except where the same is impracticable.



# **KSS LIMITED (Formerly known as K SERA SERA LIMITED)**

## **Notes to the standalone financial statements for the year ended March 31, 2018**

(All amounts in INR lakhs, unless otherwise stated)

### **C. Reconciliation of equity**

Rs. In lacs

Particulars	Note	As at 31 April 2017			As at the date of transition 1 April 2018		
		Previous GAAP (*)	Adjustment on transition to Ind AS	Ind AS	Previous GAAP (*)	Adjustment on transition to Ind AS	Ind AS
<b>Non-current assets</b>							
Property, Plant and Equipment	1	831.59	240.54	1,072.13	1,222.46	300.67	1,523.13
Intangible assets		776.73	-	776.73	776.73	-	776.73
Financial Assets							
Investments	2	19,836.35	(1,472.83)	18,363.52	19,598.63	(1,459.90)	18,138.73
Others		31.70	-	31.70	25.70	-	25.70
Deferred tax assets (Net)		348.41	-	348.41	310.52	-	310.52
Other non-current assets		4,501.74	-	4,501.74	4,296.77	-	4,296.77
<b>Total non-current assets</b>		<b>26,326.53</b>	<b>(1,232.29)</b>	<b>25,094.23</b>	<b>26,230.82</b>	<b>(1,159.23)</b>	<b>25,071.59</b>
<b>Current assets</b>							
Financial assets							
Trade receivables	3	266.72	(266.72)	-	291.25	(266.72)	24.53
Cash and cash equivalents		0.84	-	0.84	2.85	-	2.85
Loans		2,029.61	-	2,029.61	1,923.92	-	1,923.92
Other current assets		701.27	-	701.27	489.85	-	489.85
<b>Total current assets</b>		<b>2,998.44</b>	<b>(266.72)</b>	<b>2,731.72</b>	<b>2,707.86</b>	<b>(266.72)</b>	<b>2,441.14</b>
<b>Total assets</b>		<b>29,324.97</b>	<b>(1,499.01)</b>	<b>27,825.96</b>	<b>28,938.68</b>	<b>(1,425.95)</b>	<b>27,512.73</b>
<b>EQUITY &amp; LIABILITIES</b>							
<b>Equity</b>							
Equity share capital		21,358.75	-	21,358.75	21,358.75	-	21,358.75
Other equity		5,419.08	(2,233.07)	3,186.01	5,522.07	(2,160.01)	3,362.06
<b>Total equity</b>		<b>26,777.83</b>	<b>(2,233.07)</b>	<b>24,544.76</b>	<b>26,880.82</b>	<b>(2,160.01)</b>	<b>24,720.81</b>
<b>LIABILITIES</b>							
<b>Non-current Liabilities</b>							
Financial liabilities							
Other financial liability		-	-	-	110.95	-	110.95
		-	-	-	<b>110.95</b>	-	<b>110.95</b>
<b>Current liabilities</b>							
Financial liabilities							
Borrowings		2,060.15	-	2,060.15	1,587.00	-	1,587.00
Trade Payable		21.51	-	21.51	24.98	-	24.98
Other financial liabilities		455.48	-	455.48	288.03	-	288.03
Other current liabilities	1	10.01	734.06	744.07	46.90	734.06	780.96
<b>Total current liabilities</b>		<b>2,547.14</b>	<b>734.06</b>	<b>3,281.20</b>	<b>1,946.91</b>	<b>734.06</b>	<b>2,680.97</b>
<b>Total equity and liabilities</b>		<b>29,324.97</b>	<b>(1,499.01)</b>	<b>27,825.96</b>	<b>28,938.68</b>	<b>(1,425.95)</b>	<b>27,512.73</b>
		0.00	-	0.00	0.00	-	0.00

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

### **D. Reconciliation of total comprehensive income for the year ended 31 March 2017**

Particulars	Note	Previous GAAP	Adjustment on transition to Ind AS	Ind AS
<b>Income</b>				
Revenue from operations		175.00	-	175.00
Other income	1	0.16	204.40	204.56
<b>Total Income</b>		<b>175.16</b>	<b>204.40</b>	<b>379.56</b>
<b>Expenses</b>				
Employee benefits expense		4.72	-	4.72
Finance costs		0.17	-	0.17
Depreciation and amortisation expense		3.68	264.54	268.22
Other expenses		115.67	204.73	320.40
<b>Total expenses</b>		<b>124.24</b>	<b>469.26</b>	<b>593.51</b>
<b>Profit before tax</b>		<b>50.91</b>	<b>(264.86)</b>	<b>(213.95)</b>
<b>Tax expense:</b>				
Current tax		-	-	-
Deferred tax charge/ (credit)		(37.89)	-	(37.89)
<b>Profit for the period from continuing operations</b>		<b>88.80</b>	<b>(264.86)</b>	<b>(176.06)</b>
<b>Other Comprehensive Income (OCI), net of tax</b>				
OCI not to be reclassified to profit and loss in subsequent periods		-	-	-
<b>Total other comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>88.80</b>	<b>(264.86)</b>	<b>(176.06)</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

### **E. Reconciliation of Cash flow for the year ended 31 March 2017**

There were no reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS.

#### **Note:**

1) The Company has considered waiver of custome duty as government grant related to asset acquisition. As per the terms and conditions of the scheme, the grant received is to compensate the import cost of assets subject to an export obligation as prescribed in the EPCG Scheme; recognition of grant in the statement of profit and loss has been linked to fulfilment of associated export obligations. Accordingly, corresponding export obligation created.

2) As per the requirements of Ind AS 109, the Company has measured all equity investments other than subsidiary, associate and joint ventures at fair value through profit and loss. As per Indian GAAP, the same was recorded at cost.

3) The Company has provided expected credit loss as per requirements of Ind AS 109.



## **KSS LIMITED**

### **Annual Report 2017-18**

#### **Notes to Financial Statement as at and for the year ended 31<sup>st</sup> March 2018.**

### **1. CORPORATE INFORMATION**

KSS Limited (BSE Scrip Code: 532071; NSE Scrip Code KSERASERA) in a global player within the Indian media and entertainment.

KSS Limited ('K Sera Sera Limited' or 'the Company') along with its wholly owned subsidiaries K Sera Sera Miniplex Limited ("KSS Miniplex"), K Sera Sera Digital Cinema Limited ("KSS Digital"), K Sera Sera Box Office Private Limited ("KSS Box Office") Birla Gold and Precious Metals Ltd, Birla Jewels Ltd., and step down subsidiaries Cherish Gold Private Limited, KSS Speed Technology Private Limited, is the most diversified media company. The Company through its subsidiaries and step- down subsidiaries is into the business of Miniplexes, Digital Cinema, Online Trading in Gold & Jewellery, Project Consultancy and General Trading (UAE).

### **2. BASIS OF PREPARATION**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ("Ind AS") notified under The Companies (Indian Accounting Standards) Rules, 2015 and The Companies (Indian Accounting Standards) amendment Rules 2016, as amended with effect from April 1, 2017. The financial statements of the Company have been prepared and presented in accordance with Ind AS. Previous year numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under The Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2017 and April 1, 2016 and of the comprehensive net income for the year ended March 31, 2017. (refer note 37 for reconciliations and effects of transition).

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained further in the accounting policies below.

Certain financial assets like investment in equity shares are measured at fair value, Assets held for sale which form part of disposal group are measured at cost or fair value less cost to sale which ever is lower.

The standalone financial statements are presented in INR (₹) and all the values are rounded off to the nearest lakhs (INR100,000) except when otherwise indicated.

#### **2.01 Summary of significant accounting policies**

##### **(A) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

Expected to be realised in normal operating cycle or within twelve months after the reporting period  
Held primarily for the purpose of trading, or  
Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:



It is expected to be settled in normal operating cycle or due to be settled within twelve months after the reporting period or  
There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

### **(B) Significant accounting, judgments, estimates and assumptions**

The preparation of the Company's Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, the accompanying disclosures, and the disclosure of contingent assets and contingent liabilities on the date of the standalone financial statements and the reported amounts of revenues and expenses for the year reported. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty as at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of the following:

#### **Investment in equity shares:**

The Company is exposed to equity price risk from investments in equity securities measured at fair value through profit and loss. The Management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board of Directors..

#### **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for future years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

#### **Impairment of financial assets**

The Company assesses impairment of financial assets ('Financial instruments') and recognises expected credit losses in accordance with Ind AS 109. The Company provides for impairment of trade receivables and unbilled revenue outstanding for more than 1 year from the date they are due for payment and billing respectively. The Company also assesses for impairment of financial assets on specific identification basis at each period end. Also, refer note 2(---).

The Company provides for impairment of investment in subsidiaries. Impairment exists when there is a diminution in value of the investment and the recoverable value of such investment is lower than the carrying value of such investment.



### **(C) Property plant and Equipment's**

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes etc. up to the date the asset is ready for its intended use. Depreciation is provided under written down value method at the rates and in the manner prescribed under Schedule II to the Companies Act, 2013.

### **(D) Depreciation Tangible Fixed Assets.**

Depreciation on fixed assets is calculated on a written down value method at based on the useful lives estimated by the management, or those prescribed under the Schedule II of the Companies Act, 2013, The company has used the following rates to provide depreciation on its fixed assets.

<b>Particulars</b>	<b>Useful life</b>
Plant and Equipment's	5 Years
Furniture and Fixtures	10 years
Computers and laptops,	3 Years
Vehicles	10 Years
Digital Assets	13 years

Company has provided depreciation on Digital technology assets @20% (13 years) on WDV basis. Income from use of such assets is booked in K Sera Sera Digital Cinema Private Limited.

A digital technology asset is used by K Sera Sera Digital Cinema Limited ("KSS Digital") a WOS company of KSS Limited. Deprecation on the above assets is cross charge to K Sera Sera Digital Cinema Limited ("KSS Digital") without transferring the assets. KSS limited is sole owner of the said equipments shall cross charge the amount of deprecation / normal charge of wear and tear to KSS Digital at cost and same shall be recouped by KSS in agreed manner.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such Property, plant and equipment.

### **(E) Intangible Assets**

Intangible assets acquired by the Company are stated at cost less accumulated amortisation less impairment loss, if any, (film production cost and content advances are transferred to film and content rights at the point at which content is first exploited).

Investments in films and associated rights, including acquired rights and distribution advances in respect of completed films, are stated at cost less amortisation less provision for impairment. Costs include production costs, overhead and.

Capitalized interest costs net of any amounts received from third party investors. A charge is made to write down the cost of completed rights over the estimated useful lives, writing off more in year one which recognizes initial income flows and then the balance over a period of up to nine years, except where the asset is not yet available for exploitation. The average life of the assets is the lesser of 10 years or the remaining life of the content rights. The amortisation charge is recognized in the Statement of profit and loss within Film right costs





including amortisation costs. The determination of useful life is based upon Management's judgment and includes assumptions on the timing and future estimated revenues to be generated by these assets.

Intangible assets comprising film scripts and related costs are stated at cost less amortisation less provision for impairment. The script costs are amortized over a period of 3 years on a straight-line basis and the amortisation charge is recognized in the Statement of profit and loss within Film right costs including amortisation costs. The determination of useful life is based upon Management's estimate of the period over which the Company explores the possibility of making films using the script.

Other intangible assets, which comprise internally generated and acquired software used within the Entity's digital, home entertainment and internal accounting activities, are stated at cost less amortisation less provision for impairment. A charge is made to write down the cost of completed rights over the estimated useful lives except where the asset is not yet available for exploitation. The average life of the assets is the lesser of 3 years or the remaining life of the asset. The amortisation charge is recognized in the Statement of profit and loss.

#### **(F) Borrowing Costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

#### **(G) Impairment of non-financial assets**

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at the cash generating unit level. All individual assets or cash generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external or internal factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price of assets and their 'value in use' in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Life time ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.





ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of profit and loss. This amount is reflected under the head 'other expenses' in the Statement of profit and loss.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis

#### **(H) Impairment of financial assets**

In accordance with Ind. AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on risk exposure arising from financial assets like debt instruments measured at amortised cost e.g., trade receivables and deposits.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables. The application of simplified approach does not require the Company to track changes Purchase price is assigned using a weighted average basis. Net realizable value is defined as anticipated selling price or anticipated revenue less cost to completion.

#### **(I) Investments in subsidiaries, Associates and Joint Ventures:**

Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

#### **(J) Inventories**

Inventories comprise of traded goods, stores and spares are valued at cost or at net realisable value whichever is lower. Cost of traded goods, stores and spares is determined on weighted average basis. Stores and spares, which do not meet the definition of property, plant and equipment, are accounted as inventories. Net realizable value is the estimated selling price in the ordinary course of business and estimated costs necessary to make the sale.

#### **(K) 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:

##### ***1. In house production of motion pictures***

Revenue on assignment of distribution rights of motion pictures to third parties is recognized on the date of release/exhibition of the motion picture. Overflow from the distributors is accounted for as and when due or on receipt basis in case of uncertainty in collection. Revenue from outright sale of motion pictures is recognized on the date of agreement to sell the rights.

##### ***2. Other rights***

Revenue from other rights of motion pictures such as satellite rights, overseas rights, music rights, video rights, etc. is recognized on the date of execution of the agreement to assign these rights for exploitation or the release of the movie whichever is earlier.

##### ***3. Interest***

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

#### **(L) Taxes**

Tax expense comprises of current and deferred tax.



### **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Tax liability under Minimum Alternate Tax ("MAT") is considered as current tax. MAT entitlement is considered as deferred tax.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

In respect of deductible temporary differences associated with investments in subsidiaries deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.



Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **(M) Foreign Currency Translation**

Transactions in foreign currencies are translated at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated at the prevailing rates of exchange at the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognized in the Statement of profit and loss in the period in which they arise. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

The Company's functional currency and the presentation currency is same i.e. Indian Rupee.

#### **(N) Retirement and Other Employee Benefits**

Company doesn't have any employee who has completed 5 year of continues services for provision for gratuity and other benefits. And Contributions payable by the Company to the concerned government authorities in respect of provident fund, family pension fund and employee state insurance are charged to the profit and loss account if any.

#### **(O) Segment reporting**

The company's business activity falls within a single primary segment the disclosure requirements of Indian Accounting Standard ('Ind AS-108') "Operating segment is not applicable.

#### **(P) Provisions**

##### **Recognition of Provision:**

A provision is recognized when the company has i) a present obligation as a result of past event, ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and iii) a reliable estimate can be made of the amount of the obligation. Where the effect of the time value of money is material, the amount of provision shall be the present value of the expenditures expected to be required to settle the obligation. Provisions shall be reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision shall be reversed.

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

#### **(Q) Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

#### **(R) Earnings per share**

The basic earnings per equity share are computed by dividing the net profit attributable to the equity shareholders for the reporting period by the weighted average number of equity shares outstanding during the reporting period.



The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive.

**The earnings per share are calculated as under:**

Particulars	31-Mar-18	31-Mar-17
Net profit/(loss) after tax for the year	(9,848.98)	(176.06)
Equity shares outstanding as the year end	21,358.75	21,358.75
Nominal value per share (Rs.)	1	1
Earnings per share		
- Basic	(0.46)	(0.01)
- Diluted	(0.46)	(0.01)

**(S) Leases**

**Where the Company is the lessee**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. Where the Company is the lessor Assets subject to operating leases are included in property plant and equipment. Lease income on an operating income is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

**(T) Related Party Transaction**

As per Indian accounting standard on Related Party Disclosure (Ind AS-24) as notified by the Companies (Indian Accounting Standard) Rules, 2015 the names of the related parties of the Company are as follows:

**Subsidiaries**

K Sera Sera Box Office Private Limited

K Sera SeraMiniplex Limited

K Sera Sera Digital Cinema Limited

K Sera Sera Productions FZE

Birla Jewels Limited

Birla Gold and Precious Metals Ltd

**Step down subsidiaries/Limited Liability Partnerships**

KSS Speed Technology Private Limited

Cherish Gold Private Limited

K Sera Sera Holding PTY Limited

**Key Managerial Personnel**



Satish Panchariya, Chairman & Director

Ankita Gupta, Company Secretary

**Related parties with whom transactions have taken place during the year:**

**(Amount in Lacs)**

<b>Nature of transaction</b>	<b>2018</b>	<b>2017</b>
<b><u>a. Transactions during the year</u></b>		
Depreciation Cross Charged K Sera Sera Digital Cinema Limited	211.63	204.40
<b><u>Advances/ loan repayment paid</u></b>		
K Sera Sera Box Office Private Limited	Nil	2.23
K Sera Sera Productions FZE-Foreign exchange Gain/Loss	4.87	(9.18)
Birla Jewels Limited	Nil	145.20
Birla Gold and Precious Metals Limited	419.54	157.54
K Sera SeraMiniplex Limited	Nil	167.96
K Sera Sera Digital Cinema Limited	1377.63	Nil
<b><u>Advances/ loan repayment received</u></b>		
K Sera Sera Digital Cinema Limited	873.00	448.94
K Sera SeraMiniplex Limited	115.94	Nil
Birla Jewels Limited	128.00	Nil
<b><u>b. Closing balance</u></b>		
<b><u>Short term borrowings</u></b>		
K Sera Sera Digital Cinema Limited	26.72	531.35
K Sera SeraMiniplex Limited	144.69	28.79
<b><u>Loans and advances</u></b>		
K Sera Sera Productions FZE	448.63	443.76
K Sera Sera Box Office Private Limited	79.64	79.65
Birla Jewels Limited	30.49	158.48
Birla Gold and Precious Metals Limited	768.69	319.14



<b>Remuneration to key managerial personal</b>		
Deepak Tripathi (Resigned wef. 23/01/2018)	3.34	0.20
Ankita Gupta (Appointed wef. 23/01/2018)	0.875	NIL

#### **(U) Fair value measurement**

The company measures financial instrument such as investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability - or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Currently company carries those instruments in level 1 inputs of the above mentioned fair value hierarchy.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### **(V) Financial instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### **i. Financial assets Initial recognition and measurement**



All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

### **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in three broad categories:

- Debt instruments assets at amortised cost
- Equity instruments measured at fair value through profit or loss (FVTPL)

When assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit and loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

### **Debt instruments at amortised cost**

A debt instrument is measured at amortised cost (net of any write down for impairment) if both the following conditions are met:

- the asset is held to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes), and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit and loss. The losses arising from impairment are recognised statement of profit and loss. This category generally applies to trade and other receivables

### **Financial assets at fair value through OCI (FVTOCI)**

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through profit and loss under fair value option.

- The financial asset is held both to collect contractual cash flows and to sell.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

### **Financial assets at fair value through profit and loss**

FVTPL is a residual category for company's investment instruments. Any instruments which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.



All investments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss

In addition, the company may elect to designate an instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

### **Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company has not made any such election. This classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment, However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

### **Derecognition**

When the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; it evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- Based on above evaluation, either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a bases that reflect the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### **Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial instruments') requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit





losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

## **ii. Financial liabilities**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, lease obligations, and other payables.

### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

## **iii. Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **iv. Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it



applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **(W) Recent accounting pronouncements**

**Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018,** the Ministry of Corporate Affairs ('the MCA') notified the Companies (Indian Accounting Standards) Amendment Rule, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, which an entity has received or paid advance consideration in foreign currency.

The amendment will come into force from April 1, 2018, The Company has evaluated the effect of this on the financial statements and the same is not applicable to the Company.

**Ind AS 115, Revenue from Contract with Customers: On March 28, 2018, the MCA notified the Ind AS 115.** The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing, and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transaction:

- Retrospective approach: Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting, Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (cumulative catch-up approach)

The effective date for adoption of Ind AS 115 is financial period beginning on or after April, 1, 2018. The company will adopt the standard on April 1, 2018 by using the cumulative catch-up transaction method and accordingly, comparatives for the year ending March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be very insignificant.

### **32. Contingent liabilities**

**a.** A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

The Maharashtra Government had issued a notification on August 30, 2005, as per which entities leasing copyrights of cinematographic films are required to pay value added tax (VAT) @ 4% retrospectively wef. May 1, 2000. Subsequently, upon the representation of 'The Cinematograph Exhibitor's Association of India' ('The Association'), the levy of the said tax was waived for the period May 1, 2000 to March 31, 2005. The revised notification extending similar relief up to the period commencing from April 1, 2005 is being pursued by the association. The Company, in line with the view taken by the Industry, is of the opinion that VAT is not applicable to the activities carried by the Company and has also taken a legal opinion in this regard. The Company has also not received any demand notice from the VAT authorities. As a matter of prudence, the



Company has made ad hoc payments of Rs 15.00 Lacs under protest, and 16.70 lacs against the demand which is disclosed under 'Loans and Advances'.

Demand of Rs 1035.05 Lacs including the interest and penalty under MVAT. In line with film industry consensus, the Company is of the opinion that there are no grounds for levying VAT Based on legal Opinion obtained; the company is of the view that said demand contesting. Hence, no provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter

Having regard to the above facts, the Company does not expect any liability on this account. In line with film industry consensus, the Company is of the opinion that there are no grounds for levying VAT on film distribution activity and hence no provision is made in the books of accounts for these years. The same is disclosed as contingent liability under Notes to Accounts.

**b.** The company, having IEC number 0306007649, export rights of several films produced by them and/or for which, the distribution rights were purchased/ acquired by them in the past. By exporting distribution rights of the films in the territories abroad, KSS did import of various capital goods including 400 digital cinematographic projectors under EPCG Scheme – concessional rate of duty 3% with the proper compliances. Under EPCG Scheme company have to export eight times (Approx. 4,500.00 lacs) of duty saved within eight years, but till date company did not export under the said obligation. Company imports various digital cinema equipments under the 9(nine) licenses and duty saved 550.81 Lacs and expiry of said license between September 2018 to August 2019.

Demand of Rs 734.06 Lacs excluding interest and penalty under section 142 of the Custom Act 1962. Custom department freeze/attached the various assets and bank accounts against the said recovery. Based on legal Opinion obtained, the company is of the view that said demand contesting. Hence, no provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter. The security deposit (Custom) Rs 190.10 Lacs shown total cost of the assets and account freeze by the custom department, against the Recovery of Government dues under section 142 of the Custom Act 1962 Rs 734.06 Lacs excluding interest and penalties. Custom department freeze/attached the various assets and bank account of KSS Group against the said recovery.

**c.** The Company has cases pending at the Securities Exchange Board of India. The departments are yet to pass final order hence the liability for the same is currently unascertainable

**i. Contingent liabilities not provided for in respect of:**

Particulars	(Amount in lacs)	
	March 31, 2018	March 31, 2017
Guarantees issued by bank		
• In respect of the Company	NIL	NIL
• In respect of a wholly owned subsidiary	160.39	160.39
Income tax demands not acknowledged as debts and contested by the company.	404.19	535.49
MVAT not acknowledged as debts and contested by the company	1,035.05	1,052.82
<b>Total</b>	<b>1,599.63</b>	<b>1,748.70</b>

**ii. The details of the suit filed against the company pending for disposal is as under:**

1	Income Tax	ITXA(L)/223/2013 (No.1027/2013)	Appeal Filed by the Income tax Department to Hon'ble high CourtMumbai against ITAT Order for A.Y. 2009-10 Rs 417.14 Lacs.
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2	Income Tax	ITXA/476/2016	Appeal Filed by the Income tax Department to Hon'ble high Court Mumbai against ITAT Order for A.Y. 2010-11 Rs 578.69 Lacs.
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**iii. The details of the suit filed by the company pending for disposal is as under:**

S. No.	Name of the Parties	Suit No.	Particulars
1.	Percept Picture Company	Before Arbitrator	Arbitration proceedings initiated for recovery of Rs.80.00 lacs plus 12% interest thereon.
2.	Eros Multimedia limited	2356/2009	Suit for Damages for Rs.960.00 lacs
3.	Amit Mehrotra & Others	C.C. No. 2184/SS/11	The Company has filed a suit and initiated action under section 138 of the Negotiable Instruments Act, for recovery of its claim of Rs.2.5 lacs
4.	Joint Commissioner of Sales Tax, Mumbai		For F.Y. 2005-06, 2007-08, 2008-09 and 2010-11 Amount Rs 1,035.05 Lacs
5.	A.O./CIT		Appeal Against Penalty order u/s 271(1)(C) for A.Y. 2006-07 of Rs. 30.85 Lacs.
6.	Income Tax Appellate Mumbai		Income Tax Appellate Tribunal (Mumbai) For A.Y. 2006-07 Rs. 366.63, A.Y. 2007-08 Rs. 183.36 Lacs, A.Y. 2008-09 Rs 151.50 lacs, and 2011-12 Rs 186.19 Lacs
7.	Eros International Ltd.	N/M 1718 NMS 1657 OF 2016	
8.	Union of India	Custom Civil Writ Petition	For Restoration
9.	Standard Chartered Bank	Appeal 93 of 2016 & MA 298 OF 2016	Filed Appeal before DRAT against the order for recovery of Rs. 181.77 Lacs together with 12% Interest.
10.	Custom Duty, The Custom Act 1962 CBEC		Writ petition filed in Hon'ble high Court Mumbai Demand Rs 734.06 Lacs U/s 114A of Customs Act, 1962.



### 33. Auditors' Remuneration (Excluding Service Tax/GST)

Particulars	31-Mar-18	31-Mar-17
Statutory audit	2.00	3.00
Limited review and other certifications	Nil	0.75
Other Services	0.20	0.25
<b>Total</b>	<b>2.20</b>	<b>4.00</b>

### 34. Un-Hedged Foreign Currency Exposure

The following is the details of un-hedged foreign currency exposure:

Particulars	Amount
<b>Receivables</b>	
US\$ @ closing of 1 USD Rs 65.044 (Previous year US \$ @ closing rate of 1 USD = Rs. 64.7468)	USD \$9.00 lacs
AED @ closing of 1 AED Rs 17.6488 (Previous year AED @ closing rate of 1 AED = Rs. 17.6243)	AED 21.27 Lacs
<b>Payables</b>	
US\$ @ closing of 1 USD Rs 65.044 (Previous year US \$ @ closing rate of 1 USD = Rs. 64.7468)	USD \$0.15 Lacs

### 35. Interest in other entities

Sr No.	Name of the Company	Date of Incorporation	% of holding	Amount Invested	Advance to Subsidiaries	Previous Year
1.	K Sera Sera Productions FZE	19.11.2009	100%	4,994.63	448.63	452.93
2.	K Sera Sera Digital Cinema Ltd	04.06.2009	100%	2999.99	(258.88)	(82.41)
3.	K Sera Sera Box Office Pvt Ltd	12.06.2009	91.42%	2742.50	79.64	77.42
4.	K Sera Sera Miniplex Ltd	02.02.2010	99.99%	2790.50	(144.74)	(196.76)
5.	Birla Gold and Precious Metals Ltd	24.09.2001	100%	100.00	738.69	161.60
6.	Birla Jewels Ltd	23.05.2011	100%	99.90	30.49	13.29



**For and on behalf of the board of directors**

**Sd/-**

**Satish Panchariya  
Director**

DIN 00042934

Mumbai

Date: 05.06.2018

**Sd/-**

**Harsh Upadhyay  
Director**

DIN 07263779

For **Agrawal Jain & Gupta**

Chartered Accountants

Firm Registration No. 013538C

**CA Narayan Swami**

Partner

M. No – 409759



## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF KSS LIMITED**

#### **TO THE MEMBERS OF KSS LIMITED**

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

We have audited the attached Consolidated Financial statements of KSS Limited ('the Company'), and its subsidiaries (herein after collectively referred to as 'the Group') which comprises of Consolidated Balance Sheet as at March 31, 2018 and the Consolidated Profit and Loss account (including other comprehensive income), Consolidated Changes in Equity Shares and the Consolidated Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information

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

The Holding Company's Board of Directors is responsible for the matters 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 consolidated state of affairs (financial position), Consolidated Profit or loss (financial Performance including other comprehensive income), Consolidated change in equity and Consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS'), 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 consolidated 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 disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the consolidated 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 consolidated 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, including Ind. AS specified under section 133 of the Act, of the state of affairs(financial position) of the company as at 31st March 2018, and its profit and loss A/c (financial performance including other comprehensive Income),its cash flow and the changes in equity for the year ended on that date

### **Emphasis of Matters**

- a) We draw attention to the Note 41 to the financial statement for a demand of Rs 734.06 Lacs excluding interest and penalty under section 142 of the Custom Act 1962. Custom department freeze/attached the various assets and bank accounts against the said recovery. Based on legal Opinion obtained, the company is of the view that said demand contesting. Provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter.
- b) We draw attention to the Note 41 to the financial statement for a demand of Rs 1035.05 Lacs including the interest and penalty under MVAT. In line with film industry consensus, the Company is of the opinion that there are no grounds for levying VAT Based on legal Opinion obtained; the company is of the view that said demand contesting. Hence, no provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter.
- c) Notes to the financial statements which describe the uncertainty related to the outcome of the pendency's of appeals and legal matters filed by the company as well as against the company. Our opinion is not modified in respect of these matters.

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

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associates as noted in the 'other matter' paragraph 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 appears from our examination of those books;
- c) The consolidated balance sheet, the consolidated statement of profit and loss, and consolidated cash flow statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the consolidated balance sheet, statement of consolidated profit and loss and consolidated cash flow statement comply with the accounting standards referred to in section 133 of the companies act, 2013, read with rule 7 of the companies (accounts) rules, 2014;
- e) The matter described under the emphasis of matters paragraph above, in our opinion, may have an adverse effect on the functioning of the group;
- f) On the basis of written representations received from the directors as on 31st march, 2018, taken on record by the board of directors, none of the directors is disqualified as on 31st march, 2018, from being appointed as a director in terms of section 164(2) of the act;
- g) 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 A'; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the group & its associates. Refer to Note No. 41 to the consolidated financial statements





- ii) The Group and its associates did not have any material foreseeable losses, if any, on long-term contracts including derivative contracts during the year ended 31<sup>st</sup> March, 2018 and
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its Subsidiaries incorporated in India.

**Other Matter**

We did not audit the financial statements of following subsidiaries stated as follows:

(Rupees in Lacs)

Sr. No.	Subsidiary Companies	Assets	Revenue
1	Birla Gold and Precious Metals Ltd.	502.41	484.41
2	Birla Jewels Ltd.	672.97	918.12

These financial statements have been incorporated in the consolidated financial statements on the basis of audited financial statements as provided by the management of the said subsidiary. Our opinion in so far as it relates to the amount included in the consolidated financial statements in respect of these subsidiaries, is based solely on the audited separate financial statement of these subsidiaries.

Our above opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management

**FOR Agrawal Jain and Gupta.**

Chartered Accountants

Firm Reg. No. 013538C

**CA Narayan Swami**

Partner

Membership No. 409759

Place: Mumbai

Dated: 05<sup>th</sup> June, 2018



## **Annexure A to the Independent Auditors' Report of the even date on the Consolidated Financial Statements of KSS Limited**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of KSS Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of KSS Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

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

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

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated 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, 2018, 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 Agrawal Jain and Gupta**

Chartered Accountants  
Firm Reg. No. 013538C

### **CA Narayan Swami**

PARTNER  
Membership No. 409759  
Place: Mumbai  
Dated: 05.06.2018



## KSS LIMITED (Formerly known as K SERA SERA LIMITED)

Consolidated Balance Sheet as at March 31, 2018  
(All amounts are in INR in lakhs, unless otherwise stated)

Particulars	Notes	As at 31-March- 2018	As at 31-March- 2017	As at 1 April 2016
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	3	1,674.80	2,061.37	2,629.43
Capital work-in-progress		-	47.04	-
Investment property	3	1,052.02	1,105.88	1,162.49
Intangible assets	4	248.25	849.62	865.73
Financial Assets				-
Investments	5	5,195.06	13,215.71	12,073.97
Loans	6	-	101.38	594.90
Others	7	603.04	32.98	99.27
Deferred tax assets (Net)		625.43	642.28	711.85
Other non-current assets	8	463.90	4,501.74	13,313.57
<b>Total</b>		<b>9,862.49</b>	<b>22,557.99</b>	<b>31,451.21</b>
<b>Current assets</b>				
Inventories	9	514.24	278.13	4.02
Financial assets				-
Trade receivables	10	1,403.15	24,607.78	26,871.58
Cash and cash equivalents	11	75.81	139.81	144.79
Loans	12	887.54	11,322.87	1,509.15
Other current financial assets	13	-	676.49	8.32
Other current assets	14	1,077.42	874.02	844.97
		<b>3,958.16</b>	<b>37,899.10</b>	<b>29,382.83</b>
Asset held for sale	15	<b>375.49</b>		
<b>TOTAL ASSETS</b>		<b>14,196.13</b>	<b>60,457.10</b>	<b>60,834.04</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	16	21,358.75	21,358.75	21,358.75
Other equity	17	(12,900.04)	33,200.11	33,031.08
<b>Total</b>		<b>8,458.71</b>	<b>54,558.86</b>	<b>54,389.83</b>
Non-controlling interest		<b>26.97</b>	<b>26.97</b>	246.59
<b>Total Equity</b>		<b>8,485.68</b>	<b>54,585.83</b>	<b>54,636.42</b>
<b>LIABILITIES</b>				
<b>Non-current Liabilities</b>				
Financial liabilities				
Borrowings	18	560.60	411.33	261.00
Other financial liability	19	115.00	9.00	636.27
Employee benefit obligations	20	27.67	23.90	0.08
<b>Total</b>		<b>703.27</b>	<b>444.23</b>	<b>897.35</b>
<b>Current Liabilities</b>				
Financial liabilities				
Borrowings	21	419.50	1,092.11	1,617.78
Trade Payable	22	743.58	629.24	1,181.89
Other financial liabilities	23	2,475.84	2,668.72	1,542.48
Other current liabilities	24	1,366.41	1,035.23	956.54
Employee benefit obligations	25	0.11	-	-
Current tax Liabilities net	26	1.74	1.74	1.58
<b>Total</b>		<b>5,007.18</b>	<b>5,427.04</b>	<b>5,300.27</b>
<b>Total Equity and Liabilities</b>		<b>14,196.13</b>	<b>60,457.10</b>	<b>60,834.04</b>
Corporate information and summary of significant accounting policies		1 & 2		
The accompanying notes form an integral part of the financial statements				
As per our report of even date		For and on behalf of the Board of Directors		
<b>FOR AGRAWAL JAIN &amp; GUPTA</b>		<b>For KSS Limited</b>		
<b>CHARTERED ACCOUNTANTS</b>				
Sd/-		□Sd/-□		□Sd/-□
(CA Narayan Swami)		Satish Panchariya		Harsh Upadhyay
Partner		Director		Director
Membership No. : 409759		DIN: 00042934		DIN: 07263779
Firm Reg. No.: 013538C		□Sd/-□		□Sd/-□
		Ankita Gupta		Shamrao Ingulkar
		Company Secretary		Chief Financial Officer
PLACE: MUMBAI				
DATE : 05/06/2018				

# KSS LIMITED (Formerly known as K SERA SERA LIMITED)

## Consolidated Statement of Profit and Loss for year ended 31 March 2018

(All amounts are in INR in lakhs, unless otherwise stated)

Particulars	Notes	For the year ending 31 March, 2018	For the year ending 31 March, 2017
<b>Income</b>			
Revenue from operations	27	4,000.86	3,639.28
Other income	28	182.90	406.49
<b>Total Income</b>		<b>4,183.76</b>	<b>4,045.77</b>
<b>Expenses</b>			
Cost of Operations	29	1,203.61	773.54
Purchases of traded goods	30	1,442.12	1,407.19
Changes in inventories of finished goods, work-in-progress and traded goods	31	(211.21)	(274.11)
Employee benefits expense	32	738.87	535.63
Finance costs	33	88.02	78.70
Depreciation and amortisation expense	34	608.98	880.18
Other expenses	35	827.65	863.41
<b>Total expenses</b>		<b>4,698.06</b>	<b>4,264.53</b>
(Loss)/ Profit before exceptional and tax		(514.30)	(218.76)
Exceptional items	36	(43,157.38)	-
<b>Loss before tax</b>		<b>(43,671.68)</b>	<b>(218.76)</b>
Tax expense:			
Current tax	37	9.80	(0.06)
Tax adjustments relating to previous year		-	
Deferred tax charge/ (credit)		17.13	70.23
<b>Loss for the year from continuing operations</b>		<b>(43,698.61)</b>	<b>(288.93)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss (net of tax)		(10.06)	(3.67)
Items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive loss for the year</b>		<b>(43,688.55)</b>	<b>(285.26)</b>
Earnings per equity share: [Nominal Value per share: Rs.1 (2017: Rs.1)]		(2.05)	(0.01)
-Basic & diluted		(2.05)	(0.01)

Corporate information and summary of significant accounting policies  
The accompanying notes form an integral part of the financial statements

1 & 2

As per our report of even date

For and on behalf of the Board of Directors

**FOR AGRAWAL JAIN & GUPTA**  
**CHARTERED ACCOUNTANTS**

**For KSS Limited**

Sd/-  
(CA Narayan Swami)  
Partner  
Membership No. : 409759  
Firm Reg. No.: 013538C

Sd/-  
Satish Panchariya  
Director  
DIN: 00042934

Sd/-  
Harsh Upadhyay  
Director  
DIN: 07263779

Sd/-  
Ankita Gupta  
Company Secretary

Sd/-  
Shamrao Ingulkar  
Chief Financial Officer

PLACE: MUMBAI

DATE : 05/06/2018


**KSS LIMITED (Formerly known as K SERA SERA LIMITED)**
**Consolidated statement of cash flows for the year ended March 31, 2018**

(All amounts are in INR in lakhs, unless otherwise stated)

Particulars	For the year ended	
	31-Mar-18	31-Mar-17
<b>Cash flow from operating activities</b>		
Profit/(Loss) Before Tax	(395.46)	(218.76)
Adjustment for:		
Depreciation	608.98	880.18
Foreign Exchange Loss/(Gain)	(4.85)	(0.15)
Interest income	(6.04)	(2.36)
<b>Operating Profit Before Working Capital changes</b>	<b>202.64</b>	<b>658.91</b>
Adjustment for:		
(Increase)/Decrease in Inventories	(236.11)	(274.11)
(Increase)/Decrease in Trade Receivable	(376.91)	2,263.80
(Increase)/Decrease in short term loans & advance	1,203.43	(12,236.52)
(Increase)/Decrease in other current Assets	(574.84)	9,371.64
Increase / (Decrease) in Trade Payables	114.34	(552.65)
Increase / (Decrease) in other financial liabilities	138.41	1,205.09
Increase / (Decrease) in Current Liabilities	109.77	(603.45)
<b>Sub Total of working capital adjustments</b>	<b>378.09</b>	<b>(826.20)</b>
<b>Cash Generated from Operations</b>	<b>580.73</b>	<b>(167.29)</b>
Direct Taxes paid	-	-
Exceptional Items	-	-
<b>Net cash from operating activities (A)</b>	<b>580.73</b>	<b>(167.29)</b>
<b>Cash flow from investing activities</b>		
Purchase of Fixed Assets	(272.08)	444.75
Investment made	-	-
Foreign Exchange Loss/(Gain)	4.85	0.15
Interest income	6.04	2.36
Financial Assets from Others Activity	-	-
Other non-current assets	-	-
<b>Net cash from /(in used) in investing activities(B)</b>	<b>(261.19)</b>	<b>447.26</b>
<b>Cash flow from financing activities</b>		
Repayment of Borrowings	(523.34)	(375.34)
<b>Net cash flow from financing activities ('C)</b>	<b>(523.34)</b>	<b>(375.34)</b>
<b>Net increase in Cash and Cash equivalent (A+B+C)</b>	<b>(203.81)</b>	<b>(95.36)</b>
Cash & Cash equivalent at the beginning of the year	139.81	144.79
Cash & Cash equivalent at the end of the year	<b>(64.00)</b>	<b>49.43</b>
<b>Components of Cash and Cash equivalent</b>		
Cash on Hand	49.61	69.58
With Banks-		
On current account	26.20	70.23
On deposit account		
<b>Total</b>	<b>75.81</b>	<b>139.81</b>
As per our report of even date		
<b>FOR AGRAWAL JAIN &amp; GUPTA</b>	<b>For KSS Limited</b>	
<b>CHARTERED ACCOUNTANTS</b>		
Sd/-	Sd/-	Sd/-
(CA Narayan Swami)	Satish Panchariya	Harsh Upadhyay
Partner	Director	Director
Membership No. : 409759	DIN: 00042934	DIN: 07263779
Firm Reg. No.: 013538C	Sd/-	Sd/-
PLACE: MUMBAI	Ankita Gupta	Shamrao Ingulkar
DATE : 05/06/2018	Company Secretary	Chief Financial Officer



**KSS LIMITED (Formerly known as K SERA SERA LIMITED)**  
**Consolidated statement of changes in equity for the year ended 31 March 2018**  
*(All amounts are in INR in lakhs, unless otherwise stated)*

**A Equity Share Capital**

Particulars	Number	Amount
Balance at the beginning of the year - As at 01 April 2016	2,135,875,070	21,358.75
Changes in equity share capital during the F.Y. 2016-17	-	-
<b>Balance at the end of the year 31 March 2017</b>	<b>2,135,875,070</b>	<b>21,358.75</b>
Changes in equity share capital during the F.Y. 2017-18		
<b>Balance at the end of the year 31 March 2018</b>	<b>2,135,875,070</b>	<b>21,358.75</b>

**B Other Equity**

Particulars	Reserves & Surplus			Total other equity
	Securities premium reserve	Retained Earnings	Foreign Currency translation reserve	
<b>Balance at the beginning of the reporting period - 01 April 2016</b>				-
Ind AS Adjustments as on 1st April 2016	10,074.48	20,510.60	2,446.00	33,031.08
<b>Restated balance at the beginning of the reporting period - April 1, 2016</b>	<b>10,074.48</b>	<b>20,510.60</b>	<b>2,446.00</b>	<b>33,031.08</b>
Profit for the financial year 2016-17		(285.26)	640.07	354.81
Minority Interest		6.01		6.01
Preliminary expenses w/off	(191.80)			(191.80)
<b>Balance at the end of the reporting period 31 March 2017</b>	<b>9,882.68</b>	<b>20,231.35</b>	<b>3,086.07</b>	<b>33,200.10</b>
Profit for the financial year 2017-18		(43,688.55)	(2,437.00)	(46,125.55)
Minority Interest		25.41		25.41
<b>Balance at the end of the reporting period 31 March 2018</b>	<b>9,882.68</b>	<b>(23,431.79)</b>	<b>649.07</b>	<b>(12,900.04)</b>

Corporate information and significant accounting policies

1&2

The accompanying notes form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

**FOR AGRAWAL JAIN & GUPTA**  
**CHARTERED ACCOUNTANTS**

**For KSS Limited**

Sd/-  
**(CA Narayan Swami)**  
**Partner**  
 Membership No. : 409759  
 Firm Reg. No.: 013538C

Sd/-  
**Satish Panchariya**  
**Director**  
 DIN: 00042934

Sd/-  
**Harsh Upadhyay**  
**Director**  
 DIN: 07263779

Sd/-  
**Ankita Gupta**  
**Company Secretary**

Sd/-  
**Shamrao Ingulkar**  
**Chief Financial Officer**

PLACE: MUMBAI  
 DATE : 05/06/2018

**Note 3: Property, Plant & equipments**

Particulars	Computer & Peripherals	Office Equipment	Furniture & Fixtures	Motor Vehicles	Digital Technology Assets	Total	Investment property
<b>Tangible Fixed Assets</b>							
<b>Gross block</b>							
Balance as at 1 April 2016	47.20	122.04	187.78	107.27	1,864.77	2,329.06	1,162.49
Addition	27.51	13.29	101.36	5.82	296.77	444.75	-
Adjustments/ disposals	3.66	-	-	-	292.76	296.42	-
Ind AS Adjustments					734.06	734.06	
<b>Balance as at 31 March 2017</b>	<b>71.05</b>	<b>135.33</b>	<b>289.14</b>	<b>113.09</b>	<b>2,602.84</b>	<b>3,211.45</b>	<b>1,162.49</b>
Addition	26.22	9.59	12.53	-	223.74	272.08	-
Adjustments/ disposals	8.93	0.14	-	-		9.07	-
<b>Balance as at 31 March 2018</b>	<b>88.34</b>	<b>144.78</b>	<b>301.67</b>	<b>113.09</b>	<b>2,826.58</b>	<b>3,474.46</b>	<b>1,162.49</b>
<b>Accumulated Depreciation</b>							
Balance as at 1 April 2016	-	-	-	-	-	-	-
Depreciation charge new rate debited to reserve a/c	-	-	-	-	-	-	-
Depreciation charge	27.81	58.30	79.03	28.69	613.71	807.54	56.61
Adjustments/ disposals	(10.04)	(40.59)	(6.42)	(46.65)	194.55	90.85	-
Ind AS Adjustments	-	-	-	-	433.39	433.39	-
<b>Balance as at 31 March 2017</b>	<b>37.85</b>	<b>98.89</b>	<b>85.45</b>	<b>75.34</b>	<b>852.55</b>	<b>1,150.08</b>	<b>56.61</b>
Depreciation charge new rate debited to reserve a/c						-	
Depreciation charged	23.64	15.72	44.93	3.79	358.19	446.27	122.70
Adjustments/ disposals	3.14	2.57	-	(23.13)	(185.89)	(203.31)	68.84
<b>Balance as at 31 March 2018</b>	<b>58.35</b>	<b>112.04</b>	<b>130.38</b>	<b>102.26</b>	<b>1,396.63</b>	<b>1,799.66</b>	<b>110.47</b>
<b>Net block</b>							
Balance as at 31 March 2016	47.20	122.04	187.78	107.27	1,864.77	2,329.06	1,162.49
Balance as at 31 March 2017	33.20	36.44	203.69	37.75	1,750.29	2,061.37	1,105.88
<b>Balance as at 31 March 2018</b>	<b>29.99</b>	<b>32.74</b>	<b>171.29</b>	<b>10.83</b>	<b>1,429.95</b>	<b>1,674.80</b>	<b>1,052.02</b>

**Note 4: Intangible Fixed Assets**

Particulars	Motion Picture Rights	Trade Marks	Research & Developments	Computer Software	Total
<b>Intangible Fixed Assets</b>					
<b>Gross block</b>					
Balance as at 1 April 2016	805.42	5.28	45.36	-	856.06
Addition	-	1.04		8.93	9.97
Adjustments/ disposals	-	-			-
<b>Balance as at 31 March 2017</b>	<b>805.42</b>	<b>6.32</b>	<b>45.36</b>	<b>8.93</b>	<b>866.03</b>
Addition	-	0.18		45.30	45.48
Adjustments/ disposals	-	-			-
<b>Balance as at 31 March 2018</b>	<b>805.42</b>	<b>6.50</b>	<b>45.36</b>	<b>54.23</b>	<b>911.51</b>
<b>Accumulated Depreciation</b>					
Balance as at 1 April 2016	-	-	-	-	-
Depreciation charge	-	-	11.31	4.71	16.02
Adjustments/ disposals	-	-			-
<b>Balance as at 31 March 2017</b>	<b>-</b>	<b>-</b>	<b>11.31</b>	<b>4.71</b>	<b>16.02</b>
Depreciation charge	-	0.30	8.49	31.23	40.02
Adjustments/ disposals	607.22	-			607.22
<b>Balance as at 31 March 2018</b>	<b>607.22</b>	<b>0.30</b>	<b>19.80</b>	<b>35.94</b>	<b>663.26</b>





**KSS LIMITED (Formerly known as K SERA SERA LIMITED)**  
**Notes to the consolidated financial statements for the year ended March 31, 2018**  
*(All amounts are in INR in lakhs, unless otherwise stated)*

Note	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>5</b>	<b>Non-current investments</b>			
	Investment in equity instruments (quoted), measured at fair value through p&l (refer note 15)			
	9,64,63,530 (31 March 2017: 9,64,63,530) Equity shares of Citigold Corporation Limited (Australia)	-	4,917.36	4,917.36
	(closing market price of City Gold Corporation Limited is AUD 0.011 (31 March 2017: AUD 0.016 )per share on ASX. Valuation as per Market price is RS 525.66 Lacs (31 March 2016: 782.20 Lacs ) converted at AUD 1/INR 49.54 (P.Y. 48.50).			
	<b>Investment in Joint-venture (equity accounting)</b>			
	Investment in joint venture-Citigate Trade FZE	582.72	582.72	594.90
	<b>Investment in equity shares of unlisted entities (measured at fair value through p&amp;l)</b>			
	Investment in equity instruments	4,612.34	7,715.63	6,561.71
		<b>5,195.06</b>	<b>13,215.71</b>	<b>12,073.97</b>
<b>6</b>	<b>Financial asset -Non-Current</b>			
	<b>Loans and advances</b>			
	Loans and advances	-	101.38	594.90
		<b>-</b>	<b>101.38</b>	<b>594.90</b>
<b>7</b>	<b>Financial asset -Non-Current</b>			
	<b>Others (measured at amortized cost)</b>			
	Others Depsoit	603.04	32.98	99.27
		<b>603.04</b>	<b>32.98</b>	<b>99.27</b>
<b>8</b>	<b>Other non-current asset</b>			
	Advance recoverable in cash or kind	-		
	Unsecured, Considered Good	463.90	4,501.74	13,313.57
		<b>463.90</b>	<b>4,501.74</b>	<b>13,313.57</b>
<b>9</b>	<b>Inventories</b>			
	Inventories	514.24	278.13	4.02
	<b>Total</b>	<b>514.24</b>	<b>278.13</b>	<b>4.02</b>
<b>10</b>	Trade receivables, unsecured considered good			
	a) More than 6 Months, considered good		23,909.93	24,261.15
	b) Less than 6 months, considered good	1,403.15	697.85	2,610.43
	<b>Total</b>	<b>1,403.15</b>	<b>24,607.78</b>	<b>26,871.58</b>
<b>11</b>	<b>Cash and Cash Equivalent</b>			
	Balances with Banks in Current Account:	26.20	70.23	109.81
	Cash on hand	49.61	69.58	34.98
		<b>75.81</b>	<b>139.81</b>	<b>144.79</b>
<b>12</b>	<b>Financial asset -Current (measured at amortized cost)</b>			
	<b>Loans (Unsecured, considered good)</b>			
	Short-term loans and advances	887.54	11,322.87	1,509.15
		<b>887.54</b>	<b>11,322.87</b>	<b>1,509.15</b>
<b>13</b>	<b>Other financial assets</b>			
	Others		-	8.31
	Advances for Equipements	-	676.49	
		<b>-</b>	<b>676.49</b>	<b>8.31</b>
<b>14</b>	<b>Other Current Assets</b>			
	Advance for properties and equipments	399.46	396.53	404.46
	TDS and Advance Income Tax	191.04	196.86	234.98
	Advance to creditors and staff	107.07	9.08	158.72
	Asset held under government custody (custom dept)	190.10	213.70	-
	Provision for income accrued	146.18		-
	Prepaid expenses	43.57	57.85	46.81
		<b>1,077.42</b>	<b>874.02</b>	<b>844.97</b>
<b>15</b>	<b>Asset held for sale</b>			
	Investment in Subsidiary- K Sera Sera Productions FZE	4,994.63		
	Advance given to subsidiary	443.76		
	Less: Impairment provision	(5,062.90)		
	<b>Total</b>	<b>375.49</b>	<b>-</b>	<b>-</b>
As at reporting date, management has classified investment in overseas subsidiary i.e. K Sera Sera Productions FZE including advance given to the subsidiary as asset held for sale, being the management is committed for sale in near future. Asset held for sale has been stated at cost impairment and management believes that the fair value less costs to sell is higher than their carrying value.				


**KSS LIMITED (Formerly known as K SERA SERA LIMITED)**
**Notes to the consolidated financial statements for the year ended March 31, 2018**
*(All amounts are in INR in lakhs, unless otherwise stated)*

		FY 2017-18	FY 2016-17	FY 2015-16
<b>16</b>	<b>Equity share capital</b>			
	<b>Authorised capital</b>			
	23,000,000,000 (March 31, 2018 : 23,000,000,000, April 1, 2017 : 23,000,000,000) Equity Shares of Rs. 1/- each	230,000.00	230,000.00	230,000.00
		<b>230,000.00</b>	<b>230,000.00</b>	<b>230,000.00</b>
	<b>Issued &amp; Subscribed &amp; Paid Up Capital</b>			
	2,135,875,070 (March 31, 2017 : 2,135,875,070, April 1, 2017 : 2,135,875,070) Equity Shares of Rs. 1/- each	21,358.75	21,358.75	21,358.75
		<b>21,358.75</b>	<b>21,358.75</b>	<b>21,358.75</b>
	<b>Details of shareholders holding more than 5% shares in the company</b>			
	<b>Name of share holders</b>	<b>Number &amp; % of holding</b>	<b>Number &amp; % of holding</b>	<b>Number &amp; % of holding</b>
	Aspire Emerging Fund	205,800,000 (9.64%)	205,800,000 (9.64%)	205,800,000 (9.64%)
	Auctor Investement Limited	200,989,500 (9.41%)	200,989,500 (9.41%)	200,989,500 (9.41%)
	Emerging Market Opportunities Fund	185,774,746 (8.70%)	189,100,000 (8.85%)	189,100,000 (8.85%)
	<b>Terms &amp; Conditions attached to equity shares:</b>			
	The Company has only one class of equity shares having par value of Rs 1/- per share. Each holder of equity shares having par value of Rs 1/- per equity share is entitled to one vote per equity share. 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>17</b>	<b>Other Equity</b>			
	a) Security premium reserve	9,882.68	9,882.68	10,074.48
	Other comprehensive income - employee benefits	9,882.68	9,882.68	10,074.48
	b) Retained earning -opening	20,281.90	20,567.16	20,585.47
	Addition during the year	(43,688.55)	(285.26)	(18.31)
	Closing	(23,406.65)	20,281.90	20,567.16
	<b>Less Deductions</b>			
	Minority Interest	26.97	1.57	(4.44)
	Capital reserve and goodwill	(52.12)	(52.12)	(52.12)
	Foreign Currency transaction reserve	649.07	3,086.07	2,446.00
	<b>Total (a) +(b)</b>	<b>(12,900.04)</b>	<b>33,200.11</b>	<b>33,031.08</b>
<b>18</b>	<b>Non-Current</b>			
	<b>Other financial liabilities- Borrowings</b>			
	- Borrowings			-
	<b>Secured Vehicle Loan- SBI</b>	2.23	3.83	-
	Rupee loan from banks (secured against Maruti Celerio ZXI-MH-02 EE-7244 of the Company)			
	Loan having interest rate 9.75% p.a. is repayable in 36 monthly installments of Rs 15,658/- each including interest start from 04 Aug.2016.			
	<b>Term loans</b>			
	<b>Term loan-1 from Axis Bank Limited</b>	379.61	407.50	261.00
	Rupee loan from banks (secured against fixed assets of the Company)			
	Term loan having interest of 6M MCLR+3.15% i.e. @ 11.30% p.a.(MCLR for 6 month is 8.15%) is repayable in 120 monthly installments of Rs 4,00,000/- each excluding interest from March 2016.			
	<b>Term loan-2 from Axis Bank Limited</b>	178.75	-	-
	Rupee loan from banks for purchase of equipments/Projector			
	Term loan having interest rate 6 M MCLR+2.60% i.e. @ 10.75% p.a.(MCLR for 6 month is 8.15%) is repayable in 84 monthly installments. 1st installment will be due next month from the date of disbursement.			
		<b>560.60</b>	<b>411.33</b>	<b>261.00</b>
<b>19</b>	<b>Other financial liabilities</b>			
	Franchisee Security Deposit	115.00	9.00	636.27
		<b>115.00</b>	<b>9.00</b>	<b>636.27</b>
<b>20</b>	<b>Employee benefit obligations</b>			
	Employee benefit obligations- Gratuity	27.67	23.90	3.75
		<b>27.67</b>	<b>23.90</b>	<b>3.75</b>
<b>21</b>	<b>Financial liabilities (measured at amortized cost)</b>			
	<b>Short term borrowings</b>			
	<b>Cash Credit Loan facility from Axis Bank Limited</b>	141.24	69.74	-


**KSS LIMITED (Formerly known as K SERA SERA LIMITED)**
**Notes to the consolidated financial statements for the year ended March 31, 2018**
*(All amounts are in INR in lakhs, unless otherwise stated)*

	Cash credit loan having interest of 3 M MCLR+ 2.50% i.e. @10.50% p.a.(MCLR for 3 months is 8.00%) is repayable on demand/Annual Review.(the stock and book debt statement is to be submitted as quarterly interval by the 15th of month following that quarter)			
	- from others	278.26	1,022.37	1,617.78
		<b>419.50</b>	<b>1,092.11</b>	<b>1,617.78</b>
	Company issued 2,300 (Two Thousand three Hundred sixty seven) Optionally Convertible Redeemable Bond of Rs 1,00,000/- each, out of them 800 OCRBs converted into 56,48,873 fully paid equity shares allotted in Financial Year 2014-15. And remaining 1500 (One Thousand Five Hundred) Optionally Convertible Redeemable Bond not converted till the reporting date.			
<b>22</b>	<b>Trade Payables (Measured at amortized cost)</b>			
	Payable for expenses	743.58	629.24	1,181.89
		<b>743.58</b>	<b>629.24</b>	<b>1,181.89</b>
<b>23</b>	<b>Other financial liabilities</b>			
	Salary payable	56.73	64.83	34.83
	Provision for Expenses (Including ROC Fees and Stamp duty)	504.24	465.94	287.61
	Advances from Customers	293.74	512.30	
	Franchisee Security Deposit/Other Deposits	487.21	528.67	
	Other current liabilities for Property	1,096.92	1,096.92	
	Other liabilities	37.00	0.06	
		<b>2,475.84</b>	<b>2,668.72</b>	<b>322.44</b>
<b>24</b>	<b>Other current liabilities</b>			
	GST Payable	52.35	-	-
	Other Statutory dues payable	74.67	117.13	158.55
	TDS Payable	36.93	20.77	-
	Provision for Expenses	7.35	4.77	
	Provision for Income tax	9.80	-	-
	other Advances	451.25	158.49	
	Government Grant -Deferred Income	734.06	734.07	797.99
		<b>1,366.41</b>	<b>1,035.23</b>	<b>956.54</b>
<b>25</b>	<b>Employee benefit obligations</b>			
	Employee benefit obligations	0.11	-	-
		<b>0.11</b>	<b>-</b>	<b>-</b>
<b>26</b>	<b>Current tax Liabilities net</b>			
	Current tax Liabilities net	1.74	1.74	1.58
		<b>1.74</b>	<b>1.74</b>	<b>1.58</b>



**KSS LIMITED (Formerly known as K SERA SERA LIMITED)**

**Notes to the consolidated financial statements for the year ended March 31, 2018**

(All amounts are in INR in lakhs, unless otherwise stated)

<b>Note No.</b>	<b>Particulars</b>	<b>For the period ending ' 31-March-2018</b>	<b>For the year ending 31 March, 2017</b>
<b>27</b>	<b>Income from operation</b>		
	Income from operation	4,000.86	3,639.28
		<b>4,000.86</b>	<b>3,639.28</b>
<b>28</b>	<b>Other income</b>		
	Foreign Exchange Revaluation Gain	4.85	0.15
	Interest Received	1.95	-
	Interest on Income Tax Refunds	4.09	2.36
	Miscellaneous Incomes	140.93	295.12
	Food Court Collection	17.82	20.04
	Income From Advertising	2.79	36.06
	Making Charges-CGP	10.42	-
	Royalty Income	0.07	52.75
		<b>182.90</b>	<b>406.49</b>
<b>29</b>	<b>Cost of Operation</b>		
	Content Delivery Exp.	50.24	58.24
	Installation & Survey Expenses	1.62	1.20
	Material Delivery Exp.	27.42	26.22
	Packing Expense	1.97	0.85
	Transportation & Octroi Charges	19.26	14.74
	Technical Support	7.01	6.60
	Consumables	468.22	16.02
	Commission on advertisement sales	21.58	27.82
	Custom Duty	-	0.18
	Distributors Share	198.26	275.07
	Rent for Miniplex	22.59	30.12
	Electricity Charges - Miniplex	66.56	74.55
	Miniplex Operation expenses	256.12	171.43
	Franchise Share's	32.83	46.25
	Direct Exp.	29.93	24.25
		<b>1,203.61</b>	<b>773.54</b>
<b>30</b>	<b>Purchase in Stocks</b>		
	Purchases	1,442.12	1,407.19
		<b>1,442.12</b>	<b>1,407.19</b>
<b>31</b>	<b>Changes in inventories of finished goods, Stock-in-Trade and Work-in-progress</b>		
	Opening Stocks	274.28	4.02
	Less: Closing Stocks	(485.48)	(278.13)
		<b>(211.21)</b>	<b>(274.11)</b>
<b>32</b>	<b>Employee benefit expense</b>		
	Salaries and wages	734.94	527.54



**KSS LIMITED (Formerly known as K SERA SERA LIMITED)**

**Notes to the consolidated financial statements for the year ended March 31, 2018**

(All amounts are in INR in lakhs, unless otherwise stated)

	Staff welfare	3.93	8.09
		<b>738.87</b>	<b>535.63</b>
<b>33</b>	<b>Finance cost</b>		
	Interest paid	78.31	73.40
	Loan Processing Fees	8.01	3.83
	Bank charges	1.71	1.47
		<b>88.02</b>	<b>78.70</b>
<b>34</b>	<b>Depreciation</b>		
	Depreciation & amortisation expense	608.98	880.18
	Reverse Cost Charge-KSSDCPL	0.00	-
		<b>608.98</b>	<b>880.18</b>
<b>35</b>	<b>Other expenses</b>		
	Rent Rates and taxes	172.84	80.52
	Power and fuel	44.50	28.90
	Communication costs	16.81	14.00
	Brokerage & Commission	25.50	31.65
	Printing & Stationery Expenses	9.26	5.88
	Advertisement & Publicity	143.07	97.74
	Foreign Exchange Revaluation Loss	-	21.16
	Travelling and conveyance	34.57	33.84
	Office Expenses	16.77	13.11
	Repair and Maintenance	23.12	10.32
	Legal and professional fees	176.76	405.20
	Security Charges	8.49	8.38
	Warehouse Expense	0.65	0.27
	<b>Auditors Remuneration:</b>	-	-
	Statutory Audit Fees	6.10	10.66
	Other professional fees	1.00	2.50
	Internal Audit Fees	0.20	0.70
	Interest & Penalties Paid	48.82	24.60
	Postage & Telegrams Expenses	3.81	3.32
	Loss on sale of fire	-	0.06
	Internet & Website Expenses	12.36	14.55
	Insurance Charges	7.15	8.44
	Membership & Subscription	4.45	2.91
	Hotels and Hospitality Expenses	10.08	9.42
	Swachh Bharat Cess	1.10	3.96
	Business Promotion exp.	21.15	0.04
	Fair value loss on equity instruments measured through profit or loss	-	-
	Other expenses	39.12	31.29
		<b>827.65</b>	<b>863.41</b>
<b>36</b>	<b>Exceptional items</b>		
	Provision towards Impairment loss of subsidiary investments	5,062.90	-
	Provision towards Trade Advances	37,487.26	-
	Impairment Provision towards intangible asset	607.22	-
		<b>43,157.39</b>	<b>-</b>



**KSS LIMITED (Formerly known as K SERA SERA LIMITED)**  
**Notes to the consolidated financial statements for the year ended March 31, 2018**  
*(All amounts are in INR in lakhs, unless otherwise stated)*

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**Income tax**

Income tax expense in the statement of profit and loss consists of:

Statement of profit or loss	For the year ended	
	March 31, 2018	March 31, 2017
Current income tax:		
In respect of the current period	9.80	(0.06)
<b>Deferred tax</b>		
In respect of the current period (credit)	17.13	70.23
<b>Income tax expense reported in the statement of profit or loss</b>	<b>26.93</b>	<b>70.17</b>
<b>Income tax recognised in other comprehensive income</b>		
- Deferred tax arising on income and expense recognised in other comprehensive income	-	-
<b>Total</b>	<b>26.93</b>	<b>70.17</b>

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

	For the year ended	
	March 31, 2018	March 31, 2017
Loss before tax	(43,671.68)	(266.72)
Enacted income tax rate in India	25.75%	30.90%
Computed expected tax expense	(11,245.46)	(82.42)
<b>Effect of:</b>		
Loss on which deferred tax asset not recognized	11,245.46	82.42
Expenses disallowed for tax purpose		
Others		
<b>Total income tax expense (credit)</b>	<b>-</b>	<b>0.00</b>

**Deferred tax**

Deferred tax relates to the following:

	Balance sheet			Statement of profit and loss	
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	For the year ended March 31, 2018	For the year ended March 31, 2017
Property, plant and equipment	625.43	642.28	711.85	(16.85)	(69.57)
<b>Net deferred tax (charge)</b>				<b>(16.85)</b>	<b>(69.57)</b>
<b>Net deferred tax assets/ (liabilities)</b>	<b>625.43</b>	<b>642.28</b>	<b>711.85</b>		

37 **Financial instruments**

The carrying value and fair value of financial instruments by categories are as below:

Carrying value			
Financial assets	March 31, 2018	March 31, 2017	April 1, 2016
<b>Fair value through profit and loss</b>			
Investment in equity shares (*)	4,612.34	7,715.63	6,561.71
<b>Amortised cost</b>			
Loans and advances (^)	463.90	4,501.74	13,313.57
Security deposit (^)	603.04	32.98	99.27
Trade receivable (^)	1,403.15	24,607.78	26,871.58
Cash and cash equivalents (^)	75.81	139.81	144.79
Advances given to related parties (^)	-	-	-
Others advances (^)	887.54	11,322.87	1,509.15
<b>Total assets</b>	<b>8,045.77</b>	<b>48,320.80</b>	<b>48,500.07</b>
<b>Financial liabilities</b>			
<b>Amortised cost</b>			
Borrowings (^)	980.10	1,503.44	1,878.78
Trade and other payables (^)	743.58	629.24	1,181.89
Other financial liabilities (^)	2,475.84	2,668.72	322.44
<b>Total liabilities</b>	<b>4,199.52</b>	<b>4,801.40</b>	<b>3,383.11</b>

**Fair value hierarchy**

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(\*) The fair value of these investment in equity shares are calculated based on discounted cash flow approach for un-quoted market instruments which are classified as level III fair value hierarchy.

(^) The carrying value of these accounts are considered to be the same as their fair value, due to their short term nature. Accordingly, these are classified as level 3 of fair value hierarchy.



**KSS LIMITED (Formerly known as K SERA SERA LIMITED)**

**Notes to the consolidated financial statements for the year ended March 31, 2018**

(All amounts in INR lakhs, unless otherwise stated)

**38 Financial risk management**

The Company has exposure to following risks arising from financial instruments-

- credit risk
- market risk
- liquidity risk

**(a) Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

**(b) Credit risk**

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) from its financing activities including deposits with banks and investment in quoted and un-quoted equity instruments.

**i) Trade and other receivables:**

Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

The impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

**Expected credit loss (ECL) assessment for corporate customers as at 1 April 2016, 31 March 2017 and 31 March 2018**

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (including but not limited to past payment history, security by way of deposits, external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement.

**ii) Other financial assets and deposits with banks:**

Credit risk on cash and cash equivalent is limited as (including bank balances, fixed deposits and margin money with banks) the Company generally transacts with banks with high credit ratings assigned by international and domestic credit rating agencies.

**(c) Market Risk**

**Equity price risk**

The Company is exposed to equity price risk from investments in equity securities measured at fair value through profit and loss. The Management monitors the proportion of equity securities in its investment portfolio based on market indices and based on company performance for un-quoted equity instruments. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board of Directors. Further, major investments in un-quoted equity instruments are strategic in nature and hence invested for long-term purpose.

**Interest rate risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to its short term borrowings in nature of working capital loans, which carry floating interest rates. Accordingly, the Company's risk of changes in interest rates relates primarily to the Company's debt obligations with floating interest rates.



**KSS LIMITED (Formerly known as K SERA SERA LIMITED)**  
**Notes to the consolidated financial statements for the year ended March 31, 2018**  
 (All amounts in INR lakhs, unless otherwise stated)

**(d) Liquidity Risk**

Liquidity is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing the liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the cash and cash equivalents is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

**Exposure to liquidity risk**

The table below details the Company's remaining contractual maturity for its non-derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Carrying value	Contractual cash flows			
		Total	On demand	< 1 Yr	>1 Yr
<b>31 March 2018</b>					
Borrowings	980.10	1,216.46		1,216.46	
Trade and other payables	743.58	743.58	743.58	-	-
Other financial liabilities	2,475.84	2,475.84	2,475.84	-	-
	<b>3,219.42</b>	<b>3,219.42</b>	<b>3,219.42</b>	<b>-</b>	<b>-</b>
<b>31 March 2017</b>					
Borrowings	1,503.44	1,503.44		1,503.44	-
Trade and other payables	629.24	629.24	629.24	-	-
Other financial liabilities	2,668.72	2,668.71	2,668.71	-	-
	<b>4,801.40</b>	<b>4,801.39</b>	<b>3,297.95</b>	<b>1,503.44</b>	<b>-</b>
<b>1 April 2016</b>					
Borrowings	1,878.78	1,878.78	-	1,878.78	-
Trade and other payables	1,181.89	2,278.81	2,278.81	-	-
Other financial liabilities	322.44	316.50	316.50	-	-
	<b>3,383.11</b>	<b>4,474.09</b>	<b>2,595.31</b>	<b>1,878.78</b>	<b>-</b>

**39 Capital management**

The Company's objective is to maintain a strong capital base to ensure sustained growth in business and to maximise the shareholders value. The Capital Management focusses to maintain an optimal structure that balances growth and maximizes shareholder value.

The Company's adjusted net debt to equity ratio is analysed as follows:

Particulars	31 March 2018	31 March 2017	1 April 2016
Total equity (A)	8,458.71	54,558.86	54,389.83
Total borrowings (B)	980.10	1,503.44	1,878.78
<b>Total capital (C) = (A) + (B)</b>	<b>9,438.80</b>	<b>56,062.30</b>	<b>56,268.61</b>
Total loans and borrowings as a percentage of total capital (B/C)	10.38%	2.68%	3.34%
Total equity as a percentage of total capital (A/C)	89.62%	97.32%	96.66%



**KSS LIMITED (Formerly known as K SERA SERA LIMITED)****Notes to the consolidated financial statements for the year ended March 31, 2018**

*(All amounts in INR lakhs, unless otherwise stated)*

**40 First-time adoption of Ind AS**

These financial statements, for the year ended March 31, 2018, have been prepared in accordance with Ind AS. For the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Indian GAAP' or 'Previous GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on March 31, 2018 together with the comparative period data, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

**Optional exemptions availed and mandatory exceptions**

In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

**A. Optional exemptions availed****(i) Investment in subsidiary**

As per Ind AS 101, a Company may elect to:

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for Property, plant and equipment and intangible asset as deemed cost.

**B. Mandatory exceptions****(i) Estimates**

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS)

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL
- Impairment of financial assets based on the expected credit loss model

**(ii) Derecognition of financial assets and liabilities**

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

**(iii) Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost and fair value through profit and loss have been done retrospectively except where the same is impracticable.



# **KSS LIMITED (Formerly known as K SERA SERA LIMITED)**

## **Notes to the consolidated financial statements for the year ended March 31, 2018**

(All amounts in INR lakhs, unless otherwise stated)

### **C. Reconciliation of equity**

Particulars	Note	Rs. In lacs					
		As at 31 April 2017			As at the date of transition 1 April 2016		
		Previous GAAP (*)	Adjustment on transition to Ind AS	Ind AS	Previous GAAP (*)	Adjustment on transition to Ind AS	Ind AS
<b>Non-current assets</b>							
Property, Plant and Equipment	1	1,820.83	240.54	2,061.37	2,329.06	300.37	2,629.43
Capital work-in-progress		146.95	(99.92)	47.04	-	-	-
Investment property		1,174.71	(68.84)	1,105.88	1,174.71	(12.22)	1,162.49
Intangible assets		849.92	(0.30)	849.62	866.03	(0.30)	865.73
Financial Assets							
Investments	2	19,261.70	(6,045.99)	13,215.71	18,111.16	(6,037.19)	12,073.97
Loans		101.38	-	101.38	594.90	-	594.90
Others		32.98	-	32.98	99.27	-	99.27
Deferred tax assets (Net)		642.28	-	642.28	711.85	-	711.85
Other non-current assets		4,501.74	-	4,501.74	13,313.57	-	13,313.57
<b>Total non-current assets</b>		<b>28,532.48</b>	<b>(5,974.51)</b>	<b>22,557.99</b>	<b>37,200.55</b>	<b>(5,749.34)</b>	<b>31,451.21</b>
<b>Current assets</b>							
Inventory		278.13	-	278.13	4.02	-	4.02
Financial assets							
Trade receivables	3	24,874.50	(266.72)	24,607.78	27,138.30	(266.72)	26,871.58
Cash and cash equivalents		139.81	-	139.81	144.79	-	144.79
Loans		11,325.06	(2.19)	11,322.87	1,509.15	-	1,509.15
Other current financial assets		676.49	-	676.49	27.59	(19.27)	8.32
Other current assets		964.05	(90.03)	874.02	844.97	-	844.97
<b>Total current assets</b>		<b>38,258.04</b>	<b>(358.94)</b>	<b>37,899.10</b>	<b>29,668.82</b>	<b>(285.99)</b>	<b>29,382.83</b>
<b>Total assets</b>		<b>66,790.53</b>	<b>(6,333.45)</b>	<b>60,457.10</b>	<b>66,869.37</b>	<b>(6,035.33)</b>	<b>60,834.04</b>
<b>EQUITY &amp; LIABILITIES</b>							
<b>Equity</b>							
Equity share capital		21,358.75	-	21,358.75	21,358.75	-	21,358.75
Other equity		40,267.62	(7,067.51)	33,200.11	39,649.60	(6,618.52)	33,031.08
<b>Total equity</b>		<b>61,626.37</b>	<b>(7,067.51)</b>	<b>54,558.86</b>	<b>61,008.35</b>	<b>(6,618.52)</b>	<b>54,389.83</b>
<b>Non-controlling interest</b>		26.97	-	26.97	393.79	(147.20)	246.59
<b>LIABILITIES</b>							
<b>Non-current Liabilities</b>							
Financial liabilities							
Borrowings		411.33	-	411.33	261.00	-	261.00
Other financial liability		9.00	-	9.00	636.27	-	636.27
Employee benefit obligations		23.90	-	23.90	3.75	(3.67)	0.08
		<b>444.23</b>	<b>-</b>	<b>444.23</b>	<b>901.02</b>	<b>(3.67)</b>	<b>897.35</b>
<b>Current liabilities</b>							
Financial liabilities							
Borrowings		1,092.11	-	1,092.11	1,617.78	-	1,617.78
Trade Payable		629.24	-	629.24	1,181.89	-	1,181.89
Other financial liabilities		2,668.71	-	2,668.72	1,542.48	-	1,542.48
Other current liabilities	1	301.17	734.06	1,035.23	222.48	734.06	956.54
Current tax Liabilities net		1.74	-	1.74	1.58	-	1.58
<b>Total current liabilities</b>		<b>4,692.97</b>	<b>734.06</b>	<b>5,427.04</b>	<b>4,566.21</b>	<b>734.06</b>	<b>5,300.27</b>
<b>Total equity and liabilities</b>		<b>66,790.54</b>	<b>(6,333.45)</b>	<b>60,457.10</b>	<b>66,869.37</b>	<b>(6,035.33)</b>	<b>60,834.04</b>

\* The previous GAAP figures have been reclassified to reconform to Ind AS presentation requirements for the purpose of this note



# KSS LIMITED (Formerly known as K SERA SERA LIMITED)

## Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

### D. Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Note	Previous GAAP	Adjustment on transition to Ind AS	Ind AS
<b>Income</b>				
Revenue from operations		3,802.66	(163.38)	3,639.28
Other income	1	98.75	307.74	406.49
<b>Total Income</b>		<b>3,901.41</b>	<b>144.36</b>	<b>4,045.77</b>
<b>Expenses</b>				
Cost of Operations		837.32	(63.78)	773.54
Purchases of traded goods		1,407.19	-	1,407.19
Changes in inventories of finished goods, work-in-progress and traded goods		(273.80)	(0.31)	(274.11)
Employee benefits expense		532.06	3.57	535.63
Finance costs		54.64	24.06	78.70
Depreciation and amortisation expense		582.98	297.20	880.18
Other expenses		584.32	279.09	863.41
<b>Total expenses</b>		<b>3,724.71</b>	<b>539.82</b>	<b>4,264.53</b>
<b>Profit before tax</b>		<b>176.70</b>	<b>(395.46)</b>	<b>(218.76)</b>
<b>Tax expense:</b>				
Current tax		(0.06)	-	(0.06)
Tax for earlier years		-	-	-
Deferred tax charge/ (credit)		72.48	(2.25)	70.23
<b>Profit for the period from continuing operations</b>		<b>104.28</b>	<b>(393.21)</b>	<b>(288.93)</b>
<b>Other Comprehensive Income (OCI), net of tax</b>				
OCI not to be reclassified to profit and loss in subsequent periods		-	(3.67)	(3.67)
<b>Total other comprehensive income</b>		<b>-</b>	<b>(3.67)</b>	<b>(3.67)</b>
<b>Total Comprehensive Income for the year</b>		<b>104.28</b>	<b>(389.54)</b>	<b>(285.26)</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

### E. Reconciliation of Cash flow for the year ended 31 March 2017

There were no reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS.

#### Note:

1) The Company has considered waiver of custome duty as government grant related to asset acquisition. As per the terms and conditions of the scheme, the grant received is to compensate the import cost of assets subject to an export obligation as prescribed in the EPCG Scheme; recognition of grant in the statement of profit and loss has been linked to fulfilment of associated export obligations. Accordingly, corresponding export obligation created.

2) As per the requirements of Ind AS 109, the Company has measured all equity investments other than subsidiary, associate and joint ventures at fair value through profit and loss. As per Indian GAAP, the same was recorded at cost.

3) The Company has provided expected credit loss as per requirements of Ind AS 109.



## **KSS LIMITED**

### **SIGNIFICANT ACCOUNTING POLICY AND NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2018**

#### *1. CORPORATE INFORMATION*

KSS Limited (BSE Scrip Code: 532071; NSE Scrip Code KSERASERA) is a global player within the Indian media and entertainment.

KSS Limited ('K Sera Sera Limited' or 'the Company') along with its wholly owned subsidiaries K Sera Sera Miniplex Limited ("KSS Miniplex"), K Sera Sera Digital Cinema Limited ("KSS Digital"), K Sera Sera Box Office Private Limited ("KSS Box Office") Birla Gold and Precious Metals Ltd, Birla Jewels Ltd. and step down subsidiaries Cherish Gold Private Limited, KSS Speed Technology Private Limited, is the most diversified media company. The Company through its subsidiaries and step- down subsidiaries is into the business of Miniplexes, Digital Cinema, Online Trading in Gold & Jewellery, Project Consultancy and.

#### *2. Basis of Preparation*

The financial statements of the company have been prepared under historical cost convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act 2013 and comply in all material aspects with the Indian Accounting Standards (hereinafter referred as to 'Ind. AS') as notified by ministry of corporate affairs in pursuant to section 133 of Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016.

The accounting policies have been consistently applied unless otherwise stated. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Division II of Schedule III to the Act 2013. The Company considers 12 months to be its normal operating cycle for the purpose of current or non-current classification of assets and liabilities.

#### **2.1 Summary of significant accounting policies**

##### **(a) Basis of Preparation of Financial Statements**

During the year ended 31 March 2018, the Division II of Schedule III notified under the Companies Act, 2013 has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of Division II of Schedule III does not impact recognition and measurement principles followed for preparation of financial statements.

##### **(b) Use of Estimates**

The preparation of financial statements in conformity with Indian Accounting Standards requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

##### **(c) Principles of Consolidation**

The consolidated financial statements relate to KSS Ltd. ('the Parent' or 'the company') and its subsidiary K Sera Sera Productions FZE, K Sera Sera Box Office Private Limited, K Sera Sera Digital Cinema Limited, K Sera Sera Miniplex Limited, Birla Gold and Precious Metals Ltd, & Birla Jewels Ltd together referred to as 'the Group'. The consolidated financial statements have been prepared in accordance with the principles and procedures required for the preparation and presentation of financial statements as laid down under the accounting



standards issued by the Institute of financial statements of the company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and transactions and resulting unrealized gain/losses. The Group accounts for investments by the equity method of accounting where it is able to exercise significant influence over the operating and financial policies of the investee. The Group's share of profit/loss of associate firms is included in the profit and loss account. Inter company profits and losses have been proportionately eliminated until realized by the investor or investee.

**CFS comprise the financial statements of KSS Limited and its subsidiaries as below:**

**(Rs. In Lacs)**

<b>Sr No</b>	<b>Name of the Company</b>	<b>Date of Incorporation</b>	<b>% of holding</b>	<b>Amount Invested</b>
1.	K Sera Sera Productions FZE	19.11.2009	100%	4,994.63
2.	K Sera Sera Digital Cinema Ltd	04.06.2009	100%	2999.99
3.	K Sera Sera Box Office Pvt. Ltd.	12.06.2009	91.42%	2742.49
4.	K Sera SeraMiniplex Ltd.	02.02.2010	99.99%	2999.90
5.	Birla Gold & Precious Metals Ltd.	24.09.2001	100%	100.00
6.	Birla Jewels Ltd.	23.05.2011	100%	99.90

#### **(d) Property plant and Equipments**

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes etc. up to the date the asset is ready for its intended use. Depreciation is provided under written down value method at the rates and in the manner prescribed under Schedule II to the Companies Act, 2013.

#### **(e) Depreciation Tangible fixed assets.**

Depreciation on fixed assets is calculated on a written down value method at based on the useful lives estimated by the management, or those prescribed under the Schedule II of the Companies Act, 2013, The company has used the following rates to provide depreciation on its fixed assets.

#### **(f) Intangible assets**

Intangible assets acquired by the Company are stated at cost less accumulated amortisation less impairment loss, if any, (film production cost and content advances are transferred to film and content rights at the point at which content is first exploited).



Investments in films and associated rights, including acquired rights and distribution advances in respect of completed films, are stated at cost less amortisation less provision for impairment. Costs include production costs, overhead and.

Capitalized interest costs net of any amounts received from third party investors. A charge is made to write down the cost of completed rights over the estimated useful lives, writing off more in year one which recognizes initial income flows and then the balance over a period of up to nine years, except where the asset is not yet available for exploitation. The average life of the assets is the lesser of 10 years or the remaining life of the content rights. The amortisation charge is recognized in the Statement of profit and loss within Film right costs including amortisation costs. The determination of useful life is based upon Management's judgment and includes assumptions on the timing and future estimated revenues to be generated by these assets.

Intangible assets comprising film scripts and related costs are stated at cost less amortisation less provision for impairment. The script costs are amortized over a period of 3 years on a straight-line basis and the amortisation charge is recognized in the Statement of profit and loss within Film right costs including amortisation costs. The determination of useful life is based upon Management's estimate of the period over which the Company explores the possibility of making films using the script.

Other intangible assets, which comprise internally generated and acquired software used within the Entity's digital, home entertainment and internal accounting activities, are stated at cost less amortisation less provision for impairment. A charge is made to write down the cost of completed rights over the estimated useful lives except where the asset is not yet available for exploitation. The average life of the assets is the lesser of 3 years or the remaining life of the asset. The amortisation charge is recognized in the Statement of profit and loss.

#### **(g) Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

#### **(h) Impairment of non- financial Assets**

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at the cash generating unit level. All individual assets or cash generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external or internal factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price of assets and their 'value in use' in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Life time ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of profit and loss. This amount is reflected under the head 'other expenses' in the Statement of profit and loss.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

**(i) Impairment of financial assets**

In accordance with Ind. AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on risk exposure arising from financial assets like debt instruments measured at amortised cost e.g., trade receivables and deposits.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables. The application of simplified approach does not require the Company to track changes Purchase price is assigned using a weighted average basis. Net realizable value is defined as anticipated selling price or anticipated revenue less cost to completion.

**(j) Investments in subsidiaries, Associates and Joint Ventures:**

Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down on disposal of investments. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

- *The Company has classified investment in subsidiary i.e. K Sera Sera FZE (Dubai) as held for sale as per the decision taken by the management, Accordingly, the year ended 31.03.2018 figures not including's in the financials of K sera sera FZE .*
- *The Group has not consolidated investments in Kamla Landmark infrastructure Pvt. Ltd and Joint venture in Citygate trade Fze, being these investments are in Dispute, according to the management of the company.*

**(k) Inventories**

Inventories comprise of traded goods, stores and spares are valued at cost or at net realisable value whichever is lower. Cost of traded goods, stores and spares is determined on weighted average basis. Stores and spares, which do not meet the definition of property, plant and equipment, are accounted as inventories. Net realizable value is the estimated selling price in the ordinary course of business and estimated costs necessary to make the sale.





## **(I) 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:

### **i. In house production of motion pictures**

Revenue on assignment of distribution rights of motion pictures to third parties is recognized on the date of release/exhibition of the motion picture. Overflow from the distributors is accounted for as and when due or on receipt basis in case of uncertainty in collection. Revenue from outright sale of motion pictures is recognized on the date of agreement to sell the rights.

### **ii. Distribution of motion pictures produced by third parties**

Revenue is recognized based on ticket sales on exhibition of the motion pictures at the exhibition centers.

### **iii. Other rights**

Revenue from other rights of motion pictures such as satellite rights, overseas rights, music rights, video rights, etc. is recognized on the date of execution of the agreement to assign these rights for exploitation or the release of the movie whichever is earlier.

### **iv. Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

### **v. Digital Cinema:**

- Virtual print fees (VPF) received from distributors of the films from D-Cinema and E-Cinema is recognized in the period in which the services are rendered.
- Advertisement income is recognized in the period during which advertisement is displayed.
- Income from digitization charges is recognized on rendering of services.
- Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are recorded net of returns, trade discounts, and value added tax. The Group recognizes revenue from sales of equipment, traded goods and spares as and when these are dispatched/issued to customers

### **vi. Miniplex:**

- Income from ticket collection  
Revenue from ticket collection is recognized as per DCR (daily collection Report) of all screens available. Revenue from ticket sale is recognized on receipts basis
- **Other Incomes**  
Revenue from Advertisement is recognized as and when such advertisement shown on screen. And revenue from food court collection is recognized as and when food and beverages are sold.

### **vii. Birla Jewels:**

#### **➤ Income from sale of Gold/Jewelry**

Revenue from sale of gold/jewelry is recognized when significant risk and reward incidental of the goods is transferred to the customers, It can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services adjusted for discounts net of taxes and goods return.

### **viii. Birla Gold and Precious Metals:**

Company business modal and revenue recognition policies are briefly described as under as per explanation and information given by the management:





The company proposes to present to end customers the flexibility to purchase and accumulate fractional amount of gold, rather than spending large sums of money to purchase it in one go, hence it introduced a physically backed Gold purchase plan named “Cherish Gold Plan-(CGP)” (formerly known as “Birla Gold Savings Plan”). With this plan, the company shall entail the purchase of gold based on the daily averaging methodology through payment in installments, which shall give an opportunity to the general public to buy and accumulate gold. The Gold shall be sold to the customer on an outright basis and daily sales basis.

Customer is free to purchase as much as gold, at any time as he may so desire. The Customer shall purchase the gold with a plan of 11 Months and shall have the option to close the account subject to the pre-maturity charges levied as per the terms and conditions of the plan. The Customer has full access to their account detailing daily gold accumulations, price at which gold is purchased daily, total gold grammage accumulated, money yet remaining to be utilized in gold purchase etc.

So as per the business modal and nature of business plan revenue is recognized on daily basis even though the reasonable risks and rewards incidental to the ownership are not transferred to the customer. Revenue from operations includes sale of goods, services adjusted for discounts net of taxes and goods return

#### **(m) Accounting for taxes on Income**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current and deferred tax shall be recognized as income and expenses and included in profit and loss for the period, except to the extent that the tax arises from (a) a transaction or event which is recognized in the same or a different period, outside profit or loss, either in other comprehensive Income or directly in equity or (b) a business combination. Deferred taxes recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and corresponding amounts used for taxation purpose except to the extent it relates to business combination or to an item which is recognized directly in equity and in other comprehensive Income.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the assets can be utilized. A deferred tax assets shall be recognized for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized. Deferred tax assets are reviewed at each reporting date and Reduced to the extent that it is no longer probable that the related tax benefit will be Realize. . A deferred tax liability is recognized based on the expected manner of realization or settlement of carrying amount of assets and liabilities

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for credit available in respect of Minimum Alternative Tax under the Income tax Act, 1961 the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**(n) Foreign currency translation**

Transactions in foreign currencies are translated at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated at the prevailing rates of exchange at the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognized in the Statement of profit and loss in the period in which they arise. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

The Company's functional currency and the presentation currency is same i.e. Indian Rupee.

**(o) Retirement and other employee benefits**

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss account and corresponding liability recognized in the balance sheet for the respective plans.

<b>Table 1 : Amounts in Balance Sheet</b>	<b>31-Mar-18</b>
Defined Benefit Obligation (DBO)	27.78
Fair Value of Plan Assets	-
Funded Status - (Surplus)/Deficit	27.78
Unrecognized Past Service Cost / (Credit)	-
Unrecognised Asset due to Limit in Para 59(B)	-
Liability/(Asset) recognised in the Balance Sheet	27.78

<b>Table 2 : Amount Recognised in the Statement of Profit &amp; Loss</b>	<b>31-Mar-18</b>
Current Service Cost	11.69
Interest Cost	1.57
Expected Return on Plan Assets	-
Past Service Cost	2.62

Net Actuarial Losses/(Gains)	-
(Gain)/Loss due to Settlements/	-
Curtailments/Acquisitions/Divestitures	-
Unrecognised Asset due to Limit in Para 59(B)	-
Total Expense/(Income) included in "Employee Benefit Expense"	15.88

<b>Table 3 : Change in Present Value of Benefit Obligation during the Period</b>	<b>31-Mar-18</b>
Defined Benefit Obligation, Beginning of Period	21.95
Current Service Cost	11.69
Interest Cost	1.57
Actual Plan Participants' Contributions	-
Actuarial (Gains)/Losses	(10.05)
Acquisition/Business Combination/Divestiture	-
Actual Benefits Paid	-
Past Service Cost	2.62
Changes in Foreign Currency Exchange Rates	-
Loss / (Gains) on Curtailments	-
Liabilities Extinguished on Settlements	-
Defined Benefit Obligation, End of Period	27.78

<b>Table 4 : Reconciliation of Amounts in Balance Sheet</b>	<b>31-Mar-18</b>
Opening Balance Sheet (Asset)/Liability	21.95
Total Expense/(Income) Recognised in P&L	15.88
Actual Benefits Paid	-
Total Re-measurements Recognised in other Comprehensive (Income)/Loss	(10.05)
Acquisition/Business Combination/Divestiture	-
Closing Balance Sheet (Asset)/Liability	27.78

**(p) Segment reporting**

**Identification of segments**

The company's consolidated business activity falls four primary segment the disclosure requirements of Indian Accounting Standard (Ind AS-108). The company's operating businesses are organized and managed separately according to the nature of products and services provided, 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.

Inter-segment transfers

The company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

**Allocation of common costs**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

**Segment accounting policies**

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

<b>S. No.</b>	<b>SEGMENT INFORMATION</b>	<b>Year Ended 31.03.2018</b>	<b>Year Ended 31.03.2017</b>
<b>1.</b>	<b>SEGMENT REVENUE</b>		
	Movie Digitization	2,086.42	1,847.78
	Miniplex Theater	714.80	800.97
	Retail Gold Jewellery	1,402.53	917.03
	Film Production & Distribution	239.91	350.05
	Others	60.40	18.31
	<b>Total</b>	<b>4,504.06</b>	<b>3,934.14</b>
	Less :Inter Segment Revenue	320.29	35.65
	Revenue From operations	4,183.77	3,898.49

<b>2.</b>	<b>SEGMENT RESULTS</b>		
	Movie Digitization	178.10	160.76
	Miniplex Theater	40.47	0.72
	Retail Gold Jewellery	(506.17)	3.82
	Film Production & Distribution	(138.07)	63.74
	Others	(0.61)	(0.63)
	<b>Total</b>	<b>(426.28)</b>	<b>228.41</b>
	Less: Finance Cost	88.02	54.64
	Less: Other Unallowable Income Net of Exp.	-	2.94
	Profit before Tax & Exceptional Items	(514.30)	176.71
	Less: Exceptional Items	43,157.38	-
	<b>Profit /(loss) before Tax</b>	<b>(43,671.68)</b>	<b>176.71</b>
<b>3.</b>	<b>SEGMENT ASSETS</b>		
	Movie Digitization	3,461.74	1,897.42
	Miniplex Theater	881.56	555.06
	Retail Gold Jewellery	854.47	875.71
	Film Production & Distribution	2,271.81	41,286.13
	Others	0.58	45.23
	Unallocated	6,725.97	21,203.56
	<b>Total</b>	<b>14,196.13</b>	<b>65,863.11</b>
<b>4.</b>	<b>SEGMENT LIABILITIES</b>		
	Movie Digitization	2,702.28	1,165.59
	Miniplex Theater	725.77	620.07
	Retail Gold Jewellery	586.46	264.53



	Film Production & Distribution	16.82	1,532.19
	Others	5.26	3.07
	Unallocated	1,673.85	454.81
	<b>Total</b>	<b>5,710.45</b>	<b>4,040.26</b>

**Notes:**

Companies main segment are a) Movie Digitization which consist of processing, content distribution of movies & advertisement Income b) Miniplex Theater which operates theater in eight different locations in India c) Retail Gold Jewellery which is engaged in retail business of Gold & Diamond Jewellery by owned stores & franchisee basis d) Film Production & Distribution in India & abroad.

**(q). Provisions**

A provision is recognized when the company has, **i)** a present obligation as a result of past event, **ii)** it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and **iii)** a reliable estimate can be made of the amount of the obligation. Where the effect of the time value of money is material, the amount of provision shall be the present value of the expenditures expected to be required to settle the obligation. Provisions shall be reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision shall be reversed.

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

**(r). Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**(s) Related Party Transaction**

As per accounting standard on Related Party Disclosure (Ind. AS-24) as notified by the Companies Accounting Standard Rules, 2006 (as amended), the names of the related parties of the Company are as follows:

**Subsidiaries**

K Sera Sera Box Office Private Limited  
K Sera Sera Miniplex Limited  
K Sera Sera Digital Cinema Limited  
K Sera Sera Productions FZE  
Birla Jewels Limited  
Birla Gold and Precious Metals Ltd  
Step down subsidiaries/Limited Liability Partnerships:  
KSS Speed Technology Private Limited  
Cherish Gold Private Limited  
K Sera Sera Holding PTY Limited  
Key Managerial Personnel



Satish Panchariya, Chairman & Director  
 Deepak Tripathi, Company Secretary (Resigned wef. 23/01/2018)  
 Ankita Gupta, Company Secretary (Appointed w.e.f. 23/01/2018)  
 Rahul Kanani-CEO (Resigned wef. 22/12/2017)  
 Harsh Upadhyay-Director  
 Nikita Rattanshi-Director  
 Siddharth kumar-Director  
 Zubin Pravez Garda

**Related parties with whom transactions have taken place during the year:**

**(Amount in Lacs)**

Nature of transaction	2018	2017
a. Transactions during the year		
10,95,000 Equity share of K Sera SeraMiniplex Ltd purchases from Ashok panchariya @ 10 per share	NIL	109.50
10,00,000 Equity share of K Sera SeraMiniplex Ltd purchases from Birla financial Distributions Ltd @ 10 per share	NIL	100.00
Advances/ loan repayment paid		
Satish Panchariya	71.18	96.82
Advances/ loan repayment received		
Satish Panchariya	73.44	66.03
Closing balances Loans and advances		
Satish Panchariya	(2.26)	NIL
Remuneration to key managerial personal		
Satish Panchariya	12.00	12.00
Harsh Upadhyay	3.03	3.75
Siddharth Kumar	16.00	15.50
Zubin Pravez Gardra(appointed on 01.03.2017)	12.00	1.00
Nikita Rattanshi	12.00	12.00



Rahul Kanani (Resigned wef. 22/12/2017)	16.10	17.35
Deepak Tripathi (Resigned wef. 23/01/2018)	3.52	0.20
Ankita Gupta (Appointed wef. 23/01/2018)	0.875	Nil

#### (t). Earnings per share

The basic earnings per equity share are computed by dividing the net profit attributable to the equity shareholders for the reporting period by the weighted average number of equity shares outstanding during the reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive.

**The earnings per share are calculated as under: Rs in lacs**

Particulars	31-Mar-18	31-Mar-17
Net profit/(loss) after tax for the year	(43,661.59)	(285.26)
Equity shares outstanding as the year end	21358.87	21358.87
Nominal value per share (Rs.)	1	1
Earnings per share		
- Basic	(2.04)	(0.01)
- Diluted	(2.04)	(0.01)

#### (u) Leases

The Company has entered into leases for its office premises. These leases have an average life of between three and five years with no renewal option included in the contracts. There are no restrictions placed upon the company by entering into these leases.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

Particulars	31-Mar-18	31-Mar-17
Within one year	Nil	Nil
After one year but not more than five years	Nil	Nil
More than five years	Nil	Nil





#### **41. Contingent liabilities**

**(a)** A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

The Maharashtra Government had issued a notification on August 30, 2005, as per which entities leasing copyrights of cinematographic films are required to pay value added tax (VAT) @ 4% retrospectively wef. May 1, 2000. Subsequently, upon the representation of 'The Cinematograph Exhibitor's Association of India' ('The Association'), the levy of the said tax was waived for the period May 1, 2000 to March 31, 2005. The revised notification extending similar relief up to the period commencing from April 1, 2005 is being pursued by the association. The Company, in line with the view taken by the Industry, is of the opinion that VAT is not applicable to the activities carried by the Company and has also taken a legal opinion in this regard. The Company has also not received any demand notice from the VAT authorities. As a matter of prudence, the Company has made ad hoc payments of Rs 15.00 Lacs under protest, and 16.70 lacs against the demand which is disclosed under 'Loans and Advances'.

Having regard to the above facts, the Company does not expect any liability on this account. In line with film industry consensus, the Company is of the opinion that there are no grounds for levying VAT on film distribution activity and hence no provision is made in the books of accounts for these years. The same is disclosed as contingent liability under Notes to Accounts.

**(b)** The company, having IEC number 0306007649, export rights of several films produced by them and/or for which, the distribution rights were purchased/ acquired by them in the past. By exporting distribution rights of the films in the territories abroad, KSS did import of various capital goods including 400 digital cinematographic projectors under EPCG Scheme – concessional rate of duty 3% with the proper compliances. Under EPCG Scheme company have to export eight times (approx 4500.00 lacs) of duty saved within eight years, but till date company did not export under the said obligation. Company imports various digital cinema equipments under the 9(nine) licenses and duty saved 550.81 Lacs and expiry of said license between September 2018 to August 2019.

demand of Rs 734.06 Lacs excluding interest and penalty under section 142 of the Custom Act 1962. Custom department freeze/attached the various assets and bank accounts against the said recovery. Based on legal Opinion obtained, the company is of the view that said demand contesting. Hence, provision has been considered by the management in these financial statements. Our opinion is not qualified in respect of this matter. The security deposit (Custom) Rs 190.10 Lacs shown total cost of the assets and account freeze by the custom department, against the Recovery of Government dues under section 142 of the Custom Act 1962 Rs 734.06 Lacs excluding interest and penalties. Custom department freeze/attached the various assets and bank account of KSS Group against the said recovery.

**(c)** The Company has cases pending at the Securities Exchange Board of India. The departments are yet to pass final order hence the liability for the same is currently unascertainable



*i. Contingent liabilities not provided for in respect of:*

(Amount in lacs)

Particulars	March 31, 2018	March 31, 2017
Guarantees issued by bank		
• In respect of the Company	NIL	NIL
• In respect of a wholly owned subsidiary	160.39	160.39
Income tax demands not acknowledged as debts and contested by the company.	404.19	535.49
MVAT not acknowledged as debts and contested by the company	1,035.05	1,052.82
<b>Total</b>	<b>1,599.63</b>	<b>1,748.70</b>

*i. The details of the suit filed against the company pending for disposal is as under:*

1	Income Tax	ITXA(L)/223/2013 (No.1027/2013)	Appeal Filed by the Income tax Department to Hon'ble high CourtMumbai against ITAT Order For A.Y. 2009-10 Rs 471.14 Lacs.
2	Income Tax	ITXA/476/2016	Appeal Filed by the Income tax Department to Hon'ble high CourtMumbai against ITAT Order For A.Y. 2010-11 Rs 578.69 Lacs.
3	M/s MGM Dental Clinic	11012/533 of 2012	Consumer Complaint claiming for refund of Rs. 5 lacs with interest
4.	Siddharth Jain	110 of 2013 Jabalpur (sagar) MP	Consumer Complaint claiming for refund of Rs. 5 lacs with interest
5.	Bharti airtel Limited	410 of 2015 & 409 of 2015	Claim of Internet charges Rs 78.89 Lacs with interest.
6.	Krishna Prabhu Pal &Ors	CP/104/2016	High Court, Bombay Claim Amount Rs. 51.60 lacs.
7.	Narendra Hirawat and Company	Notice of Motion 152 of 2017	High Court, Suit for perpetual Injunction SARKAR 3

*i. The details of the suit filed by the company Pending for disposal is as under:*

S. No.	Name of the Parties	Suit No.	Particulars
1	Percept Picture	Before Arbitrator	Arbitration proceedings initiated for recovery of Rs.80.00 lacs plus 12%

	Company		interest thereon.
2	Maharashtra Stage & Cultural Development	290/SS/03,	The Company has filed a suit and initiated action under section 138 of the Negotiable Instruments Act, against the said Corporation for recovery of its claim of Rs.108.76 lacs advance against the content of television serials which were not completed.
3	Eros Multimedia limited	2356/2009 N/M 1718 NMS 1657 of 2016	Suit for Damages for Rs.960.00 lacs
4	GO Bananas Entertainment Pvt. Ltd. & Others	C.C. no. 2517/SS/11	The Company has filed a suit and initiated action under section 138 of the Negotiable Instruments Act, for recovery of its claim of Rs.14.12 lacs
5	Amit Mehrotra & Others	C.C. No. 2184/SS/11	The Company has filed a suit and initiated action under section 138 of the Negotiable Instruments Act, for recovery of its claim of Rs.2.5 lacs
6.	Hydrocarbon Development Company Pvt. Ltd.	1720/SS/2011	138 under N.I. Act – Cheque Bouncing case Amount of cheque Rs. 500.00 lacs.
7.	Joint Commissioner of Sales Tax, Mumbai	ITAT Mumbai Bench	For F.Y. 2005-06, 2007-08, 2008-09 and 2010-11 Amount Rs 1052.82 lacs
8.	Income Tax Appellate Mumbai	ITAT Mumbai Bench	Income Tax Appellate Tribunal (Mumbai) For A.Y. 2004-05 33.11 lacs, A.Y. 2005-06 Rs 15.96 Lacs, A.Y. 2006-07 Rs 45.50 lacs, A.Y. 2007-08 Rs 183.36 lacs , 2008-09 71.36 Lacs and 2011-12 Rs 186.19 Lacs
9.	A.O./CIT	Appeal Against Penalty Order u/s 271(1)(c)	For A.Y. 2006-07 of Rs. 30.85
10.	Custom Duty, The Custom Act 1962 CBEC		Writ petition filed in Hon'ble high Court Mumbai Demand Rs 734.06 Lacs U/s 114A of Customs Act, 1962



11.	M/s. Anil Enterprises - Indore	ARBAP/83/2013	Arbitration Application Claim Amount Rs. 112 lacs.
12	Digital Cinema and technology Private Limited- DCAT	ARBAPL/1966/2016	High Court, Bombay Claim Amount Rs. 281.40 lacs.
13.	Standard Chartered Bank	Appeal 93 of 2016 & MA 298 of 2016	Against outstanding Bank Guarantee given to Twenty Twenty Television Company Ltd. Of Rs. 181.77 Lacs in DRAT at Mumbai.

#### 42. Un-Hedged Foreign Currency Exposure

The following is the details of un-hedged foreign currency exposure:

Particulars	Amount
<b>Receivables</b>	
US\$ @ closing of 1 USD Rs 65.044 (Previous year US \$ @ closing rate of 1 USD = Rs. 64.7468)	USD \$9.00 lacs
AED @ closing of 1 AED Rs 17.6488 (Previous year AED @ closing rate of 1 AED = Rs. 17.6243)	AED 21.27 Lacs
<b>Payables</b>	
US\$ @ closing of 1 USD Rs 65.044 (Previous year US \$ @ closing rate of 1 USD = Rs. 64.7468)	USD \$0.26 Lacs

#### 43. Auditors' remuneration (exclusive of service tax& GST)

Particulars	31-Mar-18	31-Mar-17
Statutory audit, Tax Audit, and Other services	7.30	12.36
<b>Total</b>	<b>7.30</b>	<b>12.36</b>

#### 44. Earning and expenditure in foreign currency (on accrual basis)

Particulars	31-Mar-18	31-Mar-17
Earning:	NIL	NIL
Outgo:		
Expenditure/Capital expenditure for assets	22.50	135..25
Foreign Travelling & Hotels	0.78	0.78

#### 45. Deferred tax liability / (asset)

(Amount in Lacs)

Particulars	As at April 1, 2017	Current year (charge) / credit	As at March 31, 2018
Difference between book base and tax base of fixed assets	(642.28)	16.58	(625.43)
Carried forward losses	NIL	NIL	NIL
<b>Total</b>	<b>(642.28)</b>	<b>(16.58)</b>	<b>(625.43)</b>

#### 46. Subsidiary company business

(Amount in Lacs)

Sr. No.	Name of the Company	Date of Incorporation	% of holding	Amount Invested	Advance to Subsidiaries	Previous Year
1.	K Sera Sera Productions FZE	19.11.2009	100%	4,994.63	448.63	443.75
2.	K Sera Sera Digital Cinema Ltd	04.06.2009	100%	2999.99	(258.88)	(531.35)
3.	K Sera Sera Box Office Pvt. Ltd.	12.06.2009	91.42%	2742.50	79.64	79.65
4.	K Sera SeraMiniplex Ltd	02.02.2010	99.99%	2999.90	(144.74)	(28.79)



5.	<i>Birla Gold and Precious Metals Ltd</i>	<i>24.09.2001</i>	<i>100%</i>	100.00	738.69	319.14
6.	<i>Birla Jewels Ltd</i>	<i>23.05.2011</i>	<i>100%</i>	99.90	30.49	158.48

***Based on the fundamentals of the subsidiary company business, the management is of the opinion that it is strategically desirable for KSS Limited to continue to support the subsidiary through funding (including equity/debt infusion), through either fresh funds or conversion of existing loans into equity.***

- 47.** Balances in respect of certain sundry debtors, sundry creditors and loans and advances are taken as shown by the books of account and are subject to confirmation and consequent adjustments and reconciliation, if any.

As per Management opinion Current assets, loans and advances have a value on realization which in the ordinary course of the business would not be less than the amount at which they are stated in the balance sheet and the provisions for all known and determined liabilities are adequate and not in excess of the amount reasonably required.

- 48.** Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

There are no micros, small and medium enterprises, to which the Company owes dues, which are outstanding for more than 45 days as at March 31, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

- 49.** ***Figures in brackets represent those of the previous year.***

- 50.** ***Figures for the previous year have been regrouped / amended wherever necessary.***

**For and on behalf of the board of directors**

**For Agrawal Jain & Gupta  
Chartered Accountants  
Firm Registration No. 013538C**

**Sd/-**

**Sd/-**

**Sd/-**

**CA Narayan Swami**

**Satish Panchariya  
DIN 00042934  
Mumbai  
Date: 05.06.2018**

**Harsh Upadhyay  
DIN 07263779**

**Partner  
M. No - 409759**



**KSS LIMITED**  
**(Formerly Known as K Sera Sera Limited)**  
**CIN : L22100MH1995PLC092438**

**Regd: Office : Unit No. 101A/102, 1<sup>st</sup> Floor, Morya Landmark II, Andheri (w) Mumbai -400053**  
**Tel No. 022-42088600 Fax. 022-40427601 Email: [Info@kserasera.com](mailto:Info@kserasera.com), Website: [www.kserasera.com](http://www.kserasera.com)**

**ATTENDANCE SLIP**  
**(To be handed over at the entrance of the meeting Venue)**

Ledger Folio No. /Client ID No. \_\_\_\_\_  
No. of Shares held \_\_\_\_\_  
DP ID No. \_\_\_\_\_

I certify that I am a member /proxy / for the meeting of the company.

I / We record my / our presence at the Twenty Second Annual General Meeting held at Kailash Parbat, K-P Restaurant , 7A / 8A, 'A' Wing Crystal Plaza, New Link Road, Andheri (west), Mumbai - 400053 on Saturday September 29, 2018 at 9:30 A.M.

\_\_\_\_\_  
BLOCK LETTERS

\_\_\_\_\_  
Signature of Member /Proxy

\_\_\_\_\_  
Member's /Proxy Name in

Note : Please fill up this attendance slip and hand it over at the entrance of the venue for the meeting. Members are requested to bring their copies of Annual report at the meeting.



**KSS LIMITED**  
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**Proxy Form**  
**FORM NO. MGT-11**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):	
Registered Address:	
E-mail Id:	
*DP Id	
Regd. Folio No. / *Client Id.	

(\*Applicable for Members holding Shares in electronic form)

I/ We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

- (1) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;
- (2) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;
- (3) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 23<sup>rd</sup> Annual General Meeting of the KSS Limited, to be held on Saturday, September 29, 2018 at 9.30 a.m., at Kailash Parbat, K-P Restaurant, 7A/8A, 'A' A-Wing, Crystal Plaza, New Link Road, Andheri West, Mumbai 400053, Maharashtra and at any adjournment thereof in respect of such resolution as are indicated below:

**\*\* I wish my above proxy to vote in the manner as indicated in the box below:**

Sr. No.	Resolution	For	Against
1.	Consider and adopt the Audited Consolidated and Standalone Financial Statements of the Company for the Year ended 31 <sup>st</sup> March, 2018 together with the reports of the Directors' and Auditors thereon		
2.	Re-appointment of Mr. Satish Panchariya (DIN:00042934), who retires by rotation.		
3.	Appointment of M/s. Pipara & Co. LLP, Chartered Accountants (Firm Registration No. 107929W) as a Statutory Auditor of the Company from the conclusion of this 23 <sup>rd</sup> AGM until the conclusion of the 28 <sup>th</sup> AGM.		
4.	Appointment of Mr. Sandip Joshi (DIN: 08053397) as an Independent Director.		
5.	Appointment of Mrs. Pratima Shailendra Singh (DIN: 08065730) as an Independent Director		
6.	Appointment of Mr. Ashok Brijmohan Kacker (DIN: 01647408) as an Independent Director		
7.	Appointment of Mr. Prasanna Prabhakar Jagtap (DIN:07535855) as a Managing Director		

\*Applicable for investors holding shares in electronic form

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature Shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_  
(First proxy holder) (Second proxy holder) (Third proxy holder)

Notes:

1. This Form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting
2. A proxy need not be member of the Company
3. This is only optional. Please put X in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the said resolutions, your proxy will be entitled to vote in the manner as/she thinks appropriate.

Affix  
Revenue  
Stamp