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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF K SERA SERA MINIPLEX LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying financial statements of K Sera Sera Miniplex Limited ("the company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information

#### Management's Responsibility for the 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 financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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, of the statement of affairs of the company as at 31<sup>st</sup> March 2015, and profit and loss account and its cash flow for the year ended on that date.



## Emphasis of Matters

The reports should be read together with the Notes to the financial statements and attention to following matters be given:

a) 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, 2015 ('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. 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, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the Balance Sheet, Statement of Profit and Loss and 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) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:

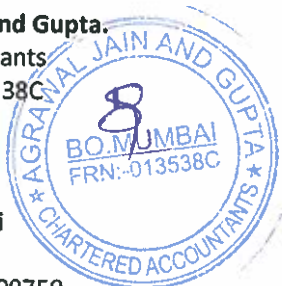
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
- ii. The Company does not have any long-term contracts including derivatives contracts for which any provision is required;
- iii. The Company is not required to transfer amounts to the Investor Education and Protection Fund.

**For Agrawal Jain and Gupta,**

Chartered Accountants

Firm Reg. No. 013538C

*ASmm*



**CA Narayan Swami**

PARTNER

Membership No. 409759

Place: Mumbai

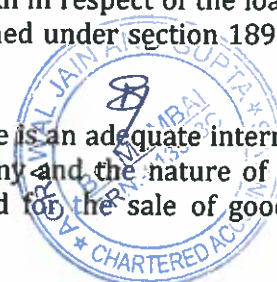
Dated: 28.05.2015

**Additional Information annexed to the Independent Auditors' Report**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of all fixed assets.
- (b) We are informed that these fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) The company has not disposed of any substantial part of its fixed assets so as to affect its going concern status;
- (ii) (a) As explained to us, physical verification of inventory has been conducted at reasonable Intervals by the management, in our opinion the frequency of such verification is reasonable.
- (b) As per the information given to us, the procedures of physical verification of inventory followed by the management are in our opinion reasonable and adequate in relation to the size of the company and the nature of its business;
- (c) The company is maintaining proper records of inventory and In our opinion, discrepancies noticed on physical verification of inventory were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) (A) The Company has granted loans to three bodies 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	Max amount	Closing Balance
1.	K Bazzar Online trading Pvt. Limited	0.47	0.06	-	0.53	0.53
2.	K Kampus Education Pvt. Ltd.	2.54	5.40	-	7.94	7.94
3.	K Sera Sera Box Office Pvt Ltd	-	0.36	-	0.36	0.36
4.	K Sera Sera Consultancy Pvt. Ltd.	0.05	8.92	4.32	8.86	4.54
5.	Kss Limited	(10.34)	74.04	5.47	63.66	58.20

- (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- (c) There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
- (iv) According to the information and explanation given to us, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods.



According to the information and explanation given to us, we have not come across continuing failure to any to correct major weaknesses in internal control;

- (v) According to the information and explanation given to us and records examined by us, The Company has not accepted any deposits from the public.
- (vi) We are informed that Maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Act, are not applicable to the company.
- (vii) (a) According to the information and explanation given to us and records examined by us, the company is generally regular in depositing undisputed statutory dues including Income Tax, Excise Duty, cess and any other statutory dues with the appropriate authorities. According to the information and explanation given to us, there were no undisputed amounts payable in respect of Income Tax, Excise Duty, cess and any other statutory dues outstanding as on 31<sup>st</sup> March, 2015 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no any dues in respect of Income Tax and Sales Tax that have not been deposited with the appropriate authorities on account of dispute.
- (c) According to the information and explanations given to us, the company has not defaulted in transfer of amount to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made there under.
- (viii) The company has accumulated profit of Rs 56.57 Lacs as at 31st March, 2015 and it has incurred cash Loss of Rs 79.68 Lacs in the financial year ended on that date and cash Loss of Rs 218.89 Lacs in the immediately preceding financial year;
- (ix) According to the records of the company examined by us, and the information and explanation given to us, the company has not defaulted in repayment of dues to any bank as at the balance sheet date;
- (x) According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions;
- (xi) According to the information and explanation given to us and records examined by us, we have not come across any such cases where the funds raised on short-term basis have been used for long-term investments and vice versa;
- (xii) According to the information and explanation given to us and records examined by us, there has not been any fraud on or by the company has been noticed or reported during the year;

**For Agrawal Jain and Gupta.**

Chartered Accountants

Firm Reg. No. 013538C



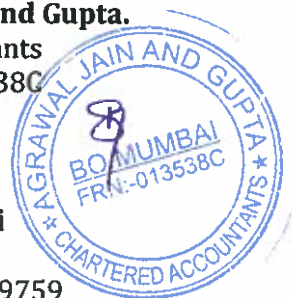
**CA Narayan Swami**

PARTNER

Membership No. 409759

Place: Mumbai

Dated: 28.05.2015



**K SERA SERA MINIPLEX LIMITED**

CIN: U93090MH2010PLC199549

Balance Sheet as at 31st March, 2015

(Amount in Rupees)

Particulars	Note No.	31-Mar-15	31-Mar-14
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3.1	300,000,000	300,000,000
(b) Reserves and Surplus	3.2	(56,569,436)	(41,606,891)
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Liabilities	3.3	54,683,708	53,538,279
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	3.5	4,411,241	1,039,481
(b) Trade Payables	3.6	12,791,685	5,473,035
(c) Other Current Liabilities	3.7	1,809,159	1,499,568
(d) Short-Term Provisions	3.8	2,161,885	2,061,379
<b>Total Equity &amp; Liabilities</b>		<b>319,288,242</b>	<b>322,004,851</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	3.9	40,489,348	38,893,963
(ii) Capital work in progress		-	-
<b>Gross Block</b>		<b>40,489,348</b>	<b>38,893,963</b>
<b>Depreciation</b>		<b>27,386,817</b>	<b>13,032,064</b>
<b>Net Block</b>		<b>13,102,530</b>	<b>25,861,899</b>
(b) Non-current investments	3.10	126,699,980	126,699,980
(c) Deferred tax assets (net)	3.4	24,994,074	16,980,160
(d) Long term loans and advances	3.11	130,853,742	132,361,224
<b>(2) Current Assets</b>			
(a) Trade receivables	3.12	7,199,338	7,014,524
(b) Cash and cash equivalents	3.13	1,244,884	5,443,432
(c) Short-term loans and advances	3.14	12,122,523	3,919,066
(d) Other current assets	3.15	3,071,171	3,724,567
<b>Total Assets</b>		<b>319,288,242</b>	<b>322,004,851</b>

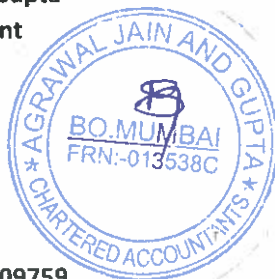
**NOTES TO ACCOUNTS**

Notes referred to above and notes attached there to form an integral part of Balance Sheet

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

For Agrawal Jain & Gupta  
Chartered Accountant

*Swami*



CA Narayan Swami  
Partner  
Membership No. : 409759  
Firm Reg. No.: 013538C

For and on behalf of Board of Directors

*Satish Panchariya*      *Hussain Shattaf*      *Shamrao D. Ingulkar*

Satish Panchariya

Hussain Shattaf

Shamrao D. Ingulkar

Director

Director

Sr. Manager Accounts

DIN: 000429; DIN:02321306

(KSS Group)



Place: Mumbai

Dated: 28.05.2015



**K SERA SERA MINIPLEX LIMITED**

CIN: U93090MH2010PLC199549

Profit & Loss Statement for the year ended 31st March, 2015

(Amount in Rupees)

Particulars	Note no.	31-Mar-15	31-Mar-14
Revenue from operations	3.16	48,188,027	27,317,528
Other Income	3.17	16,803,222	1,282,315
<b>III. Total Revenue (I +II)</b>		<b>64,991,249</b>	<b>28,599,843</b>
<b>Expenses:</b>			
Cost of materials consumed	3.18	54,128,043	29,756,257
Employee Benefit Expenses	3.19	7,693,341	12,187,342
Depreciation and Amortization Expenses	3.20	8,664,153	4,931,117
Other Administrative Expenses	3.21	11,138,175	8,545,565
<b>Total Expenses (IV)</b>		<b>81,623,712</b>	<b>55,420,280</b>
Profit before exceptional and extraordinary items and tax	(III - IV)	<b>(16,632,463)</b>	<b>(26,820,437)</b>
Exceptional Items		-	-
Profit before extraordinary items and tax (V - VI)		<b>(16,632,463)</b>	<b>(26,820,437)</b>
Extraordinary Items		-	-
Profit before tax (VII - VIII)		<b>(16,632,463)</b>	<b>(26,820,437)</b>
<b>Tax expense:</b>			
(1) Current tax		-	-
(2) Deferred tax		(8,013,914)	(16,536,998)
(3) Wealth Tax		-	-
Profit(Loss) from the period from continuing operations	(IX-X)	<b>(8,618,549)</b>	<b>(10,283,439)</b>
Profit/(Loss) from discontinuing operations		-	-
Tax expense of discounting operations		-	-
Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
Profit/(Loss) for the period (XI + XIV)		<b>(8,618,549)</b>	<b>(10,283,439)</b>
Earning per equity share:			
(1) Basic		(0.29)	(0.34)
(2) Diluted		(0.29)	(0.34)

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement

This is the Profit & Loss Statement referred to in our Report of even date.

For Agrawal Jain & Gupta  
Chartered Accountant

For and on behalf of Board of Directors

CA Narayan Swami  
Partner

Satish Panchariya  
Director  
DIN:00042934

Hussain Shattaf  
Director  
DIN:02321306

Shamrao D: Ingulkar  
Sr. Manager Accounts  
(KSS Group)

Membership No. : 409759  
Firm Reg. No.: 013538C

Place: Mumbai  
Dated: 28.05.2015



**K SERA SERA MINIPLEX LIMITED**  
CIN: U93090MH2010PLC199549  
Cash Flow Statement for the year ended 31st March, 2015

(Amount in Rupees)

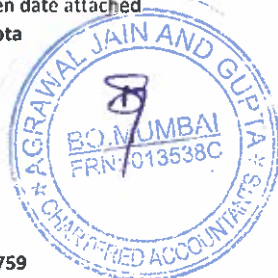
Particular	31-Mar-15	31-Mar-14
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	(16,632,463)	(26,820,437)
Adjustments For:		
Depreciation/Amortisation	8,010,757	4,277,721
Miscellaneous Expenditure Written Off	653,396	653,396
	8,664,153	4,931,117
Operating Cash Flow Before Changes In Working Capital	(7,968,310)	(21,889,320)
Adjustments For:		
(Increase)/Decrease In Sundry Debtors	(184,814)	(411,661)
(Increase)/Decrease In Loans And Advances	(6,695,975)	(80,843,826)
Increase/(Decrease) In Current Liabilities And Provisions	7,728,747	(23,151,452)
Net Changes In Working Capital	(7,120,352)	(126,296,259)
Taxes Paid	-	-
Extraordinary Items	-	-
Cash Generated From/(Used In) Operations	(7,120,352)	(126,296,259)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase Of Fixed Assets	(1,595,385)	(8,100,108)
Sale/Surrender Of Fixed Assets	-	-
Sale Of Investments	-	173,000,000
Cash Generated / (Used In) From Investing Activities	(1,595,385)	164,899,892
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	-	-
Proceeds From Borrowings	-	-
Repayment Of Borrowings	4,517,189	(61,435,077)
Cash Generated / (Used In) From Financing Activities	4,517,189	(61,435,077)
<b>Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)</b>	(4,198,548)	(22,831,444)
Cash And Cash Equivalents At The Beginning Of The Year	5,443,432	28,274,876
Cash And Cash Equivalents At The End Of The Year	1,244,884	5,443,432
<b>Note:</b>		
1 Cash and cash equivalents at the year end comprise:		
Cash On Hand	1,630,694	1,621,594
Balance With Scheduled Banks In		
- Current Accounts	(385,810)	3,821,838
- Deposit Accounts	-	-
	1,244,884	5,443,432
2 The Cash Flow Statement Has Been Prepared Under Indirect Method As Set Out In Accounting Standard 3, 'Cash Flow Statement' Issued By The Institute Of Chartered Accountants Of India		

As per our report of even date attached

For Agrawal Jain & Gupta  
Chartered Accountant

*CA Narayan Swami*

CA Narayan Swami  
Partner  
Membership No. : 409759  
Firm Reg. No.: 013538C



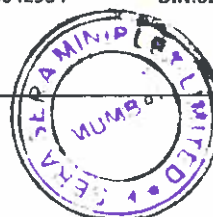
For and on behalf of Board of Directors

*Satish Panchariya*

Satish Panchariya  
Director  
DIN:00042934

Hussain Shattaf  
Director  
DIN:02321306

*Shamrao D. Ingulkar*  
Sr. Manager Accounts  
(KSS Group)



Place: Mumbai  
Dated: 28.05.2015

K SERA SERA MINIPLEX LIMITED  
Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2015

**K SERA SERA MINIPLEX LIMITED**  
Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2015

**3.1 Share Capital**

Particulars	31-Mar-15		31-Mar-14	
	Nos.	Amount	Nos.	Amount
<b>AUTHORIZED CAPITAL</b>				
3,00,00,000 Equity Shares of Rs. 10/- each.	30,000,000	300,000,000	30,000,000	300,000,000
	<b>30,000,000</b>	<b>300,000,000</b>	<b>30,000,000</b>	<b>300,000,000</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP SHARES</b>				
1,78,50,000 Equity Shares of Rs. 10/- each, Fully Paid up Share Capital	17,850,000	178,500,000	17,850,000	178,500,000
issued other than cash				
1,21,50,000 Equity Shares of Rs. 10/- each, Fully Paid up Share Capital	12,150,000	121,500,000	12,150,000	121,500,000
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>30,000,000</b>	<b>300,000,000</b>	<b>30,000,000</b>	<b>300,000,000</b>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

Particulars	31-Mar-15		31-Mar-14	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	30,000,000	300,000,000	30,000,000	300,000,000
Add: Issued during the year	-	-	-	-
Add: Warrants converted during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>30,000,000</b>	<b>300,000,000</b>	<b>30,000,000</b>	<b>300,000,000</b>

**(b) Terms/ rights attached to equity shares**

The company has only one class of equity shares having par value of `10 per share. Each holder of equity shares is

**(c) Details of shareholders holding more than 5% shares in the company**

Name of the shareholder	31-Mar-15		31-Mar-14	
	Nos.	% holding in the class	Nos.	% holding in the class
KSS Limited	27,905,000	93.02%	27,905,000	93.02%
Ashok Panchariya	2,095,000	6.98%	2,095,000	6.98%

As per records of the company, including its register of shareholders/ members and other declarations received from

**Note :3.2 Reserves & Surplus**

Particulars	31-Mar-15	31-Mar-14
<b>Surplus (Profit &amp; Loss Account)</b>		
Balance brought forward from previous year	(41,606,891)	(31,323,452)
Less: Difference in WDV due to change in companies act 2013	(6,343,995)	-
Add: Profit for the period	(8,618,549)	(10,283,439)
<b>Total</b>	<b>(56,569,436)</b>	<b>(41,606,891)</b>

**Note : 3.3 Long Term Liabilities**

Particulars	31-Mar-15	31-Mar-14
Deposit against Indore Cinema	7,032,107	7,032,107
Deposits from - F & B	226,515	226,515
Deposit for Miniplex	47,425,086	46,279,657
<b>Total</b>	<b>54,683,708</b>	<b>53,538,279</b>

**Note : 3.4 Deferred tax liability/(asset) (net)**

Particulars	31-Mar-15	31-Mar-14
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	(7,842,975)	(2,237,492)
Deferred Tax Assets	-	-
<b>Gross deferred tax liability</b>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	-	-
Deferred tax asset on carried forward losses	(17,151,099)	(14,742,668)
<b>Total</b>	<b>(24,994,074)</b>	<b>(16,980,160)</b>

**Note : 3.5 Short Term Borrowings**

Particulars	31-Mar-15	31-Mar-14
Loans & Advances From Related Parties	4,411,241	1,039,481
<b>Total</b>	<b>4,411,241</b>	<b>1,039,481</b>





K SERA SERA MINIPLEX LIMITED  
Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2015

**Note :3.6 Trades Payable**

Particulars	31-Mar-15	31-Mar-14
Trade payables more than 1 year	4,901,194	369,457
Trade payables others	7,890,491	5,103,578
<b>Total</b>	<b>12,791,685</b>	<b>5,473,035</b>

**Note : 3.7 Other Current Liabilities**

Particulars	31-Mar-15	31-Mar-14
Other Payables	-	14,568
Salary Payable	742,510	938,140
Other Current liabilities (Statutory)	1,066,649	546,860
<b>Total</b>	<b>1,809,159</b>	<b>1,499,568</b>

**Note : 3.8 Short Term Provisions**

Particulars	31-Mar-15	31-Mar-14
Distributor's Share Payable	500,000	76,930
Provision for Expenses	51,119	373,683
Provision for Taxation	1,610,766	1,610,766
<b>Total</b>	<b>2,161,885</b>	<b>2,061,379</b>

**Note :3.10 Non Current Investment**

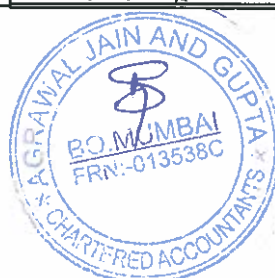
Particulars	31-Mar-15	31-Mar-14
Kay Nitro Oxygen Pvt. Ltd. Equity share 1,01,250 of Rs 10 Each Fully paid up.	121,500,000	121,500,000
K Kampus Education Pvt. Ltd. (Capital) Equity share 5,09,999 of Rs 10 Each Fully paid up.	5,099,990	5,099,990
K Sera Sera Consultancy Pvt. Ltd.(Capital) Equity share 9,999 of Rs 10 Each Fully paid up.	99,990	99,990
<b>Total</b>	<b>126,699,980</b>	<b>126,699,980</b>

**Note : 3.11 Long Term Loans and Advances**

Particulars	31-Mar-15	31-Mar-14
<b>Security Deposit</b>		
<b>a) Secured, Considered Good :</b>		
Earnest Money Deposit	870,000	1,293,000
<b>b) Unsecured, Considered Good :</b>		
<b>c) Doubtful</b>		
<b>Other Loans &amp; Advances</b>		
<b>a) Secured, Considered Good :</b>		
<b>b) Unsecured, Considered Good :</b>	100,000,000	100,000,000
<b>c) Doubtful</b>		
Expenses related to new Miniplex pending for allocation and its adjustable/recoverable from deposit for Miniplex shown in Note No 3.3 above.	29,983,742	31,068,224
<b>Total</b>	<b>130,853,742</b>	<b>132,361,224</b>

**Note : 3.12 Trade Receivable's**

Particulars	31-Mar-15	31-Mar-14
<b>Outstanding for more than six months</b>		
<b>a) Secured, Considered Good :</b>		
<b>b) Unsecured, Considered Good :</b>	6,541,872	6,541,872
<b>c) Doubtful</b>		
<b>Others</b>		
<b>a) Secured, Considered Good :</b>		
<b>b) Unsecured, Considered Good :</b>	657,466	472,652
<b>c) Doubtful</b>		
<b>Total</b>	<b>7,199,338</b>	<b>7,014,524</b>



K SERA SERA MINIPLEX LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2015

Fixed assets 3.9

Particulars	Gross block				Depreciation/amortization			Net block		
	As at April 1, 2014	Adjustments		As at March, 2015	As at April 1, 2014	For the period	Deletion/ Adjustments	As at March, 2015	As at March, 2015	As at April 1, 2014
		Additions	Deductions							
<u>Tangible assets</u>										
Office equipment	12,272,784	713,352	-	12,986,136	7,707,460	3,772,769		11,480,229	1,505,907	4,565,324
Furniture and fixtures	23,397,181	-	-	23,397,181	8,926,463	3,085,191		12,011,654	11,385,526	14,470,717
Computers	3,222,498	882,033	-	4,104,531	2,742,137	1,152,798		3,894,935	209,596	480,361
Trade Mark	1,500	-	-	1,500	-	-		-	1,500	1,500
<b>Total</b>	<b>38,893,963</b>	<b>1,595,385</b>	<b>-</b>	<b>40,489,348</b>	<b>19,376,060</b>	<b>8,010,757</b>	<b>-</b>	<b>27,386,817</b>	<b>13,102,530</b>	<b>19,517,903</b>
<b>Previous Year</b>	<b>35,060,805</b>	<b>11,279,889</b>	<b>7,446,731</b>	<b>38,893,963</b>	<b>13,021,294</b>	<b>4,277,720</b>	<b>4,266,950</b>	<b>13,032,064</b>	<b>25,861,899</b>	<b>22,039,511</b>



K SERA SERA MINIPLEX LIMITED  
Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2015

**Note : 3.13 Cash & Cash Equivalent**

Particulars	31-Mar-15	31-Mar-14
<b>Cash-in-Hand</b>		
Cash Balance	1,625,273	1,610,273
Petty Cash Balance	5,421	11,321
<b>Sub Total (A)</b>	<b>1,630,694</b>	<b>1,621,594</b>
<b>Bank Balance</b>		
Current Accounts	(385,810)	3,821,838
<b>Sub Total (B)</b>	<b>385,810</b>	<b>3,821,838</b>
<b>Total</b>	<b>1,244,884</b>	<b>5,443,432</b>

**Note : 3.14 Short Terms Loans and Advances**

Particulars	31-Mar-15	31-Mar-14
<b>a) Secured, Considered Good :</b>		
Advance to Associate Concerns	-	-
<b>b) Unsecured, Considered Good :</b>		
Loans & Advances from Associate Concerns	7,158,110	301,895
Others	-	-
Advance Recoverable in cash or in kind or for value to be considered good	-	-
Advance to Suppliers	2,197,720	1,080,385
Advance Income Tax/TDS	1,760,970	1,492,770
Staff advance	11,841	123,022
Service tax input credit	856,718	911,924
Prepaid Expenses	137,164	9,070
<b>Total</b>	<b>12,122,523</b>	<b>3,919,066</b>

**Note : 3.15 Other Current assets**

Particulars	31-Mar-15	31-Mar-14
Miscellaneous Expenditure	3,071,171	3,724,567
<b>Total</b>	<b>3,071,171</b>	<b>3,724,567</b>

**Note : 3.16 Revenue from Operations**

Particulars	31-Mar-15	31-Mar-14
Ticket Sale Collection	48,188,027	27,317,528
<b>Total</b>	<b>48,188,027</b>	<b>27,317,528</b>

**Note : 3.17 Other Income**

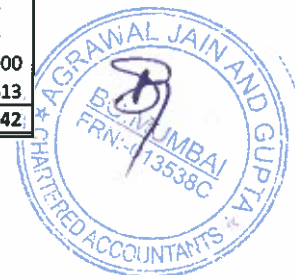
Particulars	31-Mar-15	31-Mar-14
Food Court Collection	2,220,283	1,139,259
Income From Advertising	13,634,536	143,056
Other Receipts	948,403	-
<b>Total</b>	<b>16,803,222</b>	<b>1,282,315</b>

**Note : 3.18 Cost of Operations**

Particulars	31-Mar-15	31-Mar-14
<b>COST OF OPERATIONS</b>		
Distributors Share	19,689,331	10,085,995
Rent for Miniplex	5,143,800	4,421,675
Entertainment Tax	5,486,097	3,071,589
Electricity Charges - Miniplex	6,585,612	3,509,884
Miniplex Operation expenses	13,689,641	7,009,145
Franchise Share's	3,533,562	1,657,969
<b>Total</b>	<b>54,128,043</b>	<b>29,756,257</b>

**Note : 3.19 Employment Benefit Expenses**

Particulars	31-Mar-15	31-Mar-14
Salaries, Bonus	7,030,441	11,728,015
Directors Sitting Fees	140,000	317,304
Staff Welfare and others	52,629	42,910
ESIC -Employer contributions	23,757	-
PF -Employer contributions	176,552	-
Bonus and Incentives	264,800	22,500
Leave Encasement	5,162	76,613
<b>Total</b>	<b>7,693,341</b>	<b>12,187,342</b>



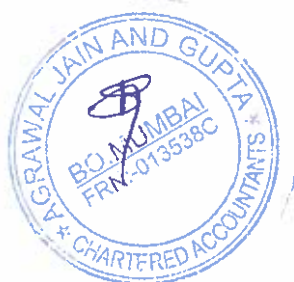
K SERA SERA MINIPLEX LIMITED  
Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2015

**Note : 3.21 Depreciation & Amortised Cost**

Particulars	31-Mar-15	31-Mar-14
Depreciation	8,010,757	4,277,721
Preliminary Expenses W/O	653,396	653,396
<b>Total</b>	<b>8,664,153</b>	<b>4,931,117</b>

**Note : 3.22 Other Administrative Expenses**

Particulars	31-Mar-15	31-Mar-14
Advertisement & Publicity Charges	3,278,423	-
<u>Auditor's Remunerations</u>		
Audit Fees	131,000	50,000
Tax Audit Fees	100,000	50,000
Certification and other Fees	124,000	75,000
Books & Periodical Expenses	767	5,390
Bank Charges	144,812	56,254
Commission & Brokerage	-	16,400
Conveyance Expenses	11,573	88,221
Courier Charges	12,527	12,116
Donation & Charity	-	1,001
Electricity Charges	517,591	1,100,520
Filling Fees	32,949	30,667
Gift & Awards	7,506	26,353
Hotel & Restaurant Expenses	887,635	356,390
House Keeping Charges	192,497	85,338
Insurance Charges	28,268	2,969
Internet Expenses	26,722	502,474
Installation of -New Server	-	100,000
Interest & Penalties Paid	94,223	109,811
Legal & Professional Charges	2,332,473	997,385
Membership & Subscription	9,715	9,600
Office Canteen Expenses	109,998	98,662
Office & General Expenses	88,170	34,338
Printing & Stationery Expenses	302,519	78,569
Rent - Office (3rd Floor)	1,080,000	3,421,899
Repairs & Maintenance	43,281	154,171
Sundry Balances W/off	18,860	(32,353)
Telephone Charges	356,012	286,306
Travelling Expenses - Local	1,206,654	828,083
<b>Total</b>	<b>11,138,175</b>	<b>8,545,565</b>



# K SERA SERA MINIPLEX LIMITED

## Notes forming part of accounts for the year ended March 31, 2015

### Notes to account

#### 1. Summary of significant accounting policies

##### a. Basis of preparation of financial statements

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 accounting principles generally accepted in ,under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

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 Schedule III to the Act. The Company considers 12 months to be its normal operating cycle.

#### 2. Summary of significant accounting policies

##### b. Use of estimates

The preparation of financial statements in conformity with Indian GAAP 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. Fixed assets

###### Tangible assets

Fixed assets are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

##### d. Depreciation/amortization

###### Tangible 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.

Particulatrs	Rate of Depreations
Plant and Equipements	45.07%
Furniture and Fixtures	25.89%
Computers and laptops	63.16%





Consequent to enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing after 1st April 2014, the company has re-worked depreciation with reference to the estimated useful lives of fixed assets prescribed by Schedule II to the Act except in case of Plant and Machinery where useful life has been considered as estimated by the management. In case of any asset whose life has completed as above, the carrying value net of residual value, as at 1st April, 2014 amounting to Rs.63.44 Lacs has been adjusted to the General Reserve and in other cases the carrying value has been depreciated over the remaining useful life of the assets.

**e. 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.

**f. Impairment of assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

**g. Investments**

Investments are classified as current investments and long-term investments as per information and explanation given by the management.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities.

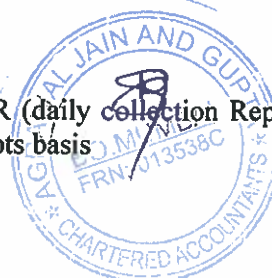
Current investments are carried in the financial statements at cost or FMV whichever is lower and Long-term investments are carried at cost. However, provision for diminution in value is not recognizing other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**h. 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. 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



ii. 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.

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.

i. **Inventories**

Company not having any inventories.

j. **Accounting for taxes on income**

Current Tax

Tax expense comprises of current and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the period that includes the enactment date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty, supported by convincing evidence of recognition of such assets. Deferred tax assets are reassessed for the appropriateness of their respective carrying values at each balance sheet date.

k. **Retirement 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.

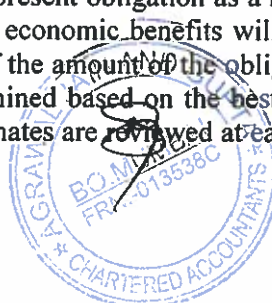
l. **Foreign currency transactions**

i. Foreign currency transactions are recorded at exchange rates prevailing on the date of respective transactions.

ii. Current assets and current liabilities in foreign currencies existing at balance sheet date are translated at year-end rates.

m. **Provision**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.



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.

**n. 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.

**o. Measurement of EBITDA**

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expenses.

**p. Contingent liabilities**

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 doesn't have any contingent liability.

**(a) The details of the suit filed against the company pending for disposal is as under:**

S/no.	Name of Parties	Case No.	Particulars
1	M/s. MGM Dental Clinic	Consumer Court, Kerala, C.C. No. 12/533 of 2012	Complainat Claiming Rs. 5,00,000/- with 12% interest till repayment.

**(b) The details of the suit filed by the company pending for disposal are as under:**

S/no.	Name of Parties	Case No.	Particulars
1	M/s. Anil Enterprises - Indore	Arbitration Application ARBAP/83/2013	Claim Rs. 25,00,000/-
2	M/s. Fort In Infra Developers Pvt.Ltd	Arbitration Application ARBAP/138/2013	Claiming Rs. 17,07,910/- Respondent counter claiming Rs. 4,13,00,000/-

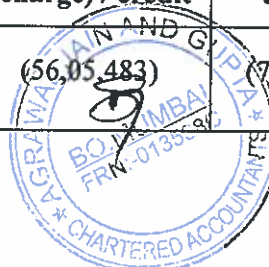
**q. Preliminary Expenses**

Preliminary expenses, if any, will be written off over a period of Five years.

**3.22 Deferred tax liability / (asset)**

**(Amount in Rupees)**

Particulars	As at April 1, 2014	Current year (charge) / credit	As at March 31, 2015
Difference between book base and tax base of fixed assets	(22,37,492)	(56,05,483)	(78,42,975)



Carried forward losses	(1,47,42,668)	(24,08,431)	(1,71,51,099)
<b>Deferred tax Liabilities</b>	<b>(1,69,80,160)</b>	<b>(80,13,914)</b>	<b>(2,49,94,074)</b>

**3.23 Earnings per share (Amount in Rupees)**

Particulars	March 31, 2015	March 31, 2014
Net profit / (loss) after tax for the year	(86,18,549)	(1,02,83,439)
Weighted equity shares outstanding as at the year end	30,00,00,000	30,00,00,000
Nominal value per share (Rs.)	10	10
<b>Earnings per share(Weighted Average)</b>		
– Basic	(0.29)	(0.34)
– Diluted	(0.29)	(0.34)

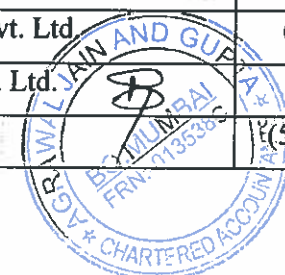
**3.24 Auditor's remuneration [excluding service tax] (Amount in Rupees)**

Particulars	March 31, 2015	March 31, 2014
Statutory Audit Fees	1,00,000	50,000
Tax Audit Fees	1,00,000	50,000
Certification Fees/Other services	1,24,000	75,000
<b>Total</b>	<b>3,24,000</b>	<b>1,75,000</b>

**3.25 Related Party Disclosures**

Related parties are classified as:

<b>I Company/ Directors</b>		
	KSS Limited	
	K Kampus Education Private Limited	
	K Sera Sera Consultancy Private Limited	
	K Bazaar Online Trading Private Limited	
	K Sera Sera Digital Cinema Private Limited	
	K Sera Sera Box office Pvt. Ltd.	
	Hussain Shattaf	
Nature of transactions	Name of Company/ Directors	Amount
Advance Taken (given)	K Bazaar Online Trading Private Limited	(53,500)
Advance Taken (given)	K Kampus Education Pvt. Ltd.	(7,93,954)
Advance Taken (given)	K Sera Sera Consultancy Pvt. Ltd.	(4,54,466)
Advance Taken (given)	K Sera Sera Box office Pvt. Ltd.	(36,005)
Advance Taken (given)	KSS Limited	(58,20,185)



Advance Taken (given)	K Sera Sera Digital Cinema Pvt. Limited	44,11,241
Advertisement Income	K Sera Sera Digital Cinema Pvt. Limited	81,46,100
Director Sitting Fees	Hussain Shattaf	1,40,000

3.26. The Company did not have any transactions with Small Scale Industrial ('SME's') Undertakings during the year ended March 31, 2015 and hence there are no amounts due to such undertakings. The identification of SME's undertakings is based on the management's knowledge of their status.

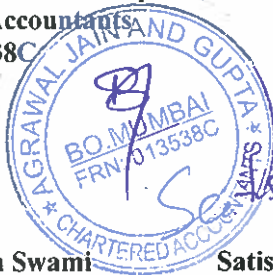
The Company has not received any information from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amount unpaid as at the year end together with interest paid / payable as required under the said Act have not been furnished.

3.27. Balances in respect of sundry debtors, sundry creditors and loans and advances .  
If any are taken as shown by books of accounts and are subject to confirmation and Consequent adjustments and reconciliations, if any.

For Agrawal Jain & Gupta  
Chartered Accountants  
FRN - 013538C

For and on behalf of Board of Directors





CA Narayan Swami  
Partner  
M. No - 409759

Satish Panchariya  
Director  
DIN:00042934

Hussain Shattaf  
Director  
DIN: 02321306

Shamrao D. Ingulkar  
Sr. Manager Accounts  
(KSS Group)



Place: Mumbai  
Date: 28.05.2015