

Independent Auditor's Report

To the Members of Globe Forex & Travels Ltd.

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A a statement on the matters specified in 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 it appears from our examination of those books;
 - c) the balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B', and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position as on 31st March 2016
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Singhi & Co.
Chartered Accountants
Firm Registration No.302049E**


**(N. K. Surana)
Partner
Membership No.053816**



Place: Kolkata

Date: 16th May 2016

The Annexure A to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Globe Forex & Travels Ltd. (the Company)

- I. (a) The Companies has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
(b) As explained to us, fixed assets have been physically verified by the management 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 the examination of the records of the company, the title deeds of the immovable properties are held in the name of the company.
- II. The company is a service company and does not have any inventory. Hence, paragraph 3(II) of the order is not applicable.
- III. The Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Hence, paragraph 3(III) of the order is not applicable.
- IV. The Company does not possess any loans, investments, guarantee and security and hence, paragraph 3(IV) of the order is not applicable.
- V. The Company has not accepted any deposit from the public.
- VI. The Company is not required to maintain Cost Records as prescribed by the Central Government under section 148 (1) (d) of the Companies Act, 2013.
- VII. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us and the records of the Company examined by us, no undisputed statutory dues as above were outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Service Tax, Value Added Tax and Cess which have not been deposited on account of any dispute as on 31st March 2016.
- VIII. The Company has not defaulted in repayment of dues to Financial Institutions or Banks or Debenture holders.
- IX. The company has not raised any money by way of initial public offer or further public offer including debt instruments and term loans during the year and accordingly the paragraph 3(IX) of the order is not applicable.
- X. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.



- XI. The Company does not pay any managerial remuneration. Accordingly, paragraph 3(XI) of the Order is not applicable.
- XII. The company is not a Nidhi Company. Accordingly, paragraph 3(XII) of the Order is not applicable.
- XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- XIV. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- XV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(XV) of the Order is not applicable.
- XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For SINGHI & CO.
Chartered Accountants
Firm Registration No.302049E

N. K. Surana

(N. K. Surana)
Partner

Membership No.053816

Place: Kolkata

Dated: 16th May 2016



ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **GLOBE FOREX & TRAVELS LTD.** ("**the Company**") as of 31st March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SINGHI & CO.
Chartered Accountants
Firm's Registration No. 302049E

N. K. SURANA

(N. K. SURANA)
Partner
Membership No. 053816

Place : Kolkata

Date : 16th May 2016



GLOBE FOREX & TRAVELS LTD.
Balance Sheet as at 31st March, 2016

(₹)

	Note No.	As at 31st March, 2016	As at 31st March, 2015
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	'2'	8,814,000	8,814,000
Reserves and Surplus	'3'	(4,500,506)	(1,004,461)
		<u>4,313,494</u>	<u>7,809,539</u>
Non-Current Liabilities			
Long-Term Borrowings	'4'	80,000,000	80,000,000
Long-Term Provisions	'5'	1,090,246	783,485
		<u>81,090,246</u>	<u>80,783,485</u>
Current Liabilities			
Short-Term Borrowings	'6'	232,432,690	144,490,060
Trade Payables	'7'	309,571,664	221,571,316
Other Current Liabilities	'8'	24,491,912	20,073,742
Short-Term Provisions	'9'	133,884	1,251,768
		<u>566,630,150</u>	<u>387,386,886</u>
		<u>652,033,890</u>	<u>475,979,910</u>
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets			
Tangible Assets	'10'	28,515,675	30,061,270
Intangible Assets	'10'	3,002,163	4,002,884
Deferred Tax Assets	'11'	9,353,832	15,124,038
Long-Term Loans and Advances	'12'	4,854,104	3,210,263
		<u>45,725,774</u>	<u>52,398,455</u>
Current Assets			
Trade Receivables	'13'	529,639,921	370,137,397
Cash and Cash Equivalents	'14'	7,473,249	7,320,923
Short-Term Loans and Advances	'15'	44,096,248	31,394,693
Other Current Assets	'16'	25,098,698	14,728,442
		<u>606,308,116</u>	<u>423,581,455</u>
		<u>652,033,890</u>	<u>475,979,910</u>

Significant Accounting Policies

Accompanying Notes are integral part of the financial statement.

'1'

For and on behalf of the Board

Mahabir Prasad Jalan

Mahabir Prasad Jalan

Director

DIN No. 00354690

Naresh Jalan

Naresh Jalan

Director

DIN No. 00375462

Pawan Kumar Kedia

Pawan Kumar Kedia

Director

DIN No. 00375557

As per our attached report of even date

For Singhi & Co.

Chartered Accountants

Firm Registration No. 302049E

N.K. Surana
(N.K. Surana)

Partner

Membership No. 53816

Place - Kolkata

Dated 16th May 2016



GLOBE FOREX & TRAVELS LTD.
Statement of Profit and Loss for the Period ended 31st March, 2016

	Note No.	For the year ended 31st March, 2016	(₹) For the year ended 31st March, 2015
REVENUES			
Revenue from Operations	'17'	136,230,508	114,447,647
Other Income	'18'	1,693,156	1,935,933
Total Revenues		137,923,664	116,383,580
EXPENSES			
Employee Benefits Expenses	'19'	74,093,497	53,577,170
Finance Costs	'20'	32,189,969	22,661,213
Depreciation and Amortization Expenses	'21'	2,989,435	4,214,771
Other Expenses	'22'	26,376,603	27,228,517
Total Expenses		135,649,504	107,681,671
Profit before tax and Exceptional items		2,274,160	8,701,909
Tax Expense:			
Current Tax		433,341	1,459,550
MAT Credit Entitlement Receivable		(433,341)	(1,459,550)
Deferred Tax		5,770,205	1,964,605
Profit/ (Loss) for the period		(3,496,045)	6,737,304
Earnings per Share (EPS) (Weighted Average):	'25'		
<i>Basic & Diluted EPS (in ₹ per share)</i>		(3.97)	7.64

Significant Accounting Policies

Accompanying Notes are integral part of the financial statement.

For and on behalf of the Board

Mahabir Prasad Jalan
Mahabir Prasad Jalan
 Director
 DIN No. 00354690

Naresh Jalan
Naresh Jalan
 Director
 DIN No. 00375462

Pawan Kumar Kedia
Pawan Kumar Kedia
 Director
 DIN No. 00375557

As per our attached report of even date
For Singhi & Co.
 Chartered Accountants
 Firm Registration No. 302049E

N.K. Surana
(N.K. Surana)
 Partner
 Membership No. 53816

Place : Kolkata
 Dated: 16th May 2016



GLOBE FOREX & TRAVELS LTD.
Cash Flow Statement for the year ended 31st March, 2016

	Year ended 31st March 2016	Year ended 31st March 2015
	Amount in (₹)	Amount in (₹)
A. Cash Flow from Operating Activities :		
Net Profit/(Loss) before tax	2,274,160	8,701,909
Adjustments for:		
Depreciation	2,989,435	4,214,771
Interest Income (on others)	(470,075)	(666,481)
Interest Income (on Income Tax Refund)	(954,758)	(508,789)
Interest Expenses	30,523,320	21,747,267
Sundry Balance W/off	-	2,092,115
Operating Profit before Working Capital Changes	34,362,082	35,580,792
Decrease/(Increase) in Trade Receivable	(159,502,523)	(162,736,904)
Decrease/(Increase) in Loans & Advances & Other Current Assets	(21,034,503)	(4,602,037)
Increase/(Decrease) in Trade Payable	88,000,348	96,063,802
Increase/(Decrease) in loans & Other Current Liabilities	3,607,047	(11,371,879)
Direct Tax Paid	(2,726,391)	(4,852,175)
	(91,656,022)	(87,499,193)
Net Cash from Operating Activities (A)	(57,293,940)	(51,918,401)
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets	(443,119)	(880,219)
Interest Received	470,075	666,481
Net Cash from Investing activities (B)	26,956	(213,738)
C. Cash Flow from Financing Activities :		
Short Term Borrowings (Net)	87,942,630	71,301,551
Interest Paid	(30,523,320)	(21,747,267)
Net cash From Financing Activities (C)	57,419,310	49,554,284
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) :	152,326	(2,577,855)
Opening Cash and Cash Equivalents	7,320,923	9,898,778
Closing Cash and Cash Equivalents	7,473,249	7,320,923
Net Increase/(Decrease) in Cash & Cash Equivalents	152,326	(2,577,855)

Notes:

1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS 3) 'Cash Flow Statements' notified by the Central Government under Companies (Accounting Standards) Rules, 2006.


2 Cash and Cash equivalent at the end of the period consist of:

	As at 31st March 2016	As at 31st March 2015
a) Cash on hand	577,302	1,085,065
b) Balance with Banks in Current Account		
Fixed Deposits	5,200,616	4,677,209
Current Account	1,695,331	1,558,649
	7,473,249	7,320,923


As per our attached report of even date

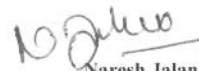
For and on behalf of the Board

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E


(N.K. Surana)
Partner
Membership No. 53816




Mahabir Prasad Jalan
Director
DIN No. 00354690


Naresh Jalan
Director
DIN No. 00375462


Pawan Kumar Kedia
Director
DIN No. 00375557

Place : Kolkata
Dated: 16th May 2016

Notes to the Financial Statements for the Year ended 31st March, 2016

1. Significant Accounting Policies.

a. Accounting Convention

The Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis except unusual items which are accounted on cash basis. GAAP Comprises mandatory accounting standards as prescribed under section 133 of Companies Act, 2013 (the Act) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified).

b. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of the assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

c. Fixed Assets

Fixed Assets are stated at cost, less accumulated depreciation. Costs include all costs relating to acquisition and installation of fixed assets. Intangible assets represent software stated at cost less accumulated amortisation and impairment losses, if any.

d. Depreciation and Amortization

(i). The company has revised its policy of providing depreciation on fixed assets effective April 1, 2014 on the basis of remaining useful life of the asset. The carrying amount as on April 1, 2014 is depreciated over the revised remaining useful life. In terms of MCA notification dated 29th August, 2014 amending Schedule II, the carrying amount of tangible fixed assets (after retaining the residual value), whose remaining useful lives have been reassessed to be nil as at April 1, 2014, has been recognised in the Statement of Profit & Loss as depreciation.

(ii). Intangible Assets are amortized over their useful life at the rates and in the manner specified in the Schedule II of the Companies Act 2013.

e. Impairment of Assets

The Company on an annual basis makes an assessment of any indicator that may lead to Impairment of Assets. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and charged to Profit & Loss Account. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

f. Inventories

Inventory, if any, represents stock of foreign currencies, are valued at lower of cost and realisable value.

g. Investments

Long Term investments are stated at cost less provisions, if any for diminution in value, which are considered to be other than temporary in nature.

h. Foreign Currency Transactions

(i). Foreign Currency transactions are recorded at the exchange rate prevailing on the date of transaction. Year end balance of foreign currency transaction are translated at the year end rate.

(ii). Any Income or Expense on account of exchange rate difference either on settlement or on translation is recognized in the Profit & Loss account except in case of long term borrowings relating to acquisition of fixed assets where resultant exchange rate difference has been adjusted to the carrying cost of such assets.

(iii). In respect of transactions covered under forward foreign exchange contracts the difference between the forwards rate and the exchange rate at the inception of contract is recognized as income or expense over the life of the contract.

i. Employee benefits

(i). Short term employees benefit are recognized as an expense at the undiscounted amount in the profit & loss account of the year in which related service is rendered.

(ii). Post employment and other long term benefit are recognized as an expense in the profit & loss account for the year in which the employee has rendered services. The expenses are recognized at the present value of the amount payable determined at the year end on the basis of an actuarial valuation using projected unit credit method. Actuarial gains and losses in respect of post employment and other long term benefit are charged to profit and loss account.

(iii). The Company's contribution to the Provident Fund are charged to Profit and Loss Account.

j. Revenue Recognition

Commission on tickets and service charges from customers are recognised net of purchase on sales of the tickets. Income from MICE is recognised as and when booking is confirmed. Incentive from airlines are accounted on the basis of tickets issued to sectors travelled.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognised when the right to receive dividend is established.

k. Borrowing Cost

Borrowing costs that are specifically attributable to the acquisition or construction of qualifying asset are capitalised as part of the cost of such asset till such time as the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires/takes a substantial period of time to get ready for its intended use. All other borrowing costs, i.e. not specifically attributable to the qualifying asset are charged to revenue in the period in which those are incurred.

l. Taxation

Provision for current Income Tax is made in accordance with the provisions of the Income Tax Act 1961. Deferred Tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets are recognized and carried forward only to the extent that there is a reasonable/virtual certainty that asset will be realised in future.

MAT Credit is recognized 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. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the ICAI, the said asset is created by way of credit to profit & loss account and shown as MAT credit entitlement. The company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

m. Earning per Share :

Basic earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders are divided with the weighted average number of shares outstanding during the year after adjustment for the effects of all dilutive potential equity shares.

n. Provisions, Contingent Liabilities and Contingent Assets Impairment of tangible and intangible assets excluding goodwill

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Notes on Accounts. Contingent assets are neither recognized nor disclosed in the financial statements.



2. Share Capital:

	As at			
	31/03/2016		31/03/2015	
	Numbers	(₹)	Numbers	(₹)
Authorized:				
Equity Shares of (₹) 10/- each	1,000,000	10,000,000	1,000,000	10,000,000
		10,000,000		10,000,000
Issued:				
Equity Shares of (₹) 10/- each	881,400	8,814,000	881,400	8,814,000
		8,814,000		8,814,000
Subscribed and Paid-up:				
Equity Shares of ₹ 10/- each fully paid-up	881,400	8,814,000	881,400	8,814,000
		8,814,000		8,814,000

a. Reconciliation of the number of Shares outstanding:
Equity Shares

	As at	
	31/03/2016	31/03/2015
	Outstanding at the beginning of the year	881,400
Outstanding at the end of the year	881,400	881,400

b. Right, Preference and restrictions attached to Shares:-

The company has one class of equity shares having a par value of ₹ 10/- per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Director is subject to the approval of the shareholders in the ensuing Annual General meeting.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amount, in proportion to their shareholding.

c. Shared held by holding / ultimate holding company and / or their subsidiaries / associates

Name of the Company	As at 31/03/2016	As at 31/03/2015
	Numbers of Shares held	Numbers of Shares held
1. Ramkrishna Forgings Ltd., the Holding Company	881400	881400

d. Shareholder holding more than 5 percent shares of the Company:-

Name of Shareholder	As at 31/03/2016		As at 31/03/2015	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
	1. M/s Ramkrishna Forgings Ltd	881,400	100.00%	881,400

e. The company has not reserved any shares for issue of option and contract / commitment for sales of shares / disinvestment.

f. The company during the preceding 5 years -

- Has not allotted shares pursuant to contracts with payment received in cash.
- Has not allotted shares as fully paid up by way of bonus shares.
- Has not bought back any shares.

g. No securities convertible into Equity/Preference shares issued by the Company during the year.

h. There are no calls unpaid by Directors / Officers.

i. The company has not forfeited any shares.

3. Reserves and Surplus:

	As at	
	31/03/2016	31/03/2015
		(₹)
(a) Securities Premium Reserve		
As per last Financial Statement	60,948,000	60,948,000
Add: On Issue of Equity shares	-	-
	60,948,000	60,948,000
(b) Revaluation Reserve		
As per last Financial Statement	7,866,793	7,866,793
Less: Depreciation on account of Revaluation	-	-
	7,866,793	7,866,793
(c) Surplus in the Statement of Profit and Loss		
As per last Financial Statement	(69,819,254)	(76,556,558)
Add: Profit / (Loss) for the period	(3,496,045)	6,737,304
	(73,315,299)	(69,819,254)
	(4,500,506)	(1,004,461)

4. Long-Term Borrowings:

	Non Current portion		Current Maturities	
	As at		As at	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015
Unsecured				
From Related Parties	80,000,000	80,000,000	-	-
	80,000,000	80,000,000	-	-

a. The above loan is scheduled to be repaid in the year 2018-19.

b. The rate of interest charge for the above loan is 10.50% or such approved by the lender.



5. Long-Term Provisions:

	(₹)	
	As at	
	31/03/2016	31/03/2015
Provision for Employee Benefit (Refer Note No. 23)		
Leave Enchashment	1,090,246	783,485
	<u>1,090,246</u>	<u>783,485</u>

6. Short-term Borrowings:

	(₹)	
	As at	
	31/03/2016	31/03/2015
Secured		
Loans repayable on demand		
From Bank - Working Capital Loan		
State Bank of India*	166,947,454	114,873,142
ICICI Bank Limited**	20,513,607	24,645,289
	<u>187,461,061</u>	<u>139,518,431</u>

a. Security :

* Secured by hypothecation of Receivables and other miscellaneous current assets, corporate guarantee by holding company and equitable mortgage of Immovable property owned by the company at Premises No. 8, Ho Chi Minh Sarani, P.S -Shakespeare Sarani under Kolkata Municipal Corporation, Kolkata-700 071

** Secured by hypothecation of Receivables and other miscellaneous current assets & corporate guarantee by holding company.

Unsecured

Loans repayable on demand		
From Other parties	4,971,629	4,971,629
From Related Parties	40,000,000	-
	<u>44,971,629</u>	<u>4,971,629</u>
	232,432,690	144,490,060

7. Trade Payables:

	(₹)	
	As at	
	31/03/2016	31/03/2015
Airlines	30,545,784	23,849,466
Suppliers	279,025,880	197,721,850
	<u>309,571,664</u>	<u>221,571,316</u>

8. Other Current Liabilities:

	(₹)	
	As at	
	31/03/2016	31/03/2015
Advance from Customers	9,576,063	6,117,040
Payable to Employees	10,032,952	6,713,915
Statutory dues	1,533,939	4,202,991
Other Payables #	3,348,958	3,039,796
	<u>24,491,912</u>	<u>20,073,742</u>

Other payable represents Telephone Expenses, Rent Charges, Electricity Charges, Maintenance etc.

9. Short-Term Provisions:

	(₹)	
	As at	
	31/03/2016	31/03/2015
Provision for Employee Benefit (Refer Note No. 23)		
Gratuity	93,109	1,222,554
Leave Enchashment	40,775	29,214
	<u>133,884</u>	<u>1,251,768</u>

10. Fixed Assets :

Description	Gross Block			Depreciation/Amortisation			Net Block			
	As at 31-03-2015	Additions / Adjustment	Deletion/ Adjustments	As at 31-03-2016	As at 31-03-2015	For the Year	Deductions/ Adjustments	As at 31-03-2016	As at 31-03-2016	As at 31-03-2015
A. Tangible Assets										
Office Building *	25,000,000	-	-	25,000,000	1,282,297	400,693	-	1,682,990	23,317,010	23,717,703
Plant & Machinery	536,991	-	-	536,991	435,987	24,974	-	460,961	76,030	101,004
Vehicles	2,044,649	-	-	2,044,649	1,592,489	152,734	-	1,745,223	299,426	452,160
Furnitures & Fixtures	6,298,133	-	-	6,298,133	3,252,801	550,776	-	3,803,577	2,494,556	3,045,332
Computer	6,690,791	317,100	-	7,007,891	5,472,640	465,662	-	5,938,302	1,069,589	1,218,151
Office Equipments	3,127,463	58,519	-	3,185,982	2,273,634	247,974	-	2,521,608	664,374	853,829
Air Condition Machine	1,493,438	67,500	-	1,560,938	820,347	145,901	-	966,248	594,690	673,091
Total (A)	45,191,465	443,119	-	45,634,584	15,130,195	1,988,714	-	17,118,909	28,515,675	30,061,270
B. Intangible Assets										
Computer Software	4,057,537	-	-	4,057,537	829,294	807,061	-	1,636,355	2,421,182	3,228,243
Online Portal Website Development	1,050,000	-	-	1,050,000	275,359	193,660	-	469,019	580,981	774,641
Total (B)	5,107,537	-	-	5,107,537	1,104,653	1,000,721	-	2,105,374	3,002,163	4,002,884
Total (A+B)	50,299,002	443,119	-	50,742,121	16,234,848	2,989,435	-	19,224,283	31,517,838	34,064,154
Previous Year	49,418,782	880,220	-	50,299,002	12,020,077	4,214,771	-	16,234,848	34,064,154	37,398,705



		(₹)	
		As at	
		31/03/2016	31/03/2015
11. Deferred Tax:			
Major components of Deferred Tax arising on account of temporary timing differences are given below:			
(a) Deferred Tax Liabilities			
Related to Fixed Assets - Impact of difference between tax depreciation and depreciation/amortization charged for financial reporting		2,433,195	2,368,057
		<u>2,433,195</u>	<u>2,368,057</u>
(b) Deferred Tax Assets			
Carry Forward of Business Losses & Unabsorbed depreciation #		11,754,804	17,068,994
Provision for Gratuity		32,223	423,101
		<u>11,787,027</u>	<u>17,492,095</u>
Deferred Tax Assets (Net)		<u>9,353,832</u>	<u>15,124,038</u>
# In view of revised profitability projections, considering additional contributions from growth plan, the company is now certain that there would be sufficient taxable income in future periods and accordingly it has recognised deferred tax assets on Business Losses including unabsorbed depreciation as per Income Tax Act, 1961.			
12. Long-Term Loans and Advances:			(₹)
		As at	
		31/03/2016	31/03/2015
Security Deposits #			
Unsecured, Considered Good		2,961,213	1,750,713
MAT Entitlement Receivable *		1,892,891	1,459,550
		<u>4,854,104</u>	<u>3,210,263</u>
# Doubtful ₹ Nil (Previous year ₹ Nil)			
* In view of revised profitability projections, considering additional contributions from growth plan of the company, it is reasonable certain that there would be sufficient taxable income in future periods to utilize MAT Credit entitlements			
13. Trade Receivables:			(₹)
		As at	
		31/03/2016	31/03/2015
Outstanding for a period exceeding six months (from the due date)			
Unsecured, Considered Good		13,872,327	10,807,685
Outstanding for a period less than six months			
Unsecured, Considered Good		515,767,594	359,329,712
		<u>529,639,921</u>	<u>370,137,397</u>
14. Cash and Cash Equivalents:			(₹)
		As at	
		31/03/2016	31/03/2015
Balance with Banks			
Current Accounts		1,695,331	1,558,649
Cash on hand (as certified by the Management)		577,302	1,085,065
Other Bank Balances with Banks:			
Deposits with less than 12 months maturity		5,200,616	4,677,209
		<u>7,473,249</u>	<u>7,320,923</u>
15. Short-Term Loans and Advances:			(₹)
		As at	
		31/03/2016	31/03/2015
Security and Other Deposits			
Unsecured, Considered Good #		3,110,000	3,110,000
Others - Advances Recoverable from			
Unsecured, Considered Good			
- Advances with Airlines (LCC)		2,828,404	5,332,836
- Advance to Staff		185,629	711,406
- Suppliers of Goods & Services		20,748,459	8,684,515
- Balance with Income Tax Authority (net of income tax Rs. 433,341)		15,781,680	12,533,872
- Prepaid Expenses		1,442,076	1,022,064
		<u>44,096,248</u>	<u>31,394,693</u>
# Doubtful ₹ Nil (Previous year ₹ Nil)			
16. Other Current Assets:			(₹)
		As at	
		31/03/2016	31/03/2015
Accrued Interest		131,255	-
Incentives Receivable from Airlines and CRS System		24,967,443	14,728,442
		<u>25,098,698</u>	<u>14,728,442</u>



17. Revenue from Operations:

	Year ended	
	31/03/2016	31/03/2015
Sale of Air Tickets and Other Receipts	1,820,013,590	1,592,941,812
Less: Purchase of Air Tickets and Other Purchases	1,771,020,078	1,549,304,527
Net Revenue	48,993,512	43,637,285
Commission & Incentive	87,236,996	70,810,362
	136,230,508	114,447,647

18. Other Income:

	Year ended	
	31/03/2016	31/03/2015
Interest Income		
On Others	470,075	666,481
On Income Tax Refund	954,758	508,789
Other Non-Operating Income	268,323	760,663
	1,693,156	1,935,933

19. Employee Benefits Expenses:

	Year ended	
	31/03/2016	31/03/2015
Salaries, Wages, Bonus, Exgratia, Incentive etc	69,464,248	49,666,118
Gratuity fund contributions	136,282	525,481
Provident Fund / Employees Pension Fund & E. S. I. Contribution	3,650,929	2,719,797
Staff welfare expenses	842,038	665,774
	74,093,497	53,577,170

20. Finance Costs:

	Year ended	
	31/03/2016	31/03/2015
Interest Expenses	30,523,320	21,747,267
Other Borrowing Costs	1,666,649	913,946
	32,189,969	22,661,213

21. Depreciation and Amortization Expenses:

	Year ended	
	31/03/2016	31/03/2015
Depreciation and Amortization Expenses	2,989,435	4,214,771
	2,989,435	4,214,771

22. Other Expenses:

	Year ended	
	31/03/2016	31/03/2015
Electricity Charges	1,601,273	1,391,074
Business Promotion Expenses	2,004,604	2,466,100
Printing & Stationery Expenses	824,095	585,917
Subscription	486,144	425,661
Consultancy Charges	759,021	128,427
Meeting & Conference Expenses	429,598	408,717
Rent	5,609,314	4,736,248
Rates & Taxes	141,688	138,806
Insurance Charges	1,088,321	738,366
Repairs & Maintenance	2,815,323	2,386,338
Miscellaneous Expenses	1,172,615	974,994
Bank Charges & Commission	354,223	621,980
Postage, Telegraph & Telephone	2,946,268	2,291,010
Legal & Professional Expenses	1,081,011	2,804,913
Travelling & Conveyance Expenses (Including Directors Travelling ₹ Nil (previous Year ₹ Nil))	3,808,052	3,295,876
Advertisement Expenses	18,178	1,500
Payment to Auditor #	745,000	600,000
Brokerage & Commission Expenses	161,000	-
Vehicle Running Expenses	330,875	1,140,475
Sundry Balances Written Off (Net)	-	2,092,115
	26,376,603	27,228,517

Details of payment to Statutory Auditor:

	Year ended	
	31/03/2016	31/03/2015
Audit Fees	500,000	500,000
Tax Audit Fees	100,000	100,000
Other	145,000	-
	745,000	600,000



23. Employee Benefits:

- (a) Disclosure as required by Accounting Standard 15 (Revised) on Employee Benefits :-
 (i) In respect of a defined benefit scheme (based on actuarial valuation)

	As at	
	31/03/2016	31/03/2015
	Gratuity	
a) Expenses recognized during the year		
Current Service Cost	1,092,667	984,706
Past Service Cost	(129,865)	-
Interest Cost	235,521	216,289
Expected return on plan assets	(153,211)	(131,501)
Actuarial (Gain) / Loss	(952,003)	(727,676)
Net Cost	93,109	341,818
b) Net Assets / Liability recognized in the Balance Sheet at the year end		
Present Value of Fair value of plan assets at the end of the year	3,286,826	1,911,061
Present value of obligation	3,379,935	3,133,615
Amount recognized in Balance Sheet	93,109	1,222,554
c) Reconciliation of opening and closing balances of Defined Benefit obligation		
Present Value of Defined Benefit obligation at the beginning of the year	3,133,615	2,634,087
Current Service Cost	1,092,667	984,706
Past Service Cost	(129,865)	-
Interest Cost	235,521	216,289
Actuarial (Gain) / Loss on obligation	(952,003)	(701,467)
Benefit paid	-	-
Present Value of Defined benefit obligation at the year end	3,379,935	3,133,615
d) Reconciliation of opening and closing balances of fair value of Plan Assets		
Fair value of plan assets at beginning of the year	1,911,061	1,737,258
Actual return on plan assets	153,211	131,501
Actuarial Gain / (Loss)	-	26,209
Employer contribution	1,222,554	16,093
Benefit Paid	-	-
Fair value of plan assets at the end of the year	3,286,826	1,911,061
e) Investment details		
Insurer Managed Funds 100%	3,286,826	1,911,061
f) Actuarial Assumptions		
Mortality Table (LIC)	LIC (2006-08) ultimate table	LIC (2006-08) ultimate table
Discount Rate (Per Annum)	7.90%	7.50%
Rate of escalation in salary (per annum)	5%	7%

The company has funded scheme for payment of Gratuity to all eligible employees calculated at specified number of days of last salary drawn depending upon tenure of service for each year of completed service subject to minimum service of five years payable at the time of separation upon superannuation or on exist otherwise and is provided for on the basis of actuarial valuation made at the year end using projected unit method.

- (ii) Leave salary – Compensated absence. - The Company also extends defined benefit plans in the form of compensated absences to employees. Provision for compensated absences is made on basis of actuarial valuation at the year end.
- (iii) In respect of Defined contribution Scheme -
 The company contributes 12% of salary for all eligible employees towards Provident Fund managed by the Central Government. Total expenses recognized towards Employer's contribution to Provident Fund (₹)35,02,654 - (Previous year (₹)22,91,948/-)

24. Related Parties:

- (a). Name of related parties and nature of relationship where control exists are as under:
- | | |
|--------------------------------|-------------------------|
| (i). Holding Company | Ramkrishna Forgings Ltd |
| (ii). Key Management Personnel | |
| Mr. Mahabir Prasad Jalan | Director |
| Mr. Naresh Jalan | Director |
| Mr. Alok Kumar Sharda | Director |

- (b). Transaction with related parties:

Nature of Transaction during the year	Year ended	
	31/03/2016	31/03/2015
(i). Holding Company		
Loans & Advances Received	89,800,000	-
Loans & Advances Paid	49,800,000	17,300,000
Interest Expense (TDS: Current Year - Rs. 12,79,267, Previous Year - Rs. 10,20,653)	12,792,679	10,206,547
Commission Received/Receivable from Air Tickets and Other Receipts	2,387,304	1,444,742
(ii). Sale of Air Tickets to Directors	235,024	201,087
(c). Balance outstanding as at 31st March, 2016		
(i). Holding Company		
Loan & Advances Received	120,000,000	80,000,000
Trade Receivables - Sale of Air Tickets and Other Receipts	208,252	1,600,306



25. **Earning per share (EPS):**

EPS is calculated by dividing the profit attributable to the equity shareholder by the weighted average number of equity shares outstanding during the year.

	Year ended	
	31/03/2016	31/03/2015
BASIC & DILUTED :		
Opening number of Equity Shares (Nos)	881,400	881,400
Total Shares outstanding (Nos)	881,400	881,400
Profit after Taxation	(3,496,045)	6,737,304
EPS ((₹) per Share)	(3.97)	7.64
Reconciliation of Basic and Diluted Shares used in computing EPS		
Number of Shares considered as Basic Weighted Average Shares Outstanding (Nos)	881,400	881,400
Number of Shares considered as Diluted weighted Average Shares Outstanding (Nos)	881,400	881,400

26. **Micro , Small and Medium Entities**

The particulars required to be disclosed under the Micro, Small and Medium Enterprises Act, 2006 (MSMED Act) in respect of principal amount remaining unpaid to any supplier as at the end of the year, amount due to the suppliers beyond the appointed day during the year, amount of interest if any, accrued and remaining unpaid as at the end of the year etc. could not be disclosed for want of information whether sundry creditors include dues payable to any such undertakings. The Company has initiated the exercise of identifying the status of the suppliers as required under MSMED Act where supplier confirmations are awaited.

27. **Expenditure in foreign currency during the year (Paid or provided):**

	Year ended	
	31/03/2016	31/03/2015
IATA fees	115,105	159,215
Total	115,105	159,215

28. **Segment Reporting:**

The Company is mainly engaged in Tours and Travel activity. All activities of the Company revolve around this main business. As such, there are no separate reportable segments as per the Accounting Standard 17 (Segment Reporting) notified by Companies (Accounting Standard) Rules, 2006.

29. Trade Receivables and Trade Payables are subject to confirmation from respective parties.

30. The erstwhile Director has filed a petition under Section 434 of Companies Act, 1956 for the outstanding loan of Rs. 31,10,000/-. The matter is sub-judice. However, the company has deposited the equivalent amount with the appropriate authority.

31. The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

As per our attached report of even date
For Singhi & Co.
 Chartered Accountants
 Firm Registration No. 302049E

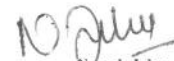

(N.K. Surana)
 Partner
 Membership No. 53816

Place Kolkata
 Dated: 16th May 2016

For and on behalf of the Board



Mahabir Prasad Jalan
 Director
 DIN No. 00354690


Anshu Prakash
 Director
 DIN No. 00375462


Pawan Kumar Kedia
 Director
 DIN No. 00375557

