



SOOD BRIJ AND ASSOCIATES

Chartered Accountants

C 72, NDSE, 2 New Delhi-110 049

Tel: 011-2625 1986, 011-2625 1604, 011-4611 4949 Fax: 011-2625 2043

Email: sbasanjay@rediffmail.com, aksoodsba@gmail.com

Independent Auditors' Report

To the Members of BLK Lifestyle Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **BLK Lifestyle Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss of the Company for the year ended on that date, the Cash Flow Statement of the Company for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters 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 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 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 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





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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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017;
- (ii) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters:-

We draw attention to the following matters in the notes to the financial statements.

Note 4 to the financial statement which indicates that the Company has accumulated losses and its net worth has been completely eroded. The Company has incurred a net Loss / net cash loss during the current year and in previous year(s). These conditions indicate the existence of material uncertainty casting doubt about the Company's ability to continue as a going concern. However the financial statements have been prepared as a going concern basis.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we annexed Annexure 'A' hereto a statement on the matters specified in para 3 and 4 of the said order.
- (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.





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- d) In our opinion the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31st March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to separate report in Annexure 'B' and
- g) with respect to the other matters included in the Auditor's Report 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 materially impact its financial position.
 - (ii) The company does not have any term contracts including derivative contracts for which there are any material foreseeable losses.
 - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
 - (iv) The company has provided requisite disclosure in its financial statements as to holdings as well as dealing in Specified Bank Notes during the period 8th November 2016 to 30th December 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note No. 26.12 to the standalone financial statements.

For Sood Brij & Associates
Chartered Accountants
Firm Regn. No. 00350N

A.K. Sood
Partner
M No.014372



Place : New Delhi
Dated : 27th May, 2017



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Annexure to the Auditors' Report

The Annexure referred to in our Auditors' Report of even date on the accounts for the year ended 31st March, 2017 of BLK Lifestyle Limited, New Delhi in pursuance to the Companies (Auditor's Report) order, 2016 on the matters specified in paragraphs 3 and 4 of the said order.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of information available.
- (b) The Company has a practice of physical verification of its fixed assets once in a year, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. In accordance with such practice, the management has physically verified fixed assets at the year end and no material discrepancies were noticed on such verification.
- (c) Title deed of all immovable properties of the Company are held in Company's name.
- (ii)(a) As explained to us, the stores and material at different sites have been physically verified by the management at the year-end.
- (b) In our opinion and according to information and explanations given to us, the Procedures of physical verification of stores and material followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to information and explanations given to us, the Company has maintained proper records of its inventories. Discrepancies noticed on physical verification of inventories were not material and have been properly dealt with in the books of accounts.
- (iii) The Company has not granted any loans, secured or unsecured to the companies, firm or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly sub clauses (a) , (b) and (c) are not applicable.
- (iv) The Company has complied with provisions of section 185 and 186 of the Companies Act, in respect of loans, investments, guarantees and security.
- (v) The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable.





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(vi) The Maintenance of cost record u/s 148(1) of the Companies Act, 2013 are not applicable on the Company.

(vii) (a) According to the information and explanations given to us, and on the basis of our examination of the books of account, there is no undisputed statutory dues outstanding for more than six months as on the date of Balance Sheet.

(b) According to the information and explanations given to us, there are disputed amount payable towards Income Tax, Service Tax, Central Excise, and Valued added tax as on the date of Balance Sheet in the following cases:-

| Name of the Statute | Nature of Dues | Period to which the amounts relates | Disputed Amount Not Deposited (Rs. in Lac) | Forum Where the Dispute is pending |
|---------------------|----------------|-------------------------------------|--|---|
| Excise, Jaipur | Excise | F.Y. 2009-10 | 2.01 | CESTAT, Jaipur |
| Service Tax, Jaipur | Service Tax | F.Y. 2011-12 | 6.31 | CESTAT, Jaipur |
| Service Tax, Noida | Service Tax | F.Y. 2012-13 | 25.88 | Commissioner Central Excise Appeal -I, Meerut |
| | | Total | 34.20 | |

(viii) The Company has defaulted in repayment of its dues to the Bank as under:-

| Name of Bank | Interest Amount (Rs.) | Period of Default |
|-----------------------|-----------------------|-------------------|
| IndusInd Bank Limited | 3,05,309 | 1 day |

(ix) According to the information and explanation given to us, No money was raised by way of initial public offer and Term Loans.

(x) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

(xi) No managerial remuneration has been paid by the Company as per provisions of Section 197 read with Schedule V of the Companies Act, 2013.

(xii) The Company is not the Nidhi Company and as such this clause is not applicable.

(xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and are disclosed in the financial statements.

(xiv) The Company during the year has not made any preferential, private placement, of shares or fully or partly convertible debentures during the year.





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(xv) The Company has not entered with any non-cash transaction with Directors or persons connected with them, during the year within the meaning of section 192 of the Companies Act, 2013.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Sood Bri j& Associates

Chartered Accountants

Firm Regn. No. 00350N


A.K. Sood

Partner

M No.014372



Place : New Delhi

Dated : 27th May,2017



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Chartered Accountants

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Annexure-B to the Auditors' 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 **BLK Lifestyle Limited** ("the Company") as of 31st March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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.





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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 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Sood Brij & Associates

Chartered Accountants

Firm Regn. No. 00350N

A.K. Sood

Partner

M No.014372



Place : New Delhi

Dated : 27th May, 2017

B L K LIFESTYLE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in Rs)

| Particulars | Note No. | Amount as at 31st March 2017 | Amount as at 31st March 2016 |
|-----------------------------------|----------|---------------------------------|---------------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholder's Funds | | | |
| (a) Share capital | 3 | 100,000,000 | 100,000,000 |
| (b) Reserves and surplus | 4 | (131,784,624) | (105,677,149) |
| | A | (31,784,624) | (5,677,149) |
| 2 Non-current Liabilities | | | |
| (a) Long-term borrowings | 5 | 127,610,000 | 121,940,000 |
| (b) Other Long term liabilities | 6 | 147,465,864 | 138,148,917 |
| (c) Long-term provisions | 7 | 1,716,801 | 1,680,184 |
| | B | 276,792,665 | 261,769,101 |
| 3 Current Liabilities | | | |
| (a) Short-term borrowings | 8 | 59,983,958 | 60,166,376 |
| (b) Trade payables | 9 | 50,483,929 | 54,202,773 |
| (c) Other current liabilities | 10 | 134,662,367 | 128,735,091 |
| | C | 245,130,254 | 243,104,240 |
| TOTAL(A+B+C) | | 490,138,295 | 499,196,192 |
| II. ASSETS | | | |
| Non-current Assets | | | |
| 1 (a) Fixed assets | | | |
| (i) Tangible assets | 11 | 68,011,250 | 74,761,647 |
| (ii) Intangible assets | | 2,788 | 7,638 |
| (b) Deferred tax assets (net) | | 47,175,267 | 49,324,215 |
| (c) Long Term Loans & Advances | 12 | 48,000,000 | 48,000,000 |
| | D | 163,189,306 | 172,093,500 |
| 2 Current Assets | | | |
| (a) Inventories | 13 | 145,117,461 | 146,888,597 |
| (b) Trade receivables | 14 | 108,388,471 | 108,806,887 |
| (c) Cash and cash equivalents | 15 | 9,120,454 | 12,839,134 |
| (d) Short-term loans and advances | 16 | 64,322,603 | 58,568,073 |
| | E | 326,948,989 | 327,102,691 |
| TOTAL(D+E) | | 490,138,295 | 499,196,192 |

General Information & Significant Accounting Policies

1 & 2

Other Notes To Accounts

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The Notes are an integral Part of these Financial Statements

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

For Sood Brij & Associates

Chartered Accountants

Firm registration No 00350N

A.K. Sood

Partner

Membership No 14372



Vinod Kashyap
Director
(DIN : 00038854)

For and on Behalf of the Board of Directors

Vineet Kashyap
Director
(DIN : 00038897)

Vikram Kashyap
Director
(DIN : 00038937)

Sharvan Kumar
Company Secretary
(M.No. A-39286)

Manoj Agrawal
Chief Financial Officer

Place : New Delhi

Date : 27th May, 2017

B L K LIFESTYLE LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in Rs)

| Particulars | Note No. | Year Ended 31st March 2017 | Year Ended 31st March 2016 |
|---|----------|-------------------------------|-------------------------------|
| I. Revenue from Operations | 17 | 180,991,558 | 193,033,637 |
| Less: Excise Duty | | 17,337,047 | 18,618,248 |
| II. Other Income | 18 | 163,654,511 | 174,415,389 |
| | | 6,529,584 | 7,113,568 |
| III. Total Revenue (I + II) | | 170,184,095 | 181,528,957 |
| IV. Expenses: | | | |
| Cost of Raw Materials Consumed | 19 | 112,662,615 | 117,043,209 |
| Changes in Inventories of WIP & Finished Goods | 20 | (5,429,446) | (344,987) |
| Sub - Contract Expenses | | 8,372,529 | 8,185,611 |
| Other Manufacturing Expenses | 21 | 10,076,905 | 11,499,496 |
| Employee Benefits Expense | 22 | 23,451,011 | 23,967,562 |
| Finance Costs | 23 | 22,369,103 | 22,246,945 |
| Depreciation and Amortization Expense | 11 | 7,301,674 | 8,602,380 |
| Administrative & Other Expenses | 24 | 15,338,230 | 16,212,606 |
| Total Expenses | | 194,142,622 | 207,412,822 |
| V. Profit before exceptional and extraordinary items and tax (III-IV) | | (23,958,527) | (25,883,865) |
| VI. Exceptional items | | | |
| VII. Profit before extraordinary items and tax (V - VI) | | (23,958,527) | (25,883,865) |
| VIII. Extraordinary Items | | - | - |
| IX. Profit before tax (VII- VIII) | | (23,958,527) | (25,883,865) |
| X Tax Expense: | | | |
| (1) Current tax | | - | - |
| (2) Deferred tax | | 2,148,948 | (8,174,144) |
| (3) Prior Period Tax Adjustment | | - | (59,834) |
| XI. Profit (Loss) for the period from continuing operations (IX-X) | | (26,107,475) | (17,649,887) |
| XII. Profit/(loss) from discontinuing operations | | - | - |
| XIII. Tax expense of discontinuing operations | | - | - |
| XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII) | | - | - |
| XV. Profit (Loss) for the period (XI + XIV) | | (26,107,475) | (17,649,887) |
| XVI. Earnings per equity share | | | |
| (1) Basic | | (5.22) | (3.53) |
| (2) Diluted | | (5.22) | (3.53) |
| Face Value of each Equity Share | | 10.00 | 10.00 |

General Information & Significant Accounting Policies

1 & 2

Other Notes To Accounts

25

The Notes are an integral part of these financial statements

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

For Sood Brij & Associates
Chartered Accountants
Firm registration No 00350N

A.K. Sood
Partner
Membership No 14372



Vineet Kashyap
Director
(DIN : 00038854)

For and on Behalf of the Board of Directors

Vineet Kashyap
Director
(DIN : 00038897)

Vikram Kashyap
Director
(DIN : 00038937)

Sharvan Kumar
Company Secretary
(M.No. A-39286)

Manoj Agrawal
Chief Financial Officer

Place : New Delhi

Date : 29 May, 2017

BLK LIFESTYLE LIMITED : NEW DELHI

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rs)

| PARTICULARS | 2016-17 | | 2015-16 | |
|---|---------|--------------|---------|--------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit/(Loss) before tax & extra-ordinary items | | (23,958,527) | | (25,883,865) |
| Adjustment for : | | | | |
| - Depreciation | | 7,301,674 | | 8,602,381 |
| - Impairment of Assets | | 39 | | |
| - Provision for employee benefits | | 36,617 | | 459,896 |
| - Interest Expenses | | 22,369,103 | | 22,246,945 |
| - Profit From Partnership Firm | | (713,981) | | (714,252) |
| - Loss/(Profit) on Fixed Assets / Investments sold | | | | |
| - Interest Received | | (4,933,989) | | (5,556,742) |
| | | 24,059,462 | | 25,038,228 |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE | | 100,936 | | (845,637) |
| Adjustment for : | | | | |
| - Decrease/(Increase) in Trade And Other Receivables | | (5,336,114) | | (9,867,826) |
| - Decrease/(Increase) in Inventories | | 1,771,135 | | (12,720,097) |
| - Increase/(Decrease) In Trade And Other Payables | | 11,525,378 | | 7,960,400 |
| CASH GENERATED FROM OPERATIONS | | 8,061,336 | | 18,631,110 |
| - Advance Tax / Wealth Tax Paid | | | | (59,834) |
| NET CASH FROM OPERATING ACTIVITIES | | 8,061,336 | | 18,690,944 |
| B CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| - Proceeds from Sale of Fixed Assets | | | | |
| - Profit & Loss From Partnership Firm | | 713,981 | | 714,252 |
| - Interest Received | | 4,933,989 | | 5,556,742 |
| - Purchase of Fixed Assets | | (546,466) | | (1,925,090) |
| NET CASH (USED IN)/FROM INVESTING ACTIVITIES | | 5,101,504 | | 4,345,904 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| - Proceeds from Borrowings | | 5,487,583 | | (507,790) |
| - Interest and Finance Charges Paid | | (22,369,103) | | (22,246,945) |
| NET CASH (USED IN)/FROM FINANCING ACTIVITIES | | (16,881,520) | | (22,754,735) |
| NET INCREASE IN CASH AND EQUIVALENTS | | (3,718,680) | | 282,113 |
| CASH AND CASH EQUIVALENTS (OPENING BALANCE) | | 12,839,134 | | 12,557,021 |
| CASH AND CASH EQUIVALENTS (CLOSING BALANCE) | | 9,120,454 | | 12,839,134 |
| Notes : | | | | |
| 1) Cash and cash equivalents include :- | | | | |
| Cash, cheque in hand and remittance in transit | | 1,093,527 | | 3,304,118 |
| Balance with Schedule Banks, Cheques in Hand & Fixed Deposits | | 8,026,927 | | 9,535,016 |
| Total | | 9,120,454 | | 12,839,134 |

This is the Cash Flow statement referred to in our report of even Date

For Sood Brij & Associates
Chartered Accountants
Firm registration No 00350N

A.K. Sood
Partner
Membership No 14372



Vinod Kashyap
Director
(DIN : 00038854)

For and on Behalf of the Board of Directors

Vineet Kashyap
Director
(DIN : 00038897)

Vikram Kashyap
Director
(DIN : 00038937)

Sharvan Kumar
Company Secretary
(M.No. A-39286)

Manoj Agrawal
Chief Financial Officer

Place : New Delhi

Date : 29 May, 2017

Notes to the Financial Statements for the Year Ended March 31, 2017

1. General Information

B L K Lifestyle Limited (CIN U20299DL2000PLC106779) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It is 100% subsidiary of B.L.Kashyap And Sons Limited.

2. SIGNIFICANT ACCOUNTING POLICIES

The Company follows mercantile basis of accounting. The accounts are prepared on historical cost basis, on going concern basis and are consistent with generally accepted accounting principles and materially comply with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions thereof. The significant accounting policies followed by the Company are as stated below:

2.1 Fixed Assets

Fixed Assets are shown at cost less accumulated depreciation. Cost comprises of purchase price, import duties and other non refundable taxes or levies and any other directly attributable costs.

2.2 Depreciation

- (a) The Company follows the written Down value method in computing Depreciation.
- (b) Depreciation is computed on the basis of useful lives of the Tangible Assets which are in accordance with part 'C' of Schedule II of the Companies Act, 2013.
- (c) Depreciation is computed on intangible Assets in accordance with the Accounting Standard 26.
- (d) The Depreciation is computed on computer software on the basis of expired period of license to use and / or the expired life the assets.
- (e) Items of Fixed Assets costing upto Rs.5,000/- are depreciated at the rate 100% in the year of purchase.
- (f) The residual value of an asset shall not be more than five percent of the original cost of the asset.
- (g) Leasehold improvements are written off over the lease period.

2.3 Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

2.4 Inventories

Raw Material and Finished Goods at sites are valued at lower of cost and net realizable value. Work-in-progress is valued at cost.

2.5 Revenue & Expenditure Recognition

2.5.1 Job work revenue is accounted using percentage of completion method and on the basis of running bills raised and approved by clients. Revenue Expenditure is accounted on accrual basis as it is incurred.

2.5.2 Sales Revenue

Sales are recognized at the time when the goods are transferred to the buyer for a price alongwith significant risks and rewards of the ownership with no effective control of the goods transferred.



2.5.3 Dividend

Income from dividend is recognized when the right to payment is established.

2.6 Provisions

Provisions are made on mercantile basis on present obligation as a result of past event and there is reasonable certainty that an outflow of resources embodying economic benefits will be required to settle the obligation for which reliable estimate can be made of the amount out of obligation.

2.7 Government Grants

Government grants are recognized when there is reasonable assurance that:

- i) The company will comply with the conditions attached to them and
- ii) The Grant will be received.

2.8 Contingent Liabilities and Assets

Are recognized only when there is reasonable certainty that the company will be liable or entitled to the claims made against or by the company in respect of any dispute arising during the course of business.

2.9 Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired.

2.10 Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialize.

2.11 Provision for Current and Deferred Tax

Provision for Current Income Tax is made after taking into consideration various allowances and disallowances as per provision of the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

2.12 Employees Retirement Benefits

Retirement Gratuity and Leave Encashment: The Company has accounted for liabilities towards Gratuity and Leave Encashment on the basis of actuarial valuations in accordance with the Accounting Standard-15 issued by the Institute of Chartered Accountants of India.

2.13 Cash Flow Statement

Cash Flows are prepared as per the indirect method as specified in the Accounting Standard (AS-3) 'Cash Flow Statement'

2.14 Foreign Currency Transactions

- (i) Initial Recognition

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



(ii) Conversion

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

(iii) Exchange Difference

Exchange difference arising on settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.



Note 3 Share Capital

(Amount In Rs)

| Share Capital | As at 31st March 2017 | | As at 31st March 2016 | |
|---|-----------------------|--------------------|-----------------------|--------------------|
| | Number | Amount | Number | Amount |
| Authorised | | | | |
| 8 % Non- Cumulative Preference Non convertible, redeemable Preference Shares of Rs. 10 each | 5,000,000 | 50,000,000 | 5,000,000 | 50,000,000 |
| Equity Shares of Rs. 10 each | 5,000,000 | 50,000,000 | 5,000,000 | 50,000,000 |
| Issued, Subscribed & Paid up | | | | |
| 8 % Non- Cumulative Preference Non convertible, redeemable Preference Shares of Rs. 10 each | 5,000,000 | 50,000,000 | 5,000,000 | 50,000,000 |
| 50,00,000 Equity Shares of Rs. 10 each | 5,000,000 | 50,000,000 | 5,000,000 | 50,000,000 |
| Total | 10,000,000 | 100,000,000 | 10,000,000 | 100,000,000 |

A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

| Particulars | Equity Shares | | Preference Shares | |
|---|---------------|------------|-------------------|------------|
| | Number | Amount | Number | Amount |
| Shares outstanding at the beginning of the year | 5,000,000 | 50,000,000 | 5,000,000 | 50,000,000 |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 5,000,000 | 50,000,000 | 5,000,000 | 50,000,000 |

B. Terms / Rights attached to Shares

The company has two classes of shares namely Equity & Preference, both have a par value of Rs 10 per share each.

- Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees.
- 8 % Non- Cumulative Preference Non convertible redeemable Preference Shares of Rs. 10 each are redeemable @20% each year with effect from 1st April 2018.

C. Details of shareholders holding more than 5% shares in the company

5,000,000 Equity Shares (Previous year 5,000,000) are held by B L Kashyap and Sons Ltd., the holding company and its Nominees.

5,000,000 8 % Preference Shares (Previous year 5,000,000) are held by B L Kashyap and Sons Ltd., the holding company.

| Name of Shareholder | As at 31st March 2017 | | As at 31st March 2016 | |
|--|-----------------------|--------------|-----------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| B.L. KASHYAP AND SONS LIMITED (EQUITY SHARES) | 5,000,000 | 100 | 5,000,000 | 100 |
| B.L. KASHYAP AND SONS LIMITED (PREFERENCE SHARES) | 5,000,000 | 100 | 5,000,000 | 100 |



Note 4 Reserves & Surplus

| Particulars | (Amount in Rs) | |
|--|-----------------------|-----------------------|
| | As at 31st March 2017 | As at 31st March 2016 |
| | Amount | Amount |
| Surplus | | |
| Opening Balance | (105,677,149) | (88,027,262) |
| (+) Net Profit/(Net Loss) For the current year | (26,107,475) | (17,649,887) |
| Total | (131,784,624) | (105,677,149) |

Note 5 Long Term Borrowings

| Particulars | (Amount in Rs) | |
|--|-----------------------|-----------------------|
| | As at 31st March 2017 | As at 31st March 2016 |
| | Amount | Amount |
| Unsecured Loans & Advances | | |
| From Related Parties | | |
| (a) Inter Corporate Deposit from Holding Company - B L Kashyap & Sons Ltd. | 113,145,000 | 113,145,000 |
| (b) From Soul Space Projects Ltd. | 11,185,000 | 7,785,000 |
| (c) From Directors | 3,280,000 | 1,010,000 |
| Total | 127,610,000 | 121,940,000 |

Unsecured Long Term Loans from Holding Company and others including interest are repayable on demand. This has been classified as 'Long Term Loans' as the company has obtained the view from holding company's management that considering tight liquidity position of the Company there is no likelihood of their asking for its repayment, atleast with in next 4 years.

Note 6 Other Long term Liabilities

| Particulars | (Amount in Rs) | |
|--|-----------------------|-----------------------|
| | As at 31st March 2017 | As at 31st March 2016 |
| | Amount | Amount |
| Interest Payable on Inter Corporate Deposits | 110,117,415 | 96,654,428 |
| Sundry Creditors(Long Term) | 37,348,449 | 41,494,489 |
| Total | 147,465,864 | 138,148,917 |

In the opinion of management, the Sundry Creditors Trade (Long Term) payable are those Sundry Creditors which are outstanding for a period of more than one year and hence not in operating cycle of the company.

Note 7 Long Term Provisions

| Particulars | (Amount in Rs) | |
|-----------------------------------|-----------------------|-----------------------|
| | As at 31st March 2017 | As at 31st March 2016 |
| | Amount | Amount |
| Provision for Employees' Benefits | | |
| Gratuity (Unfunded) | 1,665,086 | 1,548,066 |
| Leave Encashment (Unfunded) | 51,715 | 132,118 |
| Total | 1,716,801 | 1,680,184 |



Note 8 Short Term Borrowings

| Particulars | (Amount in Rs) | |
|--|-----------------------|-----------------------|
| | As at 31st March 2017 | As at 31st March 2016 |
| | Amount | Amount |
| Secured | | |
| Cash Credit from Indusind Bank Ltd. (Secured against hypothecation of Stock, Work in progress, Book Debts From Indusind Bank and on personal guarantee of Directors) | 29,983,958 | 30,166,376 |
| Short Term Loan from Indusind Bank Ltd. (Secured against hypothecation of Current Assets and on Personal Guarantee of Directors & Corporate Guarantee of B.L.Kashyap & Sons Ltd (Holding Company) | 30,000,000 | 30,000,000 |
| Total | 59,983,958 | 60,166,376 |

- i) The loan from Indusind Bank Limited of Rs.3,00,00,000 is repayable within one year under renewal from the date of disbursement.
- ii) The Company has defaulted in payment of interest of Rs. 3,05,309 to Indusind Bank Limited by 1 day against Short Term Loan.

Note 9 Trade Payables

| Particulars | (Amount in Rs) | |
|------------------|-----------------------|-----------------------|
| | As at 31st March 2017 | As at 31st March 2016 |
| Sundry Creditors | 50,483,929 | 54,202,773 |
| Total | 50,483,929 | 54,202,773 |

Note 9.1 The Company has a process of obtaining confirmation from suppliers who have registered themselves under the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act' 2006), based on the information available with the Company, the balance due to Micro, Small & Medium Enterprises as defined under MSMED Act, 2006 is as under (As certified by the Management)

| S No. | Details of Dues to Micro, Small and Medium Enterprises As per MSMED Act, 2006 | (Amount in Rs) | |
|-------|---|-----------------------|-----------------------|
| | | As at 31st March 2017 | As at 31st March 2016 |
| i | The Principal amount and the interest due thereon remaining unpaid to any Suppliers as at the end of Year. Principal Amount Unpaid: Interest Due | 4,066,001 413,853 | 165,301 19,548 |
| ii | The amount of interest paid by the buyer in terms of section-16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the each accounting year. | - | - |
| iii | The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year,) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006 | - | - |
| iv | The amount of interest accrued and remaining unpaid at the end of the year and | 1,835,874 | 1,422,021 |
| v | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above or actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 Micro, Small and Medium Enterprises Development Act, 2006 | - | - |

Note 10 Other Current Liabilities

| Particulars | (Amount in Rs) | |
|-------------------------------|-----------------------|-----------------------|
| | As at 31st March 2017 | As at 31st March 2016 |
| | Amount | Amount |
| -Expenses Payable | 7,627,873 | 7,019,334 |
| -Interest Accrued & Due | 305,309 | 941,434 |
| -Statutory Liabilities | 994,223 | 1,949,954 |
| -Advance Taken From Customers | 125,734,962 | 118,824,369 |
| Total | 134,662,367 | 128,735,091 |



BLK Lifestyle Ltd.

Fixed Assets as at March, 31st March, 2017

| Particulars | GROSS BLOCK AT COST | | | DEPRECIATION | | | WRITTEN DOWN VALUE | | |
|-------------------------------------|---------------------|----------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|-------------------|
| | As at 1.4.2016 | Additions | Sales / Adjustment | Total | As at 1.4.2016 | Sales / Adjustment | Total | As at 31.03.2017 | As at 31.3.2016 |
| TANGIBLE ASSETS | | | | | | | | | |
| Land | 25,595,773 | - | - | 25,595,773 | - | - | - | 25,595,773 | 25,595,773 |
| Building | 43,671,878 | - | - | 43,671,878 | - | - | - | 17,693,654 | 19,550,999 |
| Machinery | 127,930,308 | 546,466 | - | 128,476,774 | - | - | - | 23,608,033 | 28,246,444 |
| Air Conditioner | 118,000 | - | - | 118,000 | - | - | - | 8,553 | 16,780 |
| Computer | 1,275,221 | - | - | 1,275,221 | - | - | - | 18,857 | 60,770 |
| Fans / Cooler | 186,738 | - | 186,738 | 3,103,408 | - | - | 186,715 | (0) | 2,701 |
| Vehicles-Four Wheels | 3,103,408 | - | - | 3,103,408 | - | - | 2,925,325 | 178,083 | 258,952 |
| Vehicles-Two Wheels | 46,279 | - | 46,279 | 2,844,466 | - | - | 46,277 | (0) | 9,276 |
| Furniture & Fixture | 2,646,027 | - | - | 2,646,027 | - | - | 2,488,193 | 157,834 | 212,973 |
| Television | 77,001 | - | 77,001 | 77,000 | - | - | 76,999 | (0) | 1 |
| Cell Phones | 52,854 | - | 52,854 | 890,543 | - | - | 52,842 | (0) | 12 |
| Office Equipments | 890,543 | - | - | 890,543 | - | - | 840,079 | 50,464 | 106,966 |
| (A)- Total Tangible Assets | 206,584,229 | 546,466 | 362,872 | 206,177,623 | 139,632,382 | 362,833 | 7,286,824 | 67,311,280 | 74,061,847 |
| INTANGIBLE ASSETS | | | | | | | | | |
| COMPUTERS SOFTWARE | 283,475 | - | - | 283,475 | 275,836 | - | 4,850 | 2,788 | 7,639 |
| (B)- Total Intangible Assets | 283,475 | - | - | 283,475 | 275,836 | - | 4,850 | 2,788 | 7,639 |
| Add: | | | | | | | | | |
| Advance for Land | 700,000 | - | - | 700,000 | - | - | - | 700,000 | 700,000 |
| Capital Work in Progress | - | - | - | - | - | - | - | - | - |
| Pre - Operative Expnses | - | - | - | - | - | - | - | - | - |
| Total (C) | 700,000 | - | - | 700,000 | - | - | - | 700,000 | 700,000 |
| Grand Total (A+B+C) | 206,577,504 | 546,466 | 362,872 | 206,761,098 | 131,808,218 | 362,833 | 7,301,674 | 68,014,039 | 74,769,286 |
| Previous Year | 172,748,177 | 41,981,808 | 10,389,373 | 206,577,504 | 69,100,865 | - | 14,127,183 | 700,000 | 74,769,286 |



Note 12 Long Term Loans & Advances

| Particulars | (Amount in Rs) | |
|--|---------------------------------|---------------------------------|
| | As at 31st March 2017 Amount | As at 31st March 2016 Amount |
| Loans and Advances to Related Party (Unsecured, considered good) Soul Space Realty Ltd-Inter Corporate Deposit | 3,000,000 | 3,000,000 |
| Loans and Advances to Others (Unsecured, considered good, repayment on demand) Intercompany Deposits (V C Solutions Pvt. Ltd.) | 45,000,000 | 45,000,000 |
| Total | 48,000,000 | 48,000,000 |

Long Term Loan and advances given to related party which is recoverable on demand have been classified as Long Term Loan and Advances, as the management is of the view that there is no likelihood of asking for its repayment, atleast within next 12 months.

Note 13 Inventory (Taken, Valued and Certified by the Management)

| Particulars | (Amount in Rs) | |
|--|---------------------------------|---------------------------------|
| | As at 31st March 2017 Amount | As at 31st March 2016 Amount |
| a. Raw Materials and Components (Valued at lower of Cost and Net Realisable Value) | 55,936,126 | 63,136,707 |
| b. Work-in-Progress (Valued at Cost) | 69,908,117 | 64,018,636 |
| c. Finished Goods (Valued at lower of Cost and Net Realisable Value) | 19,273,218 | 19,733,254 |
| Total | 145,117,461 | 146,888,597 |

Note 14 Trade Receivables

| Particulars | (Amount in Rs) | |
|---|---------------------------------|---------------------------------|
| | As at 31st March 2017 Amount | As at 31st March 2016 Amount |
| -Unsecured, considered good Trade receivables outstanding for a period less than six months from the date they are due for payment | 4,916,025 | 8,776,235 |
| Trade receivables outstanding for a period exceeding six months from the date they are due for payment | 103,472,446 | 100,030,652 |
| Total | 108,388,471 | 108,806,887 |

Note 15 Cash & Cash Equivalents

| Particulars | (Amount in Rs) | |
|--|---------------------------------|---------------------------------|
| | As at 31st March 2017 Amount | As at 31st March 2016 Amount |
| A) Balances with Banks Earmarked Balances - Fixed Deposit | 6,107,315 | 1,266,236 |
| Bank Balances | 1,919,612 | 8,268,780 |
| B) Cash on Hand | 1,093,527 | 3,304,118 |
| Total | 9,120,454 | 12,839,134 |

The Fixed deposits are pledged with State Authorities.



Note 16 Short term Loans & Advances

(Amount in Rs)

| Particulars | As at 31st March 2017 | As at 31st March 2016 |
|--------------------|-----------------------|-----------------------|
| | Amount | Amount |
| Security Deposit | 7,684,312 | 7,258,428 |
| Advance to Vendors | 6,013,774 | - |
| Others | 50,624,517 | 51,309,645 |
| Total | 64,322,603 | 58,568,073 |

Note 17 Revenue From Operations

(Amount in Rs)

| Particulars | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|--------------|------------------------------------|------------------------------------|
| | Amount | Amount |
| Sales | 173,150,437 | 156,998,499 |
| Job Receipts | 7,841,121 | 17,416,890 |
| Total | 180,991,558 | 174,415,389 |

Note 18 Revenue From Other Operations

(Amount in Rs)

| Particulars | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|------------------------------------|------------------------------------|
| | Amount | Amount |
| Interest Income | 4,933,989 | 5,556,742 |
| Share of Profit From Partnership Firm | 713,981 | 714,252 |
| Other Non-operating Income (net of expenses directly attributable to such income) | 801,211 | 842,574 |
| Excess Provision of Employee's Benefit Written Back | 80,403 | - |
| Total | 6,529,584 | 7,113,568 |

Note 19 Cost of Raw Material Consumed

(Amount in Rs)

| Particulars | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|----------------------------------|------------------------------------|------------------------------------|
| | Amount | Amount |
| Cost of Material Consumed | | |
| Opening Cost of Material | 63,136,707 | 50,761,597 |
| Add : | | |
| Purchases | | |
| Aluminium | 1,251,965 | 2,792,847 |
| UPVC | 42,344,913 | 59,153,198 |
| Steel | 4,665,954 | 7,465,926 |
| Wood | 233,574 | 99,015 |
| Board | 1,703,362 | 1,550,958 |
| Others | 55,262,267 | 58,356,375 |
| | 168,598,742 | 180,179,916 |
| Less : Closing Stock of Material | 55,936,126 | 63,136,707 |
| Total | 112,662,615 | 117,043,209 |



Note 20 Changes in Inventories of WIP & Finished Goods

| Particulars | (Amount in Rs) | |
|------------------|---------------------------------------|---------------------------------------|
| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
| | Amount | Amount |
| Opening | | |
| Work In Progress | 64,018,636 | 63,175,731 |
| Finished Goods | 19,733,254 | 20,231,172 |
| Less : Closing | 83,751,889 | 83,406,903 |
| Work In Progress | 69,908,117 | 64,018,636 |
| Finished Goods | 19,273,218 | 19,733,254 |
| Total | 89,181,335 | 83,751,889 |
| | (5,429,446) | (344,987) |

Note 21 Other Manufacturing Expenses

| Particulars | (Amount in Rs) | |
|----------------------------------|---------------------------------------|---------------------------------------|
| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
| | Amount | Amount |
| Wages including Welfare Expenses | 2,413,949 | 3,043,543 |
| Purchase Consumables | 595,168 | 821,620 |
| Power & Fuel | 2,544,311 | 2,070,711 |
| Repair & Maintenance- Machine | 338,660 | 223,111 |
| Other Expenses | 4,184,817 | 5,340,511 |
| Total | 10,076,905 | 11,499,496 |

Note 22 Employees Remuneration & Benefits

| Particulars | (Amount in Rs) | |
|------------------------------------|---------------------------------------|---------------------------------------|
| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
| | Amount | Amount |
| <u>Salaries & Wages -Staff</u> | | |
| Salary | 21,607,266 | 20,612,702 |
| Staff Welfare | 165,171 | 169,864 |
| Medical Expenses | 39,522 | 130,269 |
| E.P.F. Contribution | 974,254 | 1,720,945 |
| Bonus | 410,597 | 873,886 |
| Gratuity | 254,201 | 395,587 |
| Leave Encashment Expenses | - | 64,309 |
| Total | 23,451,011 | 23,967,562 |

Note 23 Finance Cost

| Particulars | (Amount in Rs) | |
|-----------------------|---------------------------------------|---------------------------------------|
| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
| | Amount | Amount |
| Interest Expenses | 22,324,618 | 22,220,254 |
| Other Borrowing Costs | 44,485 | 26,691 |
| Total | 22,369,103 | 22,246,945 |



Note 24 Administrative & Other Expenses

(Amount in Rs)

| Particulars | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|-----------------------------------|---------------------------------------|---------------------------------------|
| | Amount | Amount |
| Brokerage and Commission Expenses | - | 45,000 |
| Charity and Donation | 1,100 | - |
| Computer Repair & Maintenance | 55,518 | 54,022 |
| Conveyance Expenses | 378,373 | 436,208 |
| Filing Fees | 2,572 | 4,612 |
| General Expenses | 146,732 | 129,588 |
| Interest Paid | 497,312 | 457,651 |
| Insurance Expenses | 294,185 | 397,508 |
| Legal & Professional Expenses | 233,216 | 500,284 |
| License Fees | 9,450 | 10,311 |
| Newspaper & Periodicals Expenses | 47,340 | 3,630 |
| Office Expenses | 398,526 | 156,725 |
| Postage & Courier Charges | 102,251 | 163,506 |
| Printing & Stationery | 76,344 | 135,307 |
| Rates & Taxes | 85,035 | 89,107 |
| Rent | 8,811,402 | 8,374,596 |
| Rent of Guest House | 1,206,026 | 717,340 |
| Security Charges | 1,594,064 | 1,651,437 |
| Telephone & Mobile Charges | 227,091 | 271,361 |
| Director's Sitting Fee | 25,000 | 27,500 |
| Travelling Expenses | 616,632 | 1,812,132 |
| Vehicle Running & Maintenance | 338,951 | 358,896 |
| Sales Tax Expenses | 169 | 251,155 |
| Swachh Bharat Cess - Expense | 54,236 | 18,450 |
| Guest House Expense | 6,705 | 16,281 |
| Auditor's Remuneration | | |
| - Audit Fees | 130,000 | 130,000 |
| Total | 15,338,230 | 16,212,606 |

Note 24.1 PAYMENT TO AUDITORS

(Amount in Rs)

| Particulars | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|----------------------|---------------------------------------|---------------------------------------|
| | Amount | Amount |
| Statutory Audit Fees | 130,000 | 130,000 |
| Total | 130,000 | 130,000 |



25.1 Contingent liabilities

A Claims against the company not acknowledged as debt:

- (a) Liability in respect of Service Tax Demand not acknowledged Rs. 34,18,873/- (Previous Year Rs. 8,32,244/-)

B Guarantees:

Liability in respect of Bank Guarantees is Rs. 1,00,000 (Previous Year - Rs 1,25,000).

C Other Money for which the Company is liable:

Estimated amount of contracts remaining to be executed on Capital Account and not Provided for is NIL (Previous Year - NIL).

25.2 Related Party Disclosure

A) List of Related Parties

(i) Holding Company

B. L. Kashyap And Sons Ltd.

Status

Limited Company

(ii) Associates

Status

| | |
|---|-------------------------|
| (a) B.L.K. Financial Services Limited | Limited Company |
| (b) Soul Space Projects Ltd. | Limited Company |
| (c) Soul Space Realty Ltd. | Limited Company |
| (d) Soul Space Hospitality Ltd. | Limited Company |
| (e) B.L.K. Securities Private Limited | Private Limited Company |
| (f) Ahuja Kashyap Malts Pvt. Ltd. | Private Limited Company |
| (g) Bezel Investments & Finance Pvt. Ltd. | Private Limited Company |
| (h) B.L. Kashyap & Sons | Partnership Firm |
| (i) Aiyana Trading Pvt. Ltd. | Private Limited Company |
| (j) Chrysalis Trading Pvt. Ltd. | Private Limited Company |
| (k) Chrysalis Realty Projects (P) Ltd. | Private Limited Company |
| (l) Security Information Systems (India) Ltd. | Limited Company |
| (m) Kasturi Ram Harbals Industries | Partnership Firm |
| (n) Eon Auto Industries Pvt. Ltd. | Private Limited Company |
| (o) BLK Infrastructure Limited | Limited Company |
| (p) Suryakant Kakade and Soul Space | Partnership Firm |
| (q) BLK-NCC Consortium | Association of Persons |
| (r) BLK-BILIL Consortium | Association of Persons |
| (s) Behari Lal Kashyap (HUF) | HUF |
| (t) Becon (I) | Partnership Firm |
| (u) B L Kashyap & Sons Software Pvt Ltd | Private Limited Company |
| (v) Baltic Motor Private Limited | Private Limited Company |

(iii) Key Management Personnel

| | |
|------------------------|----------|
| a) Mr. Vinod Kashyap | Director |
| b) Mr. Vineet Kashyap | Director |
| c) Mr. Vikram Kashyap | Director |
| d) Mr. Nitin Sondhi | Director |
| e) Mrs. Amrita Kashyap | Director |

(iv) Relatives of Key Management Personnel, if could influence

a) Ms. Anjoo Kashyap

Wife of Mr. Vinod Kashyap



- | | |
|-------------------------------|--------------------------------|
| b) Ms. Aradhana Kashyap | Wife of Mr. Vineet Kashyap |
| c) Mr. Mohit Kashyap | Son of Mr. Vinod Kashyap |
| d) Ms. Nitika Nayar Kashyap | Wife of Mr. Mohit Kashyap |
| e) Ms. Malini Kashyap Goyal | Daughter of Mr. Vinod Kashyap |
| f) Mr. Saurabh Kashyap | Son of Mr. Vineet Kashyap |
| g) Ms. Mayali Kashyap | Wife of Mr. Saurabh Kashyap |
| h) Ms. Shruti Choudhari | Daughter of Mr. Vineet Kashyap |
| i) Ms. Sanjana Kashyap Kapoor | Daughter of Mr. Vikram Kashyap |
| j) Mr. Sahil Kashyap | Son of Mr. Vikram Kashyap |
| k) Ms. Amrita Kashyap | Wife of Mr. Vikram Kashyap |

B. Transactions with related parties during the year

(Rs in Lakhs)

| Particulars | Holding | Associates | Key Management | Relatives | Total |
|--|----------|------------|----------------|-----------|----------|
| Job Reciept Booked | (28.96) | | | | (28.96) |
| Sale of Material | 131.54 | 9.23 | | | 140.76 |
| | (17.01) | (44.91) | | | (61.92) |
| Purchase of Material | | 142.53 | | | 142.53 |
| | | (162.81) | | | (162.81) |
| Inter Corporate Deposit Taken | | 34.00 | | | 34.00 |
| | (330.00) | (77.85) | | | (407.85) |
| Inter Corporate Deposit Matured | | | | | - |
| | (335.00) | (60.00) | | | (395.00) |
| Inter Corporate Deposit Given | | | | | - |
| | | (42.15) | | | (42.15) |
| Interest Income on Inter Corporate Given | | 3.30 | | | 3.30 |
| | | (1.67) | | | (1.67) |
| Interest Expenses on Inter Corporate Taken | 124.46 | 9.06 | | | 133.52 |
| | (125.90) | (4.25) | | | (130.14) |
| Profit Received from Partnership firm | | 7.14 | | | 7.14 |
| | | (7.14) | | | (7.14) |
| Rent Paid | | 9.72 | 5.60 | | 15.32 |
| | | (9.72) | | | (9.72) |
| Loan Taken From Director | | | 29.25 | | 29.25 |
| | | | (9.75) | | (9.75) |
| Loan Repay To Director | | | 6.55 | | 6.55 |
| | | | (27.65) | | (27.65) |



C Balance with related parties as at March 31, 2017

Rs. In Lakhs

| Particulars | Holding | Associates | Key Management | Relatives | Total |
|--|------------------------|--------------------|------------------|-----------|------------------------|
| Trade receivables, Unbilled revenue, Loan and advances, Other assets (net) | | 34.97 (78.47) | | | 34.97 (78.47) |
| Trader Payable, Income received in advance, Advances from customers, Other Liabilities | 2,528.22 (2,420.65) | 252.96 (144.95) | 32.80 (10.10) | | 2,813.98 (2,575.70) |

(Amount in brackets are that of previous year)

In respect of above parties, there is no provision for doubtful debts as on 31-03-2017 and no amount is written off or written back during the year in respect of debt/loan & advances due from/to them.

25.3 Statement of investment in partnership firm -

| Name of the Firm | Name of Partners | Capital Investments | Profit Sharing Ratio |
|-------------------------------|----------------------------------|---------------------|----------------------|
| Kasturi Ram Herbal Industries | 1. Kasturi Ram Herbal Industries | Nil | 5% |
| | 2. B L K Lifestyle Limited | Nil | 95% |

25.4 The Company has constructed building on the land against which the company has entered into "Agreement to Sell" with the seller, Pending execution and registration of sale deed in company's name, a lease agreement has been executed, to enable the company to construct building there upon.

25.5 Balances of the Parties are subject to Confirmation.

25.6 In the opinion of the Board of Directors all its assets other than Fixed Assets and Non Current Investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

25.7 Consumption of Materials:

| Items | Imported (Rs.) | Indigenous (Rs.) | Total (Rs.) | % of Consumption of Imported Material |
|--------------|-----------------|--------------------------------|--------------------------------|---------------------------------------|
| Raw Material | 3,99,515 (0) | 11,22,63,100 (11,70,43,209) | 11,26,62,615 (11,70,43,209) | 0.35 0 |

(Amounts in bracket are that of previous year.)



25.8 The following tables set out the status of the Gratuity/ Leave Encashment plan and other benefits as required under the revised Accounting Standard -15 issued by The Institute of Chartered Accountants of India.

a) Gratuity Liability as Recognized in the Balance Sheet:-

| Sl. No. | Assets / Liability | 31 st March 2017 | 31st March 2016 |
|---------|--|-----------------------------|-----------------|
| A | Present value of obligation | (16,65,086) | (15,48,066) |
| B | Fair Value of Assets | - | - |
| C | Net assets / (liability) recognized in balance sheet | (16,65,086) | (15,48,066) |

b) Gratuity Expense recognized in the statement of Profit and Loss Account

| Sl. No | Particulars | 31 st March, 2017 | 31st March 2016 |
|--------|---|------------------------------|-----------------|
| a) | Present value of obligation as at the beginning of the period (1st April, 2016) | 15,48,066 | 11,52,479 |
| b) | Acquisition adjustment | - | - |
| c) | Interest cost | 1,13,938 | 91,161 |
| d) | Past service cost | - | - |
| e) | Current service cost | 2,45,788 | 3,06,735 |
| f) | Benefits paid | (1,37,181) | - |
| g) | Actuarial (gain)/loss on obligation | (1,05,525) | (2,309) |
| h) | Present value of obligation as at the end of period (31st March, 2017) | 16,65,086 | 15,48,066 |
| i) | Expenses recognized in the statement of profit & losses | 2,54,201 | 3,95,587 |

c) Leave Encashment Liability recognized in the Balance Sheet:-

| Sl. No | Particulars | 31 st March, 2017 | 31st March 2016 |
|--------|---|------------------------------|-----------------|
| a) | Present value of obligation as at the end of the period | 51,715 | 1,32,118 |
| b) | Fair value of plan assets as at the end of the period | - | - |
| c) | Funded status | (51,715) | (1,32,118) |
| d) | Excess of actual over estimated | - | - |
| e) | Unrecognized actuarial (gains)/losses | - | - |
| f) | Net asset/(liability) recognized in balance sheet | (51,715) | (1,32,118) |



d) Leave Encashment Expense recognized in the statement of profit and loss:-

| Sl. No | Particulars | 31 st March, 2017 | 31 st March, 2016 |
|--------|---|---------------------------------|---------------------------------|
| a) | Current service cost | 11,907 | 46,424 |
| b) | Past service cost | - | - |
| c) | Interest cost | 9,724 | 5,364 |
| d) | Expected return on plan assets | - | - |
| e) | Curtailement cost / (Credit) | - | - |
| f) | Settlement cost / (credit) | - | - |
| g) | Net actuarial (gain)/ loss recognized in the period | (1,02,034) | 12,521 |
| h) | Expenses recognized in the statement of profit & losses | (80,403) | 64,309 |

25.09 Earnings per Share (EPS)

(Amount in Rs.)

| Particulars | 2016-2017 | 2015-2016 |
|--|---------------|---------------|
| a. Net Profit available for Equity Shareholders | (2,61,07,475) | (1,76,49,887) |
| b. Number of Equity Shares used as denominator for calculation of EPS | 50,00,000 | 50,00,000 |
| c. Basic and Diluted Earnings per Share of face value of Rs.10/- each (previous year face value of Rs. 10/-each) | (5.22) | (3.53) |

25.10 Segment Reporting: The Company has one reportable segment to the Board of Directors namely revenue from manufacturing and executing contracts of hard furnishing in India.

25.11 Impairment of Assets: The Company has identified certain assets which in opinion of the management have no economic performance or worse than expected have been impaired totally with NIL as carrying amount.

25.11 Additional information pursuant to Para 5 of Part II of Schedule III to the Companies Act, 2013 to the extent applicable.

| Expenditure in Foreign Currency on account of (Amount in Rs.) | 2016-17 | 2015-16 |
|---|----------|-----------|
| Purchase of Raw Material | 3,99,515 | - |
| Purchase of Fixed Assets | - | 17,35,904 |



25.12 Details of Specified Bank Notes (SBN) held and transacted during the period 8th November 2016 to 30th December 2016 :-

(Amount in Rs.)

| Particulars | SBNs | Other denomination notes | Total |
|---------------------------------------|-----------|--------------------------|-----------|
| Closing cash in hand as on 08-11-2016 | 29,50,000 | 3,52,786 | 33,02,786 |
| (+) Permitted receipts | - | - | - |
| (-) Permitted payments | - | - | - |
| (-) Amount deposited in Banks | 29,50,000 | - | 29,50,000 |
| Closing cash in hand as on 30-12-2016 | - | 3,52,786 | 3,52,786 |

25.13 Previous year's figures have been re-grouped, recast to make them comparable with figures of current year.


For SoodBrij & Associates
Chartered Accountants
Firm registration No 00350N

For and on Behalf of the Board of Directors.


A.K. Sood
Partner
Membership No 14372





Vinod Kashyap
Director
(DIN: 00038854)


Vineet Kashyap
Director
(DIN: 00038897)


Vikram Kashyap
Director
(DIN:00038937)

Place: New Delhi

Date: 27th May, 2017


Sharvan Kumar
Company Secretary
(M.No. A-39286)


Manoj Agarwal
Chief Financial Officer