



Carol Info Services Limited

ANNUAL REPORT 2015-16



Carol Info Services Limited

BOARD OF DIRECTORS

DR. G. B. PARULKAR

Chairman & Managing Director

SHAHNAWAZ KHAN

Director

AKHTAR SHAMSI

Director

STEPHEN D'SOUZA

Director

VIJAYA NAIR

Director

BANKERS

IDBI Bank Ltd.

Bank of Baroda

ICICI Bank Ltd.

AUDITORS

M/s. M. P. Chitale & Co.

REGISTERED OFFICE

Wockhardt Towers,

Bandra-Kurla Complex,

Bandra (East),

Mumbai - 400 051

Tel. : 022 2653 4444

Fax : 022 2652 3905

Email : investorrelations@carolinfoservices.com

CIN : U74999MH1979PLC021942

REGISTRAR & TRANSFER AGENTS

Link Intime India Private Limited

Unit: Carol Info Services Limited

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (West),

Mumbai - 400 078

Tel. : 022 2594 6970-78

Fax : 022 2594 6969

Email : carol@linkintime.co.in

Website : www.linkintime.co.in

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BOARD'S REPORT

Dear Members,

The Board of Directors take pleasure in presenting the Thirty Sixth Annual Report of the Company along with the Audited Financial Statements for the year ended 31st March, 2016.

FINANCIAL RESULTS AND HIGHLIGHTS

Particulars	(₹ in Thousand)	
	Year ended 31 st March, 2016	Year ended 31 st March, 2015
Standalone		
Revenue from Operations	617,898	552,239
Other Income	44,441	83,072
Total Expenses	357,742	356,817
Profit Before Tax	304,597	278,494
Provision for Taxation (Expense)/Credit	(49,741)	(51,234)
Profit After Tax	254,856	227,260

STATE OF COMPANY'S AFFAIRS

During the financial year ended 31st March, 2016, the Company registered Total Revenue of ₹ 66.23 crore, thereby showing an increase by 4.25% as compared to the previous year. The Profit after Tax grew from ₹ 22.73 crore to ₹ 25.49 crore registering a growth of 12.14%.

DIVIDEND AND RESERVES

In order to conserve the resources, the Board does not recommend dividend on the equity shares of the Company for the financial year ended 31st March, 2016.

No amount is proposed to be transferred to the General Reserves of the Company out of the profits for the year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Akhtar Shamsi (DIN: 00045731) and Ms. Vijaya Nair (DIN: 01173582) were appointed as an Independent Director for a term upto 19th March, 2020.

All the Independent Directors have furnished Declaration of Independence stating that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as Independent Directors during the year.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Shahnawaz Khan, Director (DIN: 03053420) retires by rotation as Director at the ensuing Annual General Meeting ('AGM') and being eligible, offers himself for the re-appointment. The Board recommends his re-appointment.

A brief resume and other details of Mr. Shahnawaz Khan seeking re-appointment are provided in the Notice.

Ms. Amruta Avasare resigned as a Company Secretary of the Company with effect from 19th January, 2016. Mr. Nikhil Malpani was appointed as a Company Secretary of the Company with effect from 25th May, 2016.

In accordance with the provisions of Section 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Dr. G. B. Parulkar, Chairman and Managing Director, Mr. Ravi Shekhar Mitra, Chief Financial Officer and Mr. Nikhil Malpani, Company Secretary are the Key Managerial Personnel ('KMP') of your Company.

MEETINGS

The number and dates of meetings of the Board of Directors and Committee Meetings held during the financial year 2015-16 are as follows:

Type of Meeting	Number of Meetings	Dates of Meeting
Board	6	4 th May, 2015, 10 th July, 2015, 24 th July, 2015, 17 th August, 2015, 10 th December, 2015 and 3 rd March, 2016
Audit Committee	2	28 th May, 2015 and 17 th August, 2015
Stakeholders Relationship Committee	3	6 th July, 2015, 5 th October, 2015 and 4 th January, 2016
Nomination and Remuneration Committee	1	23 rd June, 2015
Corporate Social Responsibility Committee	1	30 th March, 2016

The above Board and Committee Meetings were attended by all the directors and members concerned respectively.

AUDIT COMMITTEE

As on 31st March, 2016, the Audit Committee comprises of Mr. Akhtar Shamsi, Chairman, Mr. Shahnawaz Khan and Ms. Vijaya Nair as its members. Majority of members of the Committee are Independent Directors and recommendations made by the Audit Committee were accepted by the Board of Directors of the Company. Further, the Committee has carried out the role assigned to it.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the Directors state that:

- in the preparation of Annual Accounts for the year ended 31st March, 2016, the applicable Accounting Standards have been followed and that no material departures have been made from the same;
- such Accounting Policies as mentioned in the Notes to the Financial Statements for the year ended 31st March, 2016 have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended 31st March, 2016;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Annual Accounts for the year ended 31st March, 2016 have been prepared on a going concern basis;
- the internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and operating effectively; and
- proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems are adequate and operating effectively.

STATUTORY AUDITORS AND AUDITORS' REPORT

At the AGM of the Company held on 30th September, 2014, M/s. M. P. Chitale & Co. (ICAI Firm Registration No. 101851W), Statutory Auditors of the Company, were appointed for a term of five years i.e. till the conclusion of 39th AGM subject to ratification of their appointment at every AGM of the Company. The resolution for ratification of their appointment is placed for approval of Members of the Company at the ensuing AGM. The Company has received a letter from Statutory Auditors confirming that they are eligible for ratification of their appointment.

The report of the Statutory Auditors on Standalone and Consolidated Financial Statements forms part of this Annual Report. The Auditors' Report does not contain any qualification, reservation, adverse remark, disclaimer or emphasis of matter.

EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as prescribed under Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 is annexed as Annexure I to this Report.

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CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and pursuant to the recommendation of the CSR Committee, the Board has approved a CSR Policy and the same has been uploaded on the website of the Company www.carolinfoservices.com. CSR Policy contains the CSR activities which can be carried out by the Company.

The details on CSR activities as required under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, is annexed as Annexure II to this Report.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

The Company has been following well laid down policy on appointment and remuneration of Directors and KMP.

A brief extract of the Remuneration Policy on appointment and remuneration of Directors and KMP is provided below:

- The appointment of Directors / KMP shall be made pursuant to the recommendation of Nomination and Remuneration Committee ('NRC').
- The remuneration of Whole-time Director / Managing Director shall comprise of Fixed Salary as decided by the Board. Further, approval of shareholders shall be sought for the appointment and payment of remuneration to the Whole-time Director / Managing Director.
- The NRC / Board, from time to time, shall decide the remuneration, if any, to be paid to KMP and other Directors of the Company.

NRC have also formulated criteria for determining qualifications, positive attributes and independence of a director and the same have been annexed as part of Annexure III to this Report.

PERFORMANCE EVALUATION OF DIRECTORS

The Nomination and Remuneration Committee of the Board of Directors of the Company have laid down criteria of performance evaluation of the Board of Directors including Independent Directors. Pursuant to the requirement of the Companies Act, 2013, the Board has carried out the annual performance evaluation of entire Board, Committee and all the Directors based on the parameters subject to the condition that the Director who is subject to evaluation should not participate. The parameters of performance evaluation were circulated to the Directors in the form of questionnaire.

The criteria for performance evaluation was based on parameters which *inter-alia* included decision taken in the interest of the organization objectively, assisting the Company in implementing the Corporate Governance, monitoring performance of organization based on agreed goals & financial performance and active participation in the affairs of the Company as a Board/ Committee Members.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has adequate internal financial control procedures commensurate with its size and nature of business. These controls include well defined policies, guidelines, Standard Operating Procedures ('SOPs'), authorization and approval procedures and technology intensive processes. The internal financial controls of the Company are adequate to ensure the accuracy and completeness of the accounting records, timely preparation of reliable financial information, prevention and detection of frauds and errors, safeguarding of the assets and that the business is conducted in an orderly and efficient manner.

RISK MANAGEMENT

The Company has defined and adopted a Risk Management Policy, which not only assesses the risks but also helps in timely ratification and minimization of these risks associated with strategic, operational, financial and compliance operations across all business operations. These control procedures and systems ensure that the Board is periodically informed on the material risks faced by the Company and the steps taken by the Company to alleviate those risks. There are no risks which in the opinion of the Board threaten the existence of your Company.

PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided under Note 27 in the Notes to the Financial Statements.

PARTICULARS OF CONTRACTS / ARRANGEMENT WITH RELATED PARTIES

All contracts / arrangements / transactions entered into by the Company during the financial year 2015-16 with its related parties were reviewed and approved by the Audit Committee. The said transactions were entered in the ordinary course of business and on an arm's length basis. The particulars of contracts / arrangements with related parties in Form AOC - 2 are provided in Annexure IV to this Report.

VIGIL MECHANISM

Pursuant to requirement laid down under Section 177 of the Companies Act, 2013, the Company has well laid down Vigil Mechanism. The Whistle Blower Policy / Vigil Mechanism has been formulated for Directors and the Employees to communicate and report genuine concerns about unethical behaviour or practices, actual or suspected fraud. The said Policy provides adequate safeguard against victimization of Directors/Employees who avail such mechanism and it also provides direct access to the Chairman of the Audit Committee in exceptional cases. Further, it is affirmed that no person has been denied access to the Audit Committee. The Whistle Blower Policy has been placed on the website of the Company www.carolinfoservices.com

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the requirement of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, no employee of the Company is drawing remuneration in excess of the limits set out in the said Rules. Therefore, the disclosure requirements set out in the said Rules are not applicable to the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

The Company is not engaged in manufacturing activity and thus its operations are not energy intensive. During the year, the Company is primarily engaged in renting its immovable property which does not result in consumption of power and energy. Hence, energy conservation measures are not relevant to the Company.

B. TECHNOLOGY ABSORPTION

During the year, the Company's main line of business is renting of its immovable property. There is no usage of any particular technology or process. Hence, the question of technology absorption and importation of any technology does not arise. Further, the expenditure on Research and Development is NIL.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no foreign exchange earnings and outgo during the financial year 2015-16.

SUBSIDIARY

Banneret Trading Private Limited is a wholly owned subsidiary of the Company. There were no companies who ceased to be subsidiaries of the Company during the financial year under review.

Pursuant to Section 129(3) of the Companies Act, 2013, a statement containing salient features of the subsidiary of the Company is provided in Form AOC-1 attached as Annexure V to this Report.

CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statement of your Company for the financial year 2015-16 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder and applicable Accounting Standards.

A copy of the Audited Financial Statement of the subsidiary shall be made available for inspection at the Registered Office of the Company during business hours. The Audited Financial Statement of the Company including Consolidated Financial Statement and Financial Statement of its subsidiary are also available on the website of the Company. Further, any shareholder interested in obtaining a copy of the separate Financial Statement of the subsidiary shall make specific request in writing to the Company Secretary.

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DEPOSITS

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013 during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURT

During the year under review, no significant and material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company.

GENERAL

1. During the year under review, share capital of the Company remained unchanged. Further, there was no issue of equity shares with differential voting rights as to divided, voting or otherwise and issue of sweat equity shares.
2. The provisions relating to requirement of Cost Audit and Secretarial Audit are not applicable to the Company.
3. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS

The Directors also take this opportunity to place on record their appreciation to all the stakeholders of the Company for the support received from them during the year under review.

For and on behalf of the Board of Directors

Dr. G. B. PARULKAR
Chairman & Managing Director
DIN: 00015668

Place : Mumbai

Date : 25th August, 2016

ANNEXURE I TO THE BOARD'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

(i)	CIN	U74999MH1979PLC021942
(ii)	Registration Date	29 th November, 1979
(iii)	Name of the Company	Carol Info Services Limited
(iv)	Category/Sub-Category of the Company	Public Company limited by shares
(v)	Address of the Registered office and Contact details	Wockhardt Towers, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Tel No : 91-22-26534444 Fax No. : 91-22-26523905
(vi)	Whether listed company (Yes/No)	No
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078 Tel No : (022) 25946970-78 Fax No : (022) 25946969 Email id : carol@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Renting of immovable property	681	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section of Companies Act, 2013
1.	Khorakiwala Holdings and Investments Private Limited Wockhardt Towers, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	U67120MH1981PTC023803	Holding	92.14%	2(46)
2.	Banneret Trading Private Limited 6 th Floor, Wockhardt Towers, Bandra- Kurla Complex, Bandra (East), Mumbai – 400 051	U51900MH2008PTC181284	Subsidiary	100 %	2(87)

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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year (as on 1 st April, 2015)				No. of shares held at the end of the year (as on 31 st March, 2016)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	282,580	0	282,580	0.80	282,580	0	282,580	0.80	0.00
(b) Central Govt.	0	0	0	0	0	0	0	0	0
(c) State Govt.(s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corporates	33,728,123	2,300	33,730,423	95.18	33,735,768	7,180	33,742,948	95.22	0.04
(e) Banks / FIs	0	0	0	0	0	0	0	0	0
(f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total(A)(1)	34,010,703	2,300	34,013,003	95.98	34,018,348	7,180	34,025,528	96.02	0.04
(2) Foreign									
(a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
(b) Other Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corporate	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	34,010,703	2,300	34,013,003	95.98	34,018,348	7,180	34,025,528	96.02	0.04
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	0	300	300	0.00	0	300	300	0.00	0.00
(b) Banks / FI	5,400	300	5,700	0.02	5,400	300	5,700	0.02	0.00
(c) Central Govt.	0	0	0	0	0	0	0	0	0
(d) State Govt(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0	0	0
(g) FIs	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (specify)	0	0	0	0	0	0	0	0	0
(j) Foreign Portfolio Investor	0	700	700	0.00	0	700	700	0.00	0.00
Sub-total (B)(1)	5,400	1,300	6,700	0.02	5,400	1,300	6,700	0.02	0.00
2. Non-Institutions									
(a) Bodies Corporate									
(i) Indian	63,681	14,581	78,262	0.22	60,856	14,581	75,437	0.22	0.00
(ii) Overseas	0	0	0	0	0	0	0	0	0
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	726,952	548,114	1,275,066	3.60	704,227	539,374	1,243,601	3.51	(0.09)
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	25,560	0	25,560	0.08	0	0	0	0	(0.08)
(c) Others (specify)									
(i) Non-Resident Indian (Repat)	17,776	2,800	20,576	0.06	17,776	2,600	20,376	0.06	(0.00)
(ii) Non-Resident Indian (Non- Repat)	4,374	0	4,374	0.01	4,674	0	4,674	0.01	0.00
(iii) Foreign Nationals	0	0	0	0	0	0	0	0	0
(iv) Clearing Member	7,581	0	7,581	0.02	7,080	0	7,080	0.02	(0.00)
(v) Directors / Relatives of Directors	50	300	350	0.00	225	300	525	0.00	0.00
(vi) Trusts	0	0	0	0	50	0	50	0.00	0.00
(vii) Hindu Undivided Family	0	0	0	0	47,501	0	47,501	0.13	0.13
Sub-total (B)(2)	845,974	565,795	1,411,769	3.99	842,389	556,855	1,399,244	3.95	(0.04)
Total Public Shareholding (B)=(B)(1)+(B)(2)	851,374	567,095	1,418,469	4.01	847,789	558,155	1,405,944	3.97	(0.04)
C. Shares held by Custodian for GDRs & ADRs	0	5,000	5,000	0.01	0	5,000	5,000	0.01	0.00
Grand Total (A+B+C)	34,862,077	574,395	35,436,472	100.00	34,866,137	570,335	35,436,472	100.00	0.00

(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (as on 1 st April, 2015)			Shareholding at the end of the year (as on 31 st March, 2016)			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Khorakiwala Holdings and Investments Private Limited	32,638,645	92.10	Nil	32,651,170	92.14	Nil	0.04
2.	Palanpur Holdings and Investments Private Limited	1,051,120	2.97	Nil	1,051,120	2.97	Nil	0.00
3.	Dartmour Holdings Private Limited	40,658	0.11	Nil	40,658	0.11	Nil	0.00
4.	Dr. H. F. Khorakiwala	134,300	0.38	Nil	134,300	0.38	Nil	0.00
5.	Dr. Murtaza Khorakiwala	75,400	0.21	Nil	75,400	0.21	Nil	0.00
6.	Dr. Huzaifa Khorakiwala	72,000	0.21	Nil	72,000	0.21	Nil	0.00
7.	Ms. Nafisa Khorakiwala	880	0.00	Nil	880	0.00	Nil	0.00
	Total	34,013,003	95.98	Nil	34,025,528	96.02	Nil	0.04

(iii) Change in Promoters' Shareholding

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (as on 1 st April, 2015)		Cumulative Shareholding during the Year		Shareholding at the end of the Year (as on 31 st March, 2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Khorakiwala Holdings and Investments Private Limited	32,638,645	92.10			32,651,170	92.14
	Date-wise increase / (Decrease)						
	13.04.2015 to 17.04.2015	200		32,638,845	92.11		
	20.04.2015 to 24.04.2015	200		32,639,045	92.11		
	25.05.2015 to 29.05.2015	400		32,639,445	92.11		
	08.06.2015 to 12.06.2015	200		32,639,645	92.11		
	15.06.2015 to 19.06.2015	2,590		32,642,235	92.11		
	13.07.2015 to 17.07.2015	2,400		32,644,635	92.12		
	20.07.2015 to 24.07.2015	400		32,645,035	92.12		
	27.07.2015 to 31.07.2015	300		32,645,335	92.12		
	03.08.2015 to 07.08.2015	500		32,645,835	92.13		
	14.09.2015 to 18.09.2015	100		32,645,935	92.13		
	21.09.2015 to 25.09.2015	375		32,646,310	92.13		
	28.09.2015 to 30.09.2015	200		32,646,510	92.13		
	05.10.2015 to 09.10.2015	600		32,647,110	92.13		
	26.10.2015 to 30.10.2015	200		32,647,310	92.13		
	02.11.2015 to 06.11.2015	1,960		32,649,270	92.13		
	18.01.2016 to 22.01.2016	140		32,649,410	92.14		
	01.02.2016 to 05.02.2016	200		32,649,610	92.14		
	29.02.2016 to 04.03.2016	300		32,649,910	92.14		
	07.03.2016 to 11.03.2016	400		32,650,310	92.14		
	14.03.2016 to 18.03.2016	240		32,650,550	92.14		
	28.03.2016 to 31.03.2016	620		32,651,170	92.14		

Note :

Post delisting, Khorakiwala Holdings and Investments Private Limited have been voluntarily acquiring equity shares from public as and when tendered by them.

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(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 1 st April, 2015)		Cumulative shareholding during the year		Shareholding at the end of the year (as on 31 st March, 2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Ajinkya Electromelt Pvt Ltd.	29,700	0.08	29,700	0.08	29,700	0.08
	Date wise increase/(Decrease)	0	0.00				
2.	A C Avudayappan	25,560	0.07	25,560	0.07	25,560	0.07
	Date wise increase/(Decrease)	0	0.00				
3.	Rajbhusan Buddhiraju	10,000	0.03	10,000	0.03	10,000	0.03
	Date wise increase/(Decrease)	0	0.00				
4.	Luxmi Kant Gupta	7,180	0.02	7,180	0.02	7,180	0.02
	Date wise increase/(Decrease)	0	0.00				
5.	Zaahid Holding & Investment Pvt Ltd	7,100	0.02	7,100	0.02	7,100	0.02
	Date wise increase/(Decrease)	0	0.00				
6.	Sheela Ashwin Chiniwalla	7,000	0.02	7,000	0.02	7,000	0.02
	Date wise increase/(Decrease)	0	0.00				
7.	Ashwini Poddar	6,300	0.02	6,300	0.02	6,300	0.02
	Date wise increase/(Decrease)	0	0.00				
8.	Century Consultants Ltd	5,950	0.02	5,950	0.02	5,950	0.02
	Date wise increase/(Decrease)	0	0.00				
9.	Ashok Kumar Chopra	5,000	0.01	5,000	0.01	5,000	0.01
	Date wise increase/(Decrease)	0	0.00				
10.	Sandeep Tandon	4,930	0.01	4,930	0.01	4,930	0.01
	Date wise increase/(Decrease)	0	0.00				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (as on 1 st April, 2015)		Cumulative Shareholding during the year		Shareholding at the end of the year (as on 31 st March, 2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Dr. G. B. Parulkar	100	0.00	100	0.00	100	0.00
2.	Mr. Shahnawaz Khan	—	—	—	—	—	—
3.	Mr. Stephen D'Souza*	250	0.00	250	0.00	250	0.00
4.	Mr. Akhtar Shamsi	—	—	—	—	—	—
5.	Ms. Vijaya Nair	175	0.00	175	0.00	175	0.00
6.	Mr. Ravi Shekhar Mitra	—	—	—	—	—	—
7.	Mr. Nikhil Malpani**	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
8.	Ms. Amruta Avasare**	1	0.00	1	0.00	N.A.	N.A.

* The shares held by Mr. Stephen D'Souza includes shares held by him along with his relatives.

** Ms. Amruta Avasare resigned as a Company Secretary w.e.f. 19th January, 2016 and Mr. Nikhil Malpani was appointed as a Company Secretary w.e.f. 25th May, 2016.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

Amount in ₹ crore

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (i.e. 1 st April, 2015)				
i) Principal Amount	232.52	5.48	—	238.00
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	232.52	5.48	—	238.00
Change in Indebtedness during the financial year 2015-16				
i) Addition	—	—	—	—
ii) Reduction	14.43	0.01	—	14.44
Net Change	(14.43)	(0.01)	—	(14.44)
Indebtedness at the end of the financial year (i.e. 31 st March, 2016)				
i) Principal Amount	218.09	5.47	—	223.56
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	218.09	5.47	—	223.56

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Amount in ₹ crore

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
		Dr. G. B. Parulkar, Chairman & Managing Director	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.02	0.02
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	—	—
	(c) Profits in lieu of salary under u/s 17(3) of Income-tax Act, 1961	—	—
2.	Stock Option	—	—
3.	Sweat Equity	—	—
4.	Commission	—	—
	- as % of profit		
	- others, specify...		
5.	Others, please specify	—	—
	Total (A)	0.02	0.02
	Ceiling as per the Act (being 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)	1.50	1.50

B. Remuneration to other directors:

Amount in ₹ crore

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Akhtar Shamsi	Mr. Shahnawaz Khan	Mr. Stephen D'souza	Ms. Vijaya Nair	
1.	Independent Directors					
	• Fee for attending board / committee meetings	—	—	—	—	—
	• Commission	—	—	—	—	—
	• Others, please specify	—	—	—	—	—
	Total (1)	—	—	—	—	—
2	Other Non-Executive Directors					
	• Fee for attending board / committee meetings	—	—	—	—	—
	• Commission	—	—	—	—	—
	• Others, please specify	—	—	—	—	—
	Total (2)	—	—	—	—	—
	Total (B) = (1+2)	—	—	—	—	—
	Ceiling as per the Act (being 1% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)					0.30
	Total Managerial Remuneration (A+B)					0.02
	Overall Ceiling as per the Act (being 11% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)					3.31

Carol Info Services Limited

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

Amount in ₹ crore

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	Chief Financial Officer	Total
1.	Gross salary	N.A.	—	—	—
	(a) Salary as per provisions contained in section 17(1) of Income-tax Act, 1961		—	—	—
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961		—	—	—
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961		—	—	—
2.	Stock Option		—	—	—
3.	Sweat Equity	—	—	—	
4.	Commission - as % of profit - others, specify...	—	—	—	
5.	Others, please specify	—	—	—	
	Total	—	—	—	

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					/
Punishment					
Compounding					
B. DIRECTORS					
Penalty			Nil		/
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					/
Punishment					
Compounding					

For and on behalf of the Board of Directors

Dr. G. B. Parulkar
Chairman & Managing Director
DIN: 00015668

ANNEXURE II TO THE BOARD'S REPORT

REPORT ON CSR ACTIVITIES/INITIATIVES

[Pursuant to Section 135 of the Companies Act, 2013 and Rules made thereunder]

1. **A brief outline of the company's CSR policy, including overview of the projects or programs proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programs.**

Pursuant to the requirement of the Companies Act, 2013 ('Act') and the Rules made thereunder, the Company has framed a CSR Policy and the same is placed on the Company's website and a weblink thereto is:

http://www.carolinfoservices.com/carol%20CSR%20policy_new.pdf

The Company's CSR visions & mission is to contribute to the social, economic and environmental development of the community in which the Company operates. The Company may undertake any one or more CSR activities as specified in the CSR Policy.

2. **The Composition of the CSR Committee:** As on the date of this report, the CSR Committee comprises of:

Dr. G. B. Parulkar – Chairman (Executive)

Mr. Shahnawaz Khan – Member

Mr. Akhtar Shamsi – Member (Non-Executive Independent)

Ms. Vijaya Nair – Member (Non-Executive Independent)

3. **Average Net Profit of the company for last 3 financial years:** Average Net Profit of the Company for the last three financial years as per Section 198 of the Companies Act, 2013 was ₹ 27.48 crore.

4. **Prescribed CSR expenditure (2% of the amount as in item 3 above):** ₹ 0.55 crore

5. **Details of CSR spent during the year:**

a) **Total amount to be spent for the financial year:** NIL

b) **Amount un-spent, if any:** ₹ 0.55 crore

c) **Manner in which the amount spent during financial year is detailed below:** N.A.

6. **In case the company has failed to spend the 2% of the Average Net Profit of the last 3 financial years or any part thereof, reasons for not spending the amount in its Board's Report:**

In terms of the provisions of Section 135 of the Companies Act, 2013 and the Rules made thereunder, the Company was required to constitute CSR Committee with at least one Independent Director. Accordingly, the CSR Committee was reconstituted effective 20th March, 2015.

CSR Committee at its meeting held on 30th March, 2015, approved the CSR Policy which *inter-alia* contains the activities for spending the prescribed amount on CSR.

In view of the requirement of the funds for operational purposes and identification of areas for carrying out CSR activities, the amount required to be spent on CSR activities during FY 2015-16 remained unspent as on 31st March, 2016. However, the Company stands committed to spend the requisite amount on CSR activities in forthcoming years.

Mr. Shahnawaz Khan

Director

DIN: 03053420

Dr. G. B. Parulkar

Chairman of CSR committee

DIN: 00015668

Place : Mumbai

Date : 25th August, 2016

ANNEXURE III TO THE BOARD'S REPORT

Criteria for Determining Qualifications, Positive Attributes and Independence of Director

Qualifications:

- a) The Director shall be free from any disqualifications as stipulated under the Companies Act, 2013 and rules made thereunder as amended from time to time;
- b) The Director shall possess appropriate expertise, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or such other areas related to the Company's business as determined by Nomination and Remuneration Committee.

Positive Attributes:

The Director shall

- a) uphold ethical standards of integrity and probity;
- b) act objectively and constructively;
- c) exercise responsibilities in a bona-fide manner in the interest of the Company;
- d) assist the Company in implementing the best corporate governance practices.

Independence Criteria:

- a) An Independent Director shall meet the criteria of independence as stipulated under the Companies Act, 2013 and rules made thereunder as amended from time to time;
- b) An Independent Director shall be under the obligation to inform the Board of Directors of any change in circumstances which may effect his/her independence.

ANNEXURE IV TO THE BOARD'S REPORT

Form No. AOC – 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis:** NIL
2. **Details of material contracts or arrangement or transactions at arm's length basis**

(a)	Name(s) of the related party and nature of relationship	Wockhardt Limited ('WL'), Enterprise over which individuals having direct or indirect control over the Company have significant influence.
(b)	Nature of contracts/ arrangements/ transactions	Leasing of property
(c)	Duration of the contracts/ arrangements/ transactions	Continuous basis
(d)	Salient terms of the contracts/ arrangements/ transactions including the value, if any	During the year 2015-16, there were transactions relating to rent income between the Company and WL aggregating to ₹ 58.33 crore.
(e)	Date(s) of approval by the Board, if any:	Please refer Note below
(f)	Amount paid as advances, if any	Nil

Note:

During the year 2015-16, transaction with WL was considered material pursuant to Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014. However, no board's and shareholder's approval was required as the transaction was made at arm's length basis and in the ordinary course of business.

For and on behalf of the Board of Directors

Dr. G. B. Parulkar
Chairman & Managing Director
DIN: 00015668

ANNEXURE V TO THE BOARD'S REPORT

FORM AOC -1

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

Statement containing salient features of financial statement of Subsidiary

Part 'A': Subsidiaries

Amount in ₹ crore

Name of Subsidiary	Banneret Trading Private Limited
The date since when subsidiary was acquired	24 th July, 2012
Reporting period for the subsidiary concerned	Apr-Mar
Reporting currency for the subsidiary concerned	INR
Exchange rate as on the last date of relevant financial year	—
Share Capital	19.01
Reserves and Surplus	0.07
Total Assets	755.36
Total Liabilities	736.28
Investments	755.03
Turnover	0.00
Profit/ (Loss) before taxation	0.42
Provision for Taxation	0.14
Profit/ (Loss) after taxation	0.28
Proposed dividend	—
% of shareholding	100

Notes:

- The above statement also indicates highlights of performance of its subsidiary and its contribution to an overall performance of the Company during the financial year 2015-16.
- Apart from the above, there are no subsidiaries, which are yet to commence operations or liquidated or sold during the financial year.
- The Company does not have any Associate Company (includes a Joint Venture Company) as defined under Section 2(6) of the Companies Act, 2013 and hence Part 'B' of the Statement is not applicable.

For and on behalf of the Board of Directors

G. B. Parulkar
Chairman & Managing Director
DIN: 00015668

Shahnawaz Khan
Director
DIN: 03053420

Stephen D'souza
Director
DIN: 00045812

Place : Mumbai
Date : 25th August, 2016

Nikhil Malpani
Company Secretary

Ravi Shekhar Mitra
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CAROL INFO SERVICES LIMITED

1. Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Carol Info Services Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information hereafter referred to as financial statements.

2. Management's responsibility for the Financial Statements

The Company's Board of Directors are 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.

3. Auditor's Responsibility

- 3.1 Our responsibility is to express an opinion on these standalone financial statements based on our audit.
- 3.2 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.
- 3.3 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.
- 3.4 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 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 accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.
- 3.5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

4. 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 March 31, 2016, and its profit and its cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order.
- (ii) 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 purpose 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.

Carol Info Services Limited

- c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. In our opinion, aforesaid standalone financial statements comply with the Accounting Standards referred to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2016 and taken on records by Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations in its financial statements. - Refer note 28 of financial statements.
 - (ii) The Company has entered into long term contracts. However based on the information & explanations provided to us, the Company was not required to make any provisions for material foreseeable losses. The Company has not entered into any derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For M. P. Chitale & Co.
Chartered Accountants
Firm Regn. No. 101851W

Ashutosh Pednekar
Partner
ICAI M. No. 41037

Place: Mumbai
Date: August 25, 2016

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Refer to in paragraph 5(i) of our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a programme for physical verification of all its fixed assets once in a period of three years. The physical verification of fixed assets, which commenced in the preceding year, was concluded in current year. The discrepancies noticed on such verification have been properly dealt with in the books of accounts.
- (c) According to the information and explanations given to us, the title deeds of immovable properties, are held in the name of the Company, except for the following:
 - i. Leasehold land (gross block ₹ 195,141 thousands, net block ₹152,357 thousands), Building (gross block Rs 697,317 thousands, net block ₹ 506,231 thousands), freehold land (gross block ₹ 274 thousands, net block Rs. 274 thousands). These properties are held in the erstwhile name of the Company; and
 - ii. Building (gross block ₹ 25,478 thousands, net block ₹ 20,328 thousands).
2. The Company does not hold inventory and hence clauses regarding inventory are not applicable.
3. According to the information and explanations given to us, the Company has not granted any loans to parties listed in the Register maintained under Section 189 of the Companies Act, 2013.
4. According to the records of the Company and information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
5. According to the information and explanations given to us, the Company has not accepted deposits from the public in terms of provisions of sections 73 to 76 of the Companies Act, 2013.
6. The Company does not have any manufacturing activity during the year and hence, according to the information and explanations given to us, maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the company.
7. (a) According to the records of the Company and information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales-Tax, Service tax, Customs Duty, Excise Duty, value added tax and cess etc. with the appropriate authorities. Further, no undisputed statutory dues were in arrears, as of March 31, 2016 for a period of more than six months from the date they became payable.
- (b) As at the year-end according to the records of the Company and information and explanations given to us, there are no disputed dues on account of income tax, sales tax, service tax, customs duty, excise duty, value added tax, cess, which have not been deposited with respective authorities except as under:

Name of the statute	Nature of the dues	Amount	Period to which the amount relates	Forum where dispute is pending
		(₹ In thousands)		
Kerala General Sales Tax Act, 1963	Sales Tax Dues	410.00	A.Y. 94-95	Appellate Tribunal
Income Tax Act, 1961	Income Tax Dues	0.58	A.Y. 95-96	Pending with Assessing officer
		816.48	A.Y. 06-07	Pending with Assessing officer
		5.74	A.Y. 09-10	Pending with Assessing officer
		3,285.15	A.Y. 11-12	Pending with Assessing officer
		16.18	A.Y. 12-13	Pending with Assessing officer
	TDS Dues	0.24	A.Y. 13-14	Pending with Assessing officer
		2.92	A.Y. 16-17	Pending with Assessing officer

8. The Company has not defaulted in repayment of loans to banks, further the company has not taken any loan from the government and has not issued any debentures.

Carol Info Services Limited

9. The term loan taken by the company from a bank has been used for the purpose for which it was obtained. The company has not raised moneys by way of initial public offer/ further public offer (including debt instruments).
10. According to the information and explanations given to us and on the basis of representation of the management which we have relied upon, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given to us, managerial remuneration has been paid in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. Since the company is not a Nidhi company, this clause is not applicable to the company.
13. According to the information and explanations given to us, the Company is in compliance with section 188 and section 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. The company has not made any preferential allotment or private placement of preference shares during the year.
15. As per the books and records maintained by the Company and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and therefore registration need not be obtained.

For M. P. Chitale & Co.
Chartered Accountants
Firm Regn. No. 101851W

Ashutosh Pednekar
Partner
ICAI M. No. 41037

Place: Mumbai
Date: August 25, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Refer to in paragraph 5 (ii) (f) of our report of even date)

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 **Carol Info Services Limited** ("the Company") as of 31st March, 2016 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "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 issued by ICAI 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 31st 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 M. P. Chitale & Co.
Chartered Accountants
Firm Regn. No. 101851W

Ashutosh Pednekar
Partner
ICAI M. No. 41037
Place: Mumbai
Date: August 25, 2016

Carol Info Services Limited

BALANCE SHEET AS AT MARCH 31, 2016

(All amounts in Thousand of Indian ₹)

	Notes	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	2	354,365	354,365
Reserves and surplus	3	8,605,130	8,350,274
		<u>8,959,495</u>	<u>8,704,639</u>
NON-CURRENT LIABILITIES			
Long-term borrowings	4	2,027,817	2,235,566
Deferred tax liabilities (Net)	5	—	23,581
Long-term provisions	6	—	213
		<u>2,027,817</u>	<u>2,259,360</u>
CURRENT LIABILITIES			
Trade payables	7	—	—
Total outstanding dues of Micro and Small Enterprises		—	—
Total outstanding dues of creditors other than Micro and Small Enterprises		3,303	2,850
Other current liabilities	8	800,312	653,875
		<u>803,615</u>	<u>656,725</u>
TOTAL		<u>11,790,927</u>	<u>11,620,724</u>
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	9	—	—
Tangible assets		881,968	909,527
Capital work-in-progress		—	5,511
Non-current investments	10	2,552,003	2,557,580
Long-term loans and advances	11	7,499,139	7,504,728
Other non-current assets	12	119,351	—
		<u>11,052,461</u>	<u>10,977,346</u>
CURRENT ASSETS			
Trade receivables	13	218,833	138,043
Cash and Bank balances	14	502,155	482,048
Short-term loans and advances	15	14,790	8,670
Other current assets	16	2,688	14,617
		<u>738,466</u>	<u>643,378</u>
TOTAL		<u>11,790,927</u>	<u>11,620,724</u>
Significant accounting policies	1(B)		
The notes from 1 to 29 form an integral part of the Financial statements			

As per our attached report of even date

For **M. P. Chitale & Co.**
Chartered Accountants

For and on behalf of the Board of Directors

Ashutosh Pednekar
Partner

G. B. Parulkar
Chairman & Managing Director
DIN: 00015668

Shahnawaz Khan
Director
DIN: 03053420

Stephen D'souza
Director
DIN: 00045812

Place : Mumbai
Date : August 25, 2016

Nikhil Malpani
Company Secretary

Ravi Shekhar Mitra
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(All amounts in Thousand of Indian ₹)

	Notes	For the year ended March 31, 2016	For the year ended March 31, 2015
REVENUE			
Revenue from operations	17	617,898	552,239
Other income	18	44,441	83,072
TOTAL		662,339	635,311
EXPENSES			
Employee benefits expense	19	1,579	914
Finance costs	20	277,518	297,986
Depreciation and impairment	9	32,952	31,442
Other expenses	21	45,693	26,475
TOTAL		357,742	356,817
PROFIT BEFORE TAX		304,597	278,494
Tax expense:			
Current tax- MAT payable		(66,182)	(58,374)
Less: Minimum Alternate Tax Credit		—	7,140
		(66,182)	(51,234)
MAT credit entitlement written off		(7,140)	—
Deferred tax written back		23,581	—
PROFIT AFTER TAX		254,856	227,260
Earnings per equity share of face value of ₹ 10 each :			
Basic/Diluted in ₹	22	7.19	6.41
Significant accounting policies	1(B)		
The notes from 1 to 29 form an integral part of the Financial statements			

As per our attached report of even date

For **M. P. Chitale & Co.**
Chartered Accountants

For and on behalf of the Board of Directors

Ashutosh Pednekar
Partner

G. B. Parulkar
Chairman & Managing Director
DIN: 00015668

Shahnawaz Khan
Director
DIN: 03053420

Stephen D'souza
Director
DIN: 00045812

Place : Mumbai
Date : August 25, 2016

Nikhil Malpani
Company Secretary

Ravi Shekhar Mitra
Chief Financial Officer

Carol Info Services Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(All amounts in Thousand of Indian ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:		
Net profit before taxation	304,597	278,494
Adjustments for:		
Depreciation and impairment	32,952	31,442
Liabilities no more payable	(1,043)	(10,033)
Exchange fluctuation gain, net	(588)	—
Advances no more recoverable	204	—
Reversal of provision for doubtful debts	(28)	—
Bad debts	303	—
Finance costs	277,518	297,986
Interest Income	(38,639)	(36,437)
Loss on Fixed assets	118	—
Profit on sale of investments	(4,143)	(36,602)
Operating profit before Working Capital changes	571,251	524,850
Movement in working capital:		
(Increase) / Decrease in Trade Receivables	(81,269)	(23,444)
(Increase) / Decrease in Loans and Advances and Other assets	(7,023)	(2,661)
Increase/(Decrease) in Liabilities and Provisions	85,289	(394)
Cash Generated from Operations	568,248	498,351
Income taxes paid	(67,031)	(62,174)
Net cash from Operating Activities (A)	501,217	436,177
CASH FLOWS PROVIDED BY/ (USED IN) INVESTING ACTIVITIES:		
Purchase of Fixed Assets and Additions to Capital work-in-progress	(131)	(1,361)
Proceeds from sale of Investments	21,108	162,135
Purchase of Investments (Net of refund)	—	(740,000)
Repayment by / (Loans to) companies / firms / subsidiaries	200	(19)
Margin money and Fixed deposits with maturity of more than 3 months	(51,704)	349,610
Interest received	39,767	45,188
Net cash from/(used in) Investing Activities (B)	9,240	(184,447)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES:		
Proceeds from borrowings	—	150,000
Repayment of borrowings	(144,476)	(114,888)
Finance costs paid	(277,516)	(297,986)
Dividend paid	(711)	(772)
Net cash used in Financing Activities (C)	(422,703)	(263,646)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	87,754	(11,916)
CASH AND CASH EQUIVALENTS, at beginning of year	27,342	39,258
CASH AND CASH EQUIVALENTS, at end of year	115,096	27,342
Component of cash and cash equivalents, as at March 31, 2016		
Cash	86	161
Balance with banks:		
- on current account (excluding unpaid dividend account)	23,544	25,004
- Deposit with maturity of less than 3 months	90,000	—
- on unclaimed dividend account (Refer note 3 below)	1,466	2,177
	115,096	27,342

Notes:

1. All figures in bracket are outflow.
2. Income taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
3. These balances are not available for use by the Company as they represent corresponding unclaimed dividend liabilities.

As per our attached report of even date

For **M. P. Chitale & Co.**
Chartered Accountants

For and on behalf of the Board of Directors

Ashutosh Pednekar
Partner

G. B. Parulkar
Chairman & Managing Director
DIN: 00015668

Shahnawaz Khan
Director
DIN: 03053420

Stephen D'souza
Director
DIN: 00045812

Place : Mumbai
Date : August 25, 2016

Nikhil Malpani
Company Secretary

Ravi Shekhar Mitra
Chief Financial Officer

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(All amounts in Thousand of Indian ₹ unless otherwise stated)

1. A. BACKGROUND

Carol Info Services Limited ('CISL' or 'the Company') is a subsidiary of Khorakiwala Holdings and Investments Private Limited. The Company is engaged in renting of immovable property activity.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared to comply in all material respects with the prescribed accounting standards under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act to the extent notified. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

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

The significant accounting policies are as follows:

(a) Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. The Company capitalises all costs relating to the acquisition and installation of fixed assets.

Depreciation is provided, using the straight line method, pro-rata to the period of use of assets, in accordance with the requirements of Schedule II of the Companies Act, 2013, based on the useful lives of the assets determined through technical assessment by the management. The estimated useful lives followed by the Company are as follows:

<u>Assets</u>	<u>Estimated useful life</u>
Leasehold land	over the period of lease
Buildings	30 -60 years
Plant and Machinery	10-20 years
Furniture and Fixtures	10 years
Office Equipments	4 – 5 years
Information Technology Equipments	3 years
Vehicles	5 years

Components having useful lives different from the life of parent assets as stated above are depreciated over the useful life of the components. Fixed assets whose aggregate cost is ₹ 5,000 or less are depreciated fully in the year of acquisition.

(b) Foreign currency transactions

Foreign currency transactions during the year are recorded at rates of exchange prevailing on the date of the transaction. Foreign currency denominated assets and liabilities are translated into rupees at the rates of exchange prevailing on the date of the balance sheet. All exchange differences are dealt with in the statement of profit and loss.

In respect of transactions covered by forward exchange contracts, the difference between the contract rate and the spot rate on the date of the transaction is charged to the statement of profit and loss over the period of the contract.

(c) Investments

Long term investments are stated at cost. Provision is made to recognise a diminution, other than temporary, in the value of investments. Current investments are stated at lower of cost and fair value.

(d) Inventories

Inventories of stores and spare parts are valued at cost.

(e) Employee benefits

The liabilities on account of gratuity and leave encashment are provided based on valuation by an independent actuary. Contributions to provident fund and family pension fund are charged to the statement of profit and loss as incurred.

(f) Revenue recognition

The Company recognises revenues on dispatch of goods to customers. Revenues are recorded at invoice value net of sales tax, excise, returns and trade discounts.

Revenue from services are recognised on completion of such services.

Carol Info Services Limited

(₹ in Thousand)

Rental Income is recognized on time proportionate basis over the period of the agreement.

(g) Income-tax

Provision for current income-taxes is made on the assessable income at the tax rate applicable to the relevant assessment year.

Deferred income taxes are recognised for the future tax consequences attributable to timing differences between the financial statement determination of income and their recognition for tax purposes. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the statement of profit and loss using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(h) Leases

Operating leases

Lease payments for operating leases are recognised as expense over the lease term. Lease income from operating leases is recognised as income over the lease term. Initial direct costs are recognised immediately as an expense.

(i) Financing / Borrowing cost

Financing / Borrowing costs attributable to acquisition and/or construction of qualifying assets are capitalised as a part of the cost of such assets, up to the date such assets are ready for their intended use. Other financing / borrowing costs are charged to statement of profit and loss. Initial direct costs are recognised immediately as an expense.

Expenses incurred in connection with raising of funds are amortised over the tenure of the borrowing.

(j) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events of bonus issue to existing shareholders and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares from the exercise of options on unissued share capital. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares, which would be issued on the conversion of all the dilutive potential equity shares into equity shares. Options on unissued equity share capital are deemed to have been converted into equity shares.

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount	Number of shares	Amount
2. SHARE CAPITAL				
AUTHORISED				
Unclassified shares of ₹ 10 each	100,000,000	<u>1,000,000</u>	100,000,000	<u>1,000,000</u>
ISSUED				
Equity shares of ₹ 10 each	35,519,797	<u>355,198</u>	35,519,797	<u>355,198</u>
SUBSCRIBED AND PAID UP				
Equity shares of ₹ 10/- each fully paid up				
Shares outstanding as at the beginning of the year	35,436,472	354,365	35,436,472	354,365
Add: Shares issued during the year	—	—	—	—
Shares outstanding as at the end of the year	<u>35,436,472</u>	<u>354,365</u>	<u>35,436,472</u>	<u>354,365</u>

Notes:

- a) The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share held and is entitled to dividend, if declared at the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(₹ in Thousand)

b) Shares held by holding company.

32,651,170 (Previous Year- 32,638,645) fully paid up equity shares are held by Khorakiwala Holdings and Investments Private Limited, the holding company.

c) Details of equity shares held by each shareholders holding more than 5% of total equity shares.

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Khorakiwala Holdings and Investments Private Limited	32,651,170	92.14	32,638,645	92.10

3. RESERVES AND SURPLUS

	As at March 31, 2016	As at March 31, 2015
Capital Redemption Reserve		
Opening Balance	297,500	297,500
Add: Current Year Transfer	—	—
Closing Balance	297,500	297,500
Securities Premium Account		
Opening Balance	2,716,000	2,716,000
Add: Current Year Transfer	—	—
Closing Balance	2,716,000	2,716,000
General Reserve		
Opening Balance	1,216,889	1,216,889
Add: Current Year Transfer	—	—
Closing Balance	1,216,889	1,216,889
Surplus		
Opening balance	4,119,885	3,892,625
Add: Net Profit for the Current Year	254,856	227,260
Closing Balance	4,374,741	4,119,885
TOTAL	8,605,130	8,350,274

4. LONG-TERM BORROWINGS**SECURED**

Term loan from IDBI bank (Refer note (a) below) 2,000,472 2,180,876

UNSECURED

Loan from related party (Refer note (b) below) 27,345 54,690

TOTAL 2,027,817 2,235,566

Notes:

- Term loan was secured by first charge by way of mortgage on land and premises including building situated at Bandra Kurla Complex, Mumbai and by way of hypothecation and charge on all lease and rental receivables from the said property. This term loan carrying interest rate at Bank Base rate plus 225 BPS p.a. is repayable by monthly instalment and will be fully repaid by March 2022.
- Interest free loan ₹ 54,690 thousand (Previous Year - ₹ 54,690 thousand) are repayable by 2018 in 2 equal annual installment subject to any further amendment with mutual understanding. Also Refer note 25

Carol Info Services Limited

(₹ in Thousand)

As at
March 31, 2016 **As at**
March 31, 2015

5. DEFERRED TAX LIABILITIES (NET)

Deferred tax liabilities

Difference between depreciation on block of assets	—	23,613
Gross deferred tax liabilities	—	23,613

Deferred tax assets

Provision for Gratuity	—	11
Provision for Leave Encashment	—	21
Gross deferred tax assets	—	32

TOTAL	—	23,581
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6. LONG-TERM PROVISIONS

Provision for employee benefits (Refer note 26)

Gratuity (unfunded)	—	91
Leave Encashment (unfunded)	—	122
TOTAL	—	213

7. TRADE PAYABLES

Trade payables (Refer note below)	3,303	2,850
TOTAL	3,303	2,850

Note:

Principal amount including interest, if any payable to micro and small enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2016 ₹ Nil (Previous year : ₹ Nil). The above information is given to the extent information available with the Company and relied upon by the auditors.

8. OTHER CURRENT LIABILITIES

Current maturities of long-term debt (Refer note 4)	207,748	144,475
Unclaimed dividends	1,466	2,177
Other payables		
Deposits payable	577,464	487,908
Employee liabilities	20	55
Other payables	13,614	19,260
TOTAL	800,312	653,875

(₹ in Thousand)

9. FIXED ASSETS (AT COST)**A) The changes in the carrying amount of fixed assets for the year ended March 31, 2016 is as follows:**

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION AND IMPAIRMENT				NET BLOCK
	As at 1.4.2015	Additions	Deductions/ Other Adjustments	As at 31.3.2016	As at 1.4.2015	For the year	Deductions/ Other Adjustments	As at 31.3.2016	As at 31.3.2016
Tangible Assets									
Freehold Land	274	—	—	274	—	—	—	—	274
Leasehold land	195,141	—	—	195,141	40,142	2,642	—	42,784	152,357
Buildings	944,742	—	—	944,742	221,783	16,287	—	238,070	706,672
Plant and Equipment	173,749	—	8,624	165,125	151,944	3,648	8,506	147,086	18,039
Furniture and Fixtures	101,530	—	321	101,209	94,758	3,995	321	98,432	2,777
Vehicles	9,061	—	—	9,061	8,950	111	—	9,061	—
Office equipments	45,240	—	60	45,180	42,663	730	60	43,333	1,847
Information Technology Equipments	85,679	—	600	85,079	85,649	28	600	85,077	2
TOTAL	1,555,416	—	9,605	1,545,811	645,889	27,441	9,487	663,843	881,968
Capital Work-In-Progress (Refer note (b) below)	5,511	—	—	5,511	—	5,511	—	5,511	—
TOTAL	1,560,927	—	9,605	1,551,322	645,889	32,952	9,487	669,354	881,968

B) The changes in the carrying amount of fixed assets for the year ended March 31, 2015 is as follows:

PARTICULARS OF PREVIOUS YEAR	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK
	As at 1.4.2014	Additions	Deductions/ Other Adjustments	As at 31.3.2015	As at 1.4.2014	For the year	Deductions/ Other Adjustments	As at 31.3.2015	As at 31.3.2015
Tangible Assets									
Freehold Land	274	—	—	274	—	—	—	—	274
Leasehold land	195,141	—	—	195,141	37,508	2,634	—	40,142	154,999
Buildings	944,742	—	—	944,742	205,905	15,878	—	221,783	722,959
Plant and Equipment	173,749	—	—	173,749	145,320	6,624	—	151,944	21,805
Furniture and Fixtures	101,530	—	—	101,530	89,809	4,949	—	94,758	6,772
Vehicles	9,061	—	—	9,061	8,455	495	—	8,950	111
Office equipments	43,917	1,323	—	45,240	41,864	799	—	42,663	2,577
Information Technology Equipments	85,679	—	—	85,679	85,586	63	—	85,649	30
TOTAL	1,554,093	1,323	—	1,555,416	614,447	31,442	—	645,889	909,527
Capital Work-In-Progress	5,511	—	—	5,511	—	—	—	—	5,511
TOTAL	1,559,604	1,323	—	1,560,927	614,447	31,442	—	645,889	915,038

Notes:

- (a) During the year, the Company, had reviewed the useful life of its tangible assets as required under Schedule II of the Companies Act 2013 and accordingly depreciated the fixed assets based on the useful lives specified under Schedule II of the aforesaid Act.
- (b) During the year Capital-work-in-progress amounting to ₹ 5,511 thousand has been impaired. Impairment provision provided during the year amounts to ₹ 5,511 thousand.
- (c) Out of the above, the following are the details of assets given on lease :

Assets given on lease	2016			2015		
	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block
Buildings	905,421	227,794	677,627	901,625	212,428	689,197
Furniture and fixtures	76,952	74,416	2,536	77,272	71,514	5,758
Office equipments	35,119	33,453	1,666	34,689	33,003	1,686
Plant and equipment	164,147	145,960	18,187	172,772	151,101	21,671
Vehicles	985	985	—	985	985	—
TOTAL	1,182,624	482,608	700,016	1,187,343	469,031	718,312

Carol Info Services Limited

	As at March 31, 2016	As at March 31, 2015
(₹ in Thousand)		
10. NON-CURRENT INVESTMENTS		
TRADE (UNQUOTED)		
Others:		
6,750,000 (Previous Year - 6,750,000) Equity shares of ₹ 10 each fully paid-up in Wockhardt Hospitals Limited	50,000	50,000
Nil (Previous Year - 167,800) Equity shares of CHF 1 each fully paid-up in Swiss Biosciences AG (Liquidated)	—	5,577
2,500 (Previous Year-2,500) 0% Optionally Convertible Redeemable Debentures of ₹ 1,000,000 each fully paid-up of the following series in Wockhardt Hospitals Limited:	2,500,000	2,500,000
– 1,405 (Previous Year- 1,405) Series A Debentures		
– 530 (Previous Year- 530) Series B Debentures		
– 565 (Previous Year- 565) Series C Debentures		
NON -TRADE (UNQUOTED)		
Others:		
780,000 (Previous Year - 780,000) Equity shares of ₹ 10 each fully paid-up in Al Barr Finance House Limited	17,583	17,583
Less: Provision for permanent diminution	(15,680)	(15,680)
	<u>1,903</u>	<u>1,903</u>
Subsidiary:		
10,000 (Previous Year - 10,000) Equity shares of ₹ 10 each fully paid-up in Banneret Trading Private Limited [including 6 (Previous Year- 1) fully paid-up shares of par value held in the name of the nominees of the Company]	100	100
TOTAL	<u><u>2,552,003</u></u>	<u><u>2,557,580</u></u>
11. LONG-TERM LOANS AND ADVANCES		
Security Deposits		
Unsecured, considered good	4,953	4,051
	<u>4,953</u>	<u>4,051</u>
Loans and advances to related parties (Refer note 25 and note 27)		
Unsecured, considered good*	7,363,301	7,363,499
Unsecured, considered doubtful	16,064	16,064
Less: Provision for doubtful advances	(16,064)	(16,064)
	<u>7,363,301</u>	<u>7,363,499</u>
* includes loan given to subsidiary ₹ 7,362,836 (Previous year - ₹ 7,362,835)		
Advance tax, net of provision for tax	130,885	130,038
Minimum Alternate Tax (MAT) credit entitlement	—	7,140
TOTAL	<u><u>7,499,139</u></u>	<u><u>7,504,728</u></u>
12. OTHER NON-CURRENT ASSETS		
Deposits with maturity more than 12 months (under lien)	119,195	—
Margin money (under lien)	156	—
TOTAL	<u><u>119,351</u></u>	<u><u>—</u></u>

(₹ in Thousand)

	As at March 31, 2016	As at March 31, 2015
13. TRADE RECEIVABLES (Refer note 25 for related party balances)		
Trade receivables outstanding for a period less than six months		
Unsecured, considered good	218,833	131,804
	<u>218,833</u>	<u>131,804</u>
Trade receivables outstanding for a period exceeding six months		
Unsecured, considered good	—	6,239
Unsecured, considered doubtful	72	100
	<u>72</u>	<u>6,339</u>
Less: Provision for doubtful debts	(72)	(100)
	<u>—</u>	<u>6,239</u>
TOTAL	<u>218,833</u>	<u>138,043</u>
14. CASH AND BANK BALANCES		
Cash and cash equivalents:		
Balances with banks		
On current account	23,544	25,004
Deposit with maturity of less than 3 months	90,000	—
Unpaid dividend accounts	1,466	2,177
Cash on hand	86	161
	<u>115,096</u>	<u>27,342</u>
Other bank balances:		
Deposits with maturity more than 3 months but less than 12 months	179,856	121,286
Deposits with maturity more than 12 months (includes deposit under lien ₹ 110,718 thousand in Previous Year)	165,722	302,265
Deposits with maturity equal to 12 months	41,481	31,055
Margin money under lien	—	100
	<u>387,059</u>	<u>454,706</u>
TOTAL	<u>502,155</u>	<u>482,048</u>
15. SHORT-TERM LOANS AND ADVANCES		
Advances recoverable in cash or in kind or for value to be received		
Unsecured, considered good	7,014	3,972
Balance with customs, excise and sales tax authorities	7,776	4,698
TOTAL	<u>14,790</u>	<u>8,670</u>
16. OTHER CURRENT ASSETS		
Interest Accrued	2,688	3,817
Other Receivable	—	10,800
TOTAL	<u>2,688</u>	<u>14,617</u>

Carol Info Services Limited

(₹ in Thousand)

17. REVENUE FROM OPERATIONS

	For the year ended March 31, 2016	For the year ended March 31, 2015
Sale of services		
Rent income (Refer note 24)	617,898	552,239
TOTAL	617,898	552,239

18. OTHER INCOME

Interest Income	38,639	36,437
Exchange fluctuation gain, net	588	—
Profit on sale of Investment	4,143	36,602
Miscellaneous income (Refer note below)	1,071	10,033
TOTAL	44,441	83,072

Note:

Miscellaneous income to the extent of ₹ 1,043 thousand (Previous Year - ₹ 10,033 thousand) is on account of liabilities no more payable.

19. EMPLOYEE BENEFITS EXPENSE

Salaries and wages (Refer note 26)*	1,252	699
Contribution to provident and other funds (Refer note 26)	93	25
Staff welfare expenses	234	190
TOTAL	1,579	914

[*including remuneration to Chairman and Managing Director ₹ 200 thousand (Previous Year - ₹ 200 thousand)-Refer note 25]

20. FINANCE COSTS

Interest expense		
on term loans	276,997	296,211
others	521	989
Other borrowing costs	—	786
TOTAL	277,518	297,986

(₹ in Thousand)

	For the year ended March 31, 2016	For the year ended March 31, 2015
21. OTHER EXPENSES		
Travelling and conveyance	136	137
Power and fuel	8,304	6,958
Rent	100	100
Rates and taxes	16,125	8,129
Repairs and maintenance		
– to Building	3,013	474
– to Others	5,246	4,365
Insurance	1,109	1,224
Bad debts	303	—
Legal and professional charges	4,404	937
Security services	3,934	2,553
Secretarial expenses	1,761	746
Miscellaneous expenses	1,258	852
TOTAL	45,693	26,475
Notes:		
a) Auditor's remuneration		
Audit fees	400	400
Tax audit fees	—	100
Other services	140	40
Out of pocket expenses	30	35
Service tax	84	71
	654	646
b) Value of Imports on C.I.F basis	Nil	Nil
c) Expenditure on Foreign currency	Nil	Nil
d) Earnings in Foreign exchange	Nil	Nil
e) Break up of stores and spare parts consumed		
Imported	Nil	Nil
Indigenously Procured	Nil	Nil

22. EARNINGS PER SHARE

The calculations of earnings per share (EPS) (basic and diluted) are based on the earnings and number of shares as computed below:

Reconciliation of earnings

Profit after tax	254,856	227,260
Net profit for calculation of Basic/Diluted EPS	254,856	227,260

No. of Shares	No. of Shares
----------------------	----------------------

Reconciliation of number of shares

Weighted average number of shares in calculating Basic/Diluted EPS	35,436,472	35,436,472
	35,436,472	35,436,472

Earnings per share (nominal value ₹ 10 each)

Earnings per share - Basic/Diluted in ₹	7.19	6.41
---	------	------

Carol Info Services Limited

(₹ in Thousand)

23. SEGMENT INFORMATION

Primary Segments

The Company is presently only into one segment 'renting of immovable property segment'. Hence disclosures required under Accounting Standard 17 on 'Segment Reporting' are not applicable.

24. LEASE INCOME

The Company has given on operating lease various office and residential premises. These lease and license agreements are for a period not exceeding five years and are in most cases renewable by mutual consent, on mutually agreeable terms. The company has taken refundable interest free security deposits in accordance with the agreed terms. The aggregate of rentals receivable are recognised as revenue under Note 17 - Sale of services. Future lease rentals receivable are as follows:

	Year	For the year	Not later than one year	Later than One Year and not later than five years	Later than five years
Lease Rent Receivable	2016	62,250	63,000	81,900	—
	2015	60,000	62,250	144,900	—

25. RELATED PARTY DISCLOSURES

As per Accounting Standard 18, the disclosure of transaction with related parties are given below:

a) Parties where control exists

Holding company

Khorakiwala Holdings and Investments Private Limited

Subsidiary Company

Banneret Trading Private Limited

Fellow Subsidiary

Wockhardt Limited (upto July 07, 2014)

Enterprise that directly or indirectly through one or more intermediaries control or are controlled by the Company

Vinton Healthcare Limited (amalgamated with Wockhardt Limited effective April 01, 2014)

Individuals having direct or indirect control over the Company

H. F. Khorakiwala

Enterprises over which Individuals having direct or indirect control over the Company, have significant influence

Palanpur Holdings and Investments Private Limited

Wockhardt Hospitals Limited

Merind Limited

Sharanya Chemicals and Pharmaceuticals Private Limited

Holmdene Constructions

Wockhardt Limited (w.e.f July 08, 2014)

Key Managerial Personnel

G.B. Parulkar

(₹ in Thousand)

b) Transactions with related parties during the year

	For the year ended March 31, 2016	For the year ended March 31, 2015
<i>Holding company</i>		
Rent paid	100	100
<i>Subsidiary Company</i>		
Loan given	—	10
Interest income*	1	—
* (Previous Year ₹ 254)		
<i>Fellow Subsidiary Company</i>		
Rent received	—	129,699
Recovery of Electricity Charges	—	4,046
<i>Transactions with enterprises over which Individuals having direct or indirect control over the Company, having significant influence</i>		
Rent received from Wockhardt Limited	583,337	389,098
Recovery of Electricity Charges from Wockhardt Limited	18,286	11,113
Security Deposit received from Wockhardt Limited	90,000	—
Application money paid towards Optionally Convertible Redeemable Debentures to Wockhardt Hospitals Limited	—	740,000
Allotment of Optionally Convertible Redeemable Debentures by Wockhardt Hospitals Limited	—	740,000
Loans / Advances Given to Holmdene Constructions	—	9
Loans / Advances repaid by Holmdene Constructions	200	—
Interest income from Holmdene Constructions *	1	—
* (Previous Year - ₹ 470)		
<i>Enterprise that directly or indirectly through one or more intermediaries control or are controlled by the company</i>		
Loan taken by the Company from Vinton Healthcare Limited adjusted against receivables of the Company from Wockhardt Limited after amalgamation of Vinton Healthcare Limited into Wockhardt Limited wef April 01, 2014	—	222,107
c) <i>Managerial remuneration payable/paid to Key managerial personnel</i>	200	200
d) <i>Related party balances outstanding</i>		
Receivable from/(payable to) Holding Company	(100)	—
Receivable from Subsidiary	7,362,836	7,362,835
Security deposit payable to Wockhardt Limited	555,000	465,000
<i>Receivable from Enterprises where significant influence exists (Net of Provision)</i>	215,788	134,081
[Holmdene Constructions ₹ 465 thousand (Previous Year - ₹ 664 thousand); Wockhardt Limited ₹ 215,323 thousand (Previous Year - ₹ 133,417)]		
<i>Payable to Enterprises where significant influence exists</i>	55,127	55,127
[Merind Limited ₹ 54,690 thousand (Previous Year - ₹ 54,690 thousand); Wockhardt Hospitals Limited ₹ 437 thousand (Previous Year - 437 thousand)]		

Carol Info Services Limited

(₹ in Thousand)

26. EMPLOYEE BENEFITS

(A) Defined benefit plans -

	For the year ended March 31, 2016	For the year ended March 31, 2015
	Gratuity (Non-funded)	Gratuity (Non-funded)
I Expenses recognised during the year		
1 Current Service Cost	—	6
2 Interest cost	—	4
3 Actuarial Losses/(Gains)	—	40
Total Expenses	—	50
II Net Asset /(Liability) recognised as at balance sheet date		
1 Present value of defined benefit obligation	—	91
2 Net Asset/(Liability)	—	(91)
III Reconciliation of Net Asset/(Liability) recognised as at balance sheet date		
1 Net Asset/(Liability) at the beginning of year	(91)	(41)
2 Expense as per I above	—	(50)
3 Employer contributions	—	—
4 Liability settled on resignation of the employee	77	—
5 Excess provision written back	14	—
6 Net asset/(liability) at the end of the year	—	(91)
IV Actuarial Assumptions		
1 Discount rate	—	7.95%
2 Expected rate of salary increase	—	10.00%
3 Attrition rate	—	1.00%
4 Mortality	—	Indian Assured Lives Mortality (2006-08) Ultimate

Notes:

- There was no amount of gratuity liability as on March 31, 2016, hence no actuarial valuation was carried out during the year.
- Amounts recognised as an expense and included in the Note 19 - "Salaries and wages" :
Gratuity ₹ Nil (Previous Year - ₹ 50 thousand) and leave encashment ₹ Nil (Previous Year - ₹ 77 thousand).
- Actuarial valuation was worked out considering attrition rate and estimates of future salary increase taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- The Company had provided for gratuity and leave encashment based on actuarial valuation done as per Projected Unit Credit Method.

(B) Defined contribution plan -

Amount recognised as an expense and included in the Note 19 - "Contribution to provident and other funds" ₹ 93 thousand (Previous Year - ₹ 25 thousand).

(₹ in Thousand)

(C) Details of gratuity for the current and previous four years are as follows:

	Defined benefit obligation	Surplus/ (deficit)	Experience adjustment on plan liabilities (gain)/ loss
April 2015- March 2016	—	—	—
April 2014- March 2015	(91)	(91)	10
April 2013- March 2014	(41)	(41)	3
April 2012- March 2013	(35)	(35)	(29)
April 2011- March 2012	(3,193)	(3,193)	72

27. INFORMATION PERTAINING TO LOANS AND GUARANTEES GIVEN TO SUBSIDIARIES (UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013):

				(Rupees in Thousands)		
	Outstanding as at the beginning of the year	Given during the year	Repaid during the year	*Adjustments	Closing at the end of the year	Purpose
Banneret Trading Private Limited	7,362,835	1	—	—	7,362,836	General purpose
<i>(Previous Year)</i>	7,362,825	10	—	—	7,362,835	General purpose
Sharanya Chemicals and Pharmaceuticals Private Limited	16,064	—	—	16,064	—	General purpose
<i>(Previous Year)</i>	16,064	—	—	16,064	—	General purpose
Holmdene Construction	664	1	200	—	465	General purpose
<i>(Previous Year)</i>	655	9	—	—	664	General purpose

Note: * Loan given to Sharanya Chemicals and Pharmaceuticals Private Limited has been fully provided for.

28. CONTINGENT LIABILITY

- (a) Demands for ₹ 410 thousand (Previous Year - ₹ 14,316 thousand) have been raised by Sales Tax Authorities. The Company has filed appeals against the said demands.
- (b) Demand by Income tax authorities ₹ 4,127 thousand (Previous Year - ₹ 17 thousand) disputed by the Company.

29. Previous year figures have been regrouped where necessary to conform to current year's presentation.

For and on behalf of the Board of Directors

G. B. Parulkar
Chairman & Managing Director
DIN: 00015668

Shahnawaz Khan
Director
DIN: 03053420

Stephen D'souza
Director
DIN: 00045812

Place : Mumbai
Date : August 25, 2016

Nikhil Malpani
Company Secretary

Ravi Shekhar Mitra
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CAROL INFO SERVICES LIMITED

1. Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Carol Info Services Limited** and its subsidiary, Banneret Trading Private Limited (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2016, and the Consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information hereafter referred to as consolidated financial statements.

2. Management's responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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.

3. Auditor's Responsibility

- 3.1 Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
- 3.2 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.
- 3.3 We have placed reliance on audit report issued by the auditor of the subsidiary company, referred to in the paragraph on "Other Matters" stated below and on the basis of such reliance, we have conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. These auditing 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
- 3.4 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding company's preparation of the consolidated 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 accounting policies used and the reasonableness of the accounting estimates made by Holding Company's Directors, as well as evaluating the overall presentation of the financial statements.
- 3.5 We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors, in terms of their report, referred to in the paragraph on "Other Matters" stated below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, and placing reliance on audit reports on the separate financial statements of the subsidiary, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2016, and its consolidated profit and its consolidated cash flows for the year ended on that date.

5. Other Matters

We did not audit the financial statement of the subsidiary of the Company, Banneret Trading Private Limited whose financial statement reflects assets of ₹ 75,53,624 thousands and revenue of ₹ 45,00 thousands and net cash outflows amounting to ₹ 285 thousands. The financial statement of this subsidiary have been audited by other auditor, whose

report has been furnished to us, and our opinion, in so far as it relates to amounts included in respect of such subsidiary, is based solely on the report of such other auditor.

6. Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Companies Act 2013, based on our audit of the Holding company & by placing reliance on the report of the other auditors on the separate financial statement of the subsidiary referred to in the paragraph on "Other Matters", 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 purpose of our audit of the aforesaid consolidated financial statements;
 - b. In our opinion, proper books of account as required by law, relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books and the report of the other auditors.
 - c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, aforesaid financial statements comply with Accounting Standard, referred to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, particularly Accounting Standard 21, Consolidated Financial Statements.
 - e. On the basis of assertions made in the audit report of separate financial statement of the subsidiary company, and on the basis of written representations received from the directors of the Holding Company as on March 31, 2016 and taken on records by Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director of the respective company in terms Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls refer to our separate report in "Annexure A".
7. 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 and by placing reliance of the audit reports on the separate financial statements of its subsidiary:
- (i) The Group has disclosed the impact of pending litigations in its financial statements. Refer note 27 of financial statements.
 - (ii) The Group has entered into long term contracts. However based on the information & explanations provided to us, the Group was not required to make any provisions for material foreseeable losses. The Group has not entered any derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

For M. P. Chitale & Co.
Chartered Accountants
Firm Regn. No. 101851W

Ashutosh Pednekar
Partner
ICAI M. No. 41037

Place: Mumbai
Date: August 25, 2016

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Refer to in paragraph 6.f of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of **Carol Info Services Limited** (hereinafter referred to as "the Holding Company") and its subsidiary company, **Banneret Trading Private Limited**, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 the respective company's policies, the safeguarding of their 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 these internal financial controls over financial reporting based on our audit. We have placed reliance on the audit reports issued by the auditor of the subsidiary company, referred to, in the paragraph on 'Other Matters' stated below and on the basis of such reliance, we have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the ICAI 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 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.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in the paragraph on 'Other Matters' below, is sufficient and appropriate to provide a basis for our audit opinion on the Groups internal financial control system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, and placing reliance on the audit report on the “Internal Financial Control over Financial Reporting” issued by the auditors of the subsidiary company, which are companies incorporated in India, have, the Group in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the respective Companies in the Group 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the subsidiary company is based on the corresponding report of the auditors of such company incorporated in India.

For M. P. Chitale & Co.

Chartered Accountants
Firm Regn. No. 101851W

Ashutosh Pednekar

Partner
ICAI M. No. 41037

Place: Mumbai

Date: August 25, 2016

Carol Info Services Limited

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

(All amounts in Thousand of Indian ₹)

	Notes	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	2	354,365	354,365
Reserves and surplus	3	8,605,848	8,348,170
Preference Share Capital of the Subsidiary		190,000	190,000
		<u>9,150,213</u>	<u>8,892,535</u>
NON-CURRENT LIABILITIES			
Long-term borrowings	4	2,027,817	2,235,566
Deferred tax liabilities (Net)	5	—	23,581
Long-term provisions	6	—	213
		<u>2,027,817</u>	<u>2,259,360</u>
CURRENT LIABILITIES			
Trade payables	7	—	—
Total outstanding dues of Micro and Small Enterprises		—	—
Total outstanding dues of creditors other than Micro and Small Enterprises		3,303	2,850
Other current liabilities	8	800,339	653,903
		<u>803,642</u>	<u>656,753</u>
TOTAL		<u><u>11,981,672</u></u>	<u><u>11,808,648</u></u>
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	9		
Tangible assets		881,968	909,527
Intangible assets		57	57
Capital work-in-progress		—	5,511
Non-current investments	10	10,102,215	10,107,792
Long-term loans and advances	11	136,303	141,893
Other non-current assets	12	122,461	—
		<u>11,243,004</u>	<u>11,164,780</u>
CURRENT ASSETS			
Trade receivables	13	218,833	138,043
Cash and Bank balances	14	502,357	482,536
Short-term loans and advances	15	14,790	8,672
Other current assets	16	2,688	14,617
		<u>738,668</u>	<u>643,868</u>
TOTAL		<u><u>11,981,672</u></u>	<u><u>11,808,648</u></u>
Significant accounting policies	1(B)		
The notes from 1 to 30 form an integral part of the Financial statements			

As per our attached report of even date

For **M. P. Chitale & Co.**
Chartered Accountants

For and on behalf of the Board of Directors

Ashutosh Pednekar
Partner

G. B. Parulkar
Chairman & Managing Director
DIN: 00015668

Shahnawaz Khan
Director
DIN: 03053420

Stephen D'souza
Director
DIN: 00045812

Place : Mumbai
Date : August 25, 2016

Nikhil Malpani
Company Secretary

Ravi Shekhar Mitra
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(All amounts in Thousand of Indian ₹)

	Notes	For the year ended March 31, 2016	For the year ended March 31, 2015
REVENUE			
Revenue from operations	17	617,898	552,239
Other income	18	48,940	83,075
TOTAL		<u>666,838</u>	<u>635,314</u>
EXPENSES			
Employee benefits expense	19	1,579	914
Finance costs	20	277,518	297,986
Depreciation and impairment	9	32,952	31,442
Other expenses	21	45,980	28,528
TOTAL		<u>358,029</u>	<u>358,870</u>
PROFIT BEFORE TAX		308,809	276,444
Tax expense:			
Current tax		(67,572)	(58,374)
<i>Less: Minimum Alternate Tax Credit</i>		<u>—</u>	<u>7,140</u>
		(67,572)	(51,234)
MAT credit entitlement written off		(7,140)	—
Deferred tax written back		23,581	—
PROFIT AFTER TAX		<u>257,678</u>	<u>225,210</u>
Earnings per equity share of face value of ₹ 10 each :			
Basic/Diluted in ₹	22	7.27	6.36
Significant accounting policies	1(B)		
The notes from 1 to 30 form an integral part of the Financial statements			

As per our attached report of even date

For **M. P. Chitale & Co.**
Chartered Accountants

For and on behalf of the Board of Directors

Ashutosh Pednekar
*Partner***G. B. Parulkar**
Chairman & Managing Director
DIN: 00015668**Shahnawaz Khan**
Director
DIN: 03053420**Stephen D'souza**
Director
DIN: 00045812Place : Mumbai
Date : August 25, 2016**Nikhil Malpani**
*Company Secretary***Ravi Shekhar Mitra**
Chief Financial Officer

Carol Info Services Limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(All amounts in Thousand of Indian ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:		
Net profit before taxation	308,809	276,444
Adjustments for:		
Depreciation and impairment	32,952	31,442
Liabilities no more payable	(1,043)	(10,036)
Exchange fluctuation gain, net	(588)	—
Advances no more recoverable	204	—
Reversal of provision for doubtful debts	(28)	—
Bad debts	303	—
Finance costs	277,518	297,986
Interest Income	(43,138)	(36,437)
Loss on Fixed assets	118	—
Profit on sale of investments	(4,143)	(36,602)
Operating profit before Working Capital changes	570,964	522,797
Movement in working capital:		
(Increase) / Decrease in Trade Receivables	(81,269)	(23,444)
(Increase) / Decrease in Loans and Advances and other assets	(7,023)	(2,657)
Increase / (Decrease) in Liabilities and Provisions	85,290	(393)
Cash Generated from Operations	567,962	496,303
Income taxes paid	(67,031)	(62,174)
Net cash from Operating Activities (A)	500,931	434,129
CASH FLOWS PROVIDED BY/ (USED IN) INVESTING ACTIVITIES:		
Purchase of Fixed Assets and Additions to Capital work-in-progress	(131)	(1,361)
Proceeds from sale of Investments	21,108	162,135
Purchase of Investments (Net of refund)	—	(740,000)
Repayment by / (Loans to) companies/ firms	200	2,490
Margin money and Fixed deposits with maturity of more than 3 months	(51,704)	349,610
Interest Received	39,767	45,188
Net cash from/(used in) Investing Activities (B)	9,240	(181,938)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES:		
Proceeds from borrowings	—	150,000
Repayment of borrowings	(144,476)	(114,888)
Finance costs paid	(277,516)	(297,987)
Dividend paid	(711)	(772)
Net cash used in Financing Activities (C)	(422,703)	(263,647)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	87,468	(11,456)
CASH AND CASH EQUIVALENTS, at beginning of year	27,830	39,286
CASH AND CASH EQUIVALENTS, at end of year	115,298	27,830
Component of cash and cash equivalents, as at March 31, 2016		
Cash	86	161
Balance with banks:		
- on current account (excluding unpaid dividend account)	23,746	25,492
- on unclaimed dividend account (Refer note 3 below)	1,466	2,177
- deposit with maturity of less than 3 months	90,000	—
	115,298	27,830

Notes:

1. All figures in bracket are outflow.
2. Income taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
3. These balances are not available for use by the Company as they represent corresponding unclaimed dividend liabilities.

As per our attached report of even date

For **M. P. Chitale & Co.**
Chartered Accountants

For and on behalf of the Board of Directors

Ashutosh Pednekar
Partner

G. B. Parulkar
Chairman & Managing Director
DIN: 00015668

Shahnawaz Khan
Director
DIN: 03053420

Stephen D'souza
Director
DIN: 00045812

Place : Mumbai
Date : August 25, 2016

Nikhil Malpani
Company Secretary

Ravi Shekhar Mitra
Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(All amounts in Thousand of Indian ₹ unless otherwise stated)

1. A. (i) BACKGROUND

Carol Info Services Limited ('CISL' or 'the Company') is a subsidiary of Khorakiwala Holdings and Investments Private Limited. The Company is engaged in renting of immovable property activity.

During the year 2012-13, the Company acquired all the shares of Banneret Trading Private Limited ("the subsidiary").

(ii) BASIS OF PREPARATION

The consolidated financial statements have been prepared to comply in all material respects with prescribed accounting standards under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act to the extent notified. The consolidated financial statements comprise the financial statements of the Company and its wholly owned subsidiary 'Banneret Trading Private Limited' (together constituting "the Group"). The financial statement of the Subsidiary have been drawn upto the same reporting date as of the Company. The consolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

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

(iii) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements of the Company have been prepared on the following basis:

- a) The consolidated financial statements of the Group have been prepared based on a line-by-line consolidation of the financial statements of the Company and its subsidiary using uniform accounting policies for like transactions and other events in similar circumstances .
- b) All material inter-company balances and transactions are eliminated on consolidation.
- c) The excess of cost to the Group of its investments in subsidiary company over its share of the equity of the subsidiary company at the dates, on which the investments in the subsidiary company is made, is recognised as 'Goodwill on Consolidation' in the consolidated financial statements.
- d) The operations of the Company's subsidiaries are considered as non-integral operations for the purpose of consolidation.
- e) The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent company for its separate financial statements

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are as follows:

(a) Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. The Company capitalises all costs relating to the acquisition and installation of fixed assets.

Depreciation is provided, using the straight line method, pro rata to the period of use of assets, in accordance with the requirements of Schedule II of the Companies Act, 2013, based on the useful lives of the assets determined through technical assessment by the management. The estimated useful lives followed by the Company are as follows:

<u>Assets</u>	<u>Estimated useful life</u>
Leasehold land	over the period of lease
Buildings	30 -60 years
Plant and Machinery	10-20 years
Furniture and Fixtures	10 years
Office Equipments	4 – 5 years
Information Technology Equipments	3 years
Vehicles	5 years

Components having useful lives different from the life of parent assets as stated above are depreciated over the useful life of the components. Fixed assets whose aggregate cost is Rs 5,000 or less are depreciated fully in the year of acquisition.

Goodwill is tested for impairment.

(b) Foreign currency transactions

Foreign currency transactions during the year are recorded at rates of exchange prevailing on the date of the transaction. Foreign currency denominated assets and liabilities are translated into rupees at the rates of exchange prevailing on the date of the balance sheet. All exchange differences are dealt with in the statement of profit and loss.

In respect of transactions covered by forward exchange contracts, the difference between the contract rate and the spot rate on the date of the transaction is charged to the statement of profit and loss over the period of the contract.

(c) Investments

Long-term investments are stated at cost. Provision is made to recognise a diminution, other than temporary, in the value of investments. Current investments are stated at lower of cost and fair value.

(d) Inventories

Inventories of stores and spare parts are valued at cost.

(e) Employee benefits

The liability on account of gratuity and leave encashment are provided based on valuation by an independent actuary. Contributions to provident fund and family pension fund are charged to the statement of profit and loss as incurred.

(f) Revenue recognition

The Company recognises revenues on dispatch of goods to customers. Revenues are recorded at invoice value net of sales tax, excise, returns and trade discounts.

Revenue from services are recognised on completion of such services.

Rental Income is recognized on time proportionate basis over the period of the agreement.

(g) Income-tax

Provision for current income-taxes is made on the assessable income at the tax rate applicable to the relevant assessment year.

Deferred income taxes are recognised for the future tax consequences attributable to timing differences between the financial statement determination of income and their recognition for tax purposes. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the statement of profit and loss using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(h) Leases

Operating leases

Lease payments for operating leases are recognised as expense over the lease term. Lease income from operating leases is recognised as income over the lease term. Initial direct costs are recognised immediately as an expense.

(i) Financing / Borrowing cost

Financing / Borrowing costs attributable to acquisition and/or construction of qualifying assets are capitalised as a part of the cost of such assets, up to the date such assets are ready for their intended use. Other financing / borrowing costs are charged to statement of profit and loss. Initial direct costs are recognised immediately as an expense.

Expenses incurred in connection with raising of funds are amortised over the tenure of the borrowing.

(j) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events of bonus issue to existing shareholders and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares from the exercise of options on unissued share capital. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares, which would be issued on the conversion of all the dilutive potential equity shares into equity shares. Options on unissued equity share capital are deemed to have been converted into equity shares.

Consolidated

(₹ in Thousand)

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount	Number of shares	Amount
2. SHARE CAPITAL				
AUTHORISED				
Unclassified shares of ₹ 10 each	100,000,000	<u>1,000,000</u>	100,000,000	<u>1,000,000</u>
ISSUED				
Equity shares of ₹ 10 each	35,519,797	<u>355,198</u>	35,519,797	<u>355,198</u>
SUBSCRIBED AND PAID UP				
Equity shares of ₹ 10/- each fully paid up				
Shares outstanding as at the beginning of the year	35,436,472	354,365	35,436,472	354,365
Add: Shares issued during the year	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Shares outstanding as at the end of the year	<u>35,436,472</u>	<u>354,365</u>	<u>35,436,472</u>	<u>354,365</u>

Notes:

- a) The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share held and is entitled to dividend, if declared at the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- b) **Shares held by holding company.**
32,651,170 (Previous Year- 32,638,645) fully paid-up equity shares are held by Khorakiwala Holdings and Investments Private Limited, the holding Company.
- c) **Details of equity shares held by each shareholders holding more than 5% of total equity shares.**

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Khorakiwala Holdings and Investments Private Limited	32,651,170	92.14	32,638,645	92.10

	As at	As at
	March 31, 2016	March 31, 2015
3. RESERVES AND SURPLUS		
Capital Redemption Reserve		
Opening Balance	297,500	297,500
Add: Current Year Transfer	—	—
Closing Balance	<u>297,500</u>	<u>297,500</u>
Securities Premium Account		
Opening Balance	2,716,000	2,716,000
Add: Current Year Transfer	—	—
Closing Balance	<u>2,716,000</u>	<u>2,716,000</u>
General Reserve		
Opening Balance	1,216,889	1,216,889
Add: Current Year Transfer	—	—
Closing Balance	<u>1,216,889</u>	<u>1,216,889</u>
Surplus		
Opening balance	4,117,781	3,892,571
Add: Net Profit for the Current Year	<u>257,678</u>	<u>225,210</u>
Closing Balance	<u>4,375,459</u>	<u>4,117,781</u>
TOTAL	<u>8,605,848</u>	<u>8,348,170</u>

Carol Info Services Limited

(₹ in Thousand)

As at
March 31, 2016 **As at**
March 31, 2015

4. LONG-TERM BORROWINGS

SECURED

Term loan from IDBI bank (Refer note (a) below)	2,000,472	2,180,876
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UNSECURED

Loan from related party (Refer note (b) below)	27,345	54,690
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TOTAL	2,027,817	2,235,566
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Notes:

- a) Term loan was secured by first charge by way of mortgage on land and premises including building situated at Bandra Kurla Complex, Mumbai and by way of hypothecation and charge on all lease and rental receivables from the said property. This term loan carrying interest rate at Bank Base rate plus 225 BPS p.a. is repayable by monthly instalment and will be fully repaid by March 2022.
- b) Interest free loan ₹ 54,690 thousand (Previous Year - ₹ 54,690 thousand) are repayable by 2018 in 2 equal annual installment subject to any further amendment with mutual understanding. Also Refer note 25.

As at
March 31, 2016 **As at**
March 31, 2015

5. DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liabilities

Difference between depreciation on block of assets	—	23,613
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Gross deferred tax liabilities	—	23,613
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Deferred tax assets

Provision for Gratuity	—	11
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Provision for Leave Encashment	—	21
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Gross deferred tax assets	—	32
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TOTAL	—	23,581
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6. LONG-TERM PROVISIONS

Provision for employee benefits (Refer note 26)

Gratuity (unfunded)	—	91
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Leave Encashment (unfunded)	—	122
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TOTAL	—	213
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7. TRADE PAYABLES

Trade payables (Refer note below)	3,303	2,850
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TOTAL	3,303	2,850
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Principal amount including interest, if any payable to micro and small enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2016 ₹ Nil (Previous year : ₹ Nil). The above information is given to the extent information available with the Company and relied upon by the auditors.

(₹ in Thousand)

As at
March 31, 2016 As at
March 31, 2015

8. OTHER CURRENT LIABILITIES

Current maturities of long-term debt (Refer note 4)	207,748	144,475
Unclaimed dividends	1,466	2,177
Other payables		
Deposits payable	577,464	487,908
Employee liabilities	20	55
Other payables	13,641	19,288
TOTAL	<u>800,339</u>	<u>653,903</u>

9. FIXED ASSETS (AT COST)

A) The changes in the carrying amount of fixed assets for the year ended March 31, 2016 is as follows:

(₹ in Thousand)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION AND IMPAIRMENT				NET BLOCK
	As at 1.4.2015	Additions	Deductions/ Other Adjustments	As at 31.3.2016	As at 1.4.2015	For the year	Deductions/ Other Adjustments	As at 31.3.2016	As at 31.3.2016
Tangible Assets									
Freehold Land	274	—	—	274	—	—	—	—	274
Leasehold land	195,141	—	—	195,141	40,142	2,642	—	42,784	152,357
Buildings	944,742	—	—	944,742	221,783	16,287	—	238,070	706,672
Plant and Equipment	173,749	—	8,624	165,125	151,944	3,648	8,506	147,086	18,039
Furniture and Fixtures	101,530	—	321	101,209	94,758	3,995	321	98,432	2,777
Vehicles	9,061	—	—	9,061	8,950	111	—	9,061	—
Office equipments	45,240	—	60	45,180	42,663	730	60	43,333	1,847
Information Technology Equipments	85,679	—	600	85,079	85,649	28	600	85,077	2
TOTAL	1,555,416	—	9,605	1,545,811	645,889	27,441	9,487	663,843	881,968
Intangible Assets									
Goodwill on Consolidation	57	—	—	57	—	—	—	—	57
TOTAL	1,555,473	—	9,605	1,545,868	645,889	27,441	9,487	663,843	882,025
Capital Work-In-Progress (Refer note (b) below)	5,511	—	—	5,511	—	5,511	—	5,511	—
TOTAL	1,560,984	—	9,605	1,551,379	645,889	32,952	9,487	669,354	882,025

B) The changes in the carrying amount of fixed assets for the year ended March 31, 2015 is as follows:

(₹ in Thousand)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK
	As at 1.4.2014	Additions	Deductions/ Other Adjustments	As at 31.3.2015	As at 1.4.2014	For the year	Deductions/ Other Adjustments	As at 31.3.2015	As at 31.3.2015
Tangible Assets									
Freehold Land	274	—	—	274	—	—	—	—	274
Leasehold land	195,141	—	—	195,141	37,508	2,634	—	40,142	154,999
Buildings	944,742	—	—	944,742	205,905	15,878	—	221,783	722,959
Plant and Equipment	173,749	—	—	173,749	145,320	6,624	—	151,944	21,805
Furniture and Fixtures	101,530	—	—	101,530	89,809	4,949	—	94,758	6,772
Vehicles	9,061	—	—	9,061	8,455	495	—	8,950	111
Office equipments	43,917	1,323	—	45,240	41,864	799	—	42,663	2,577
Information Technology Equipments	85,679	—	—	85,679	85,586	63	—	85,649	30
TOTAL	1,554,093	1,323	—	1,555,416	614,447	31,442	—	645,889	909,527
Intangible Assets									
Goodwill on Consolidation	57	—	—	57	—	—	—	—	57
TOTAL	1,554,150	1,323	—	1,555,473	614,447	31,442	—	645,889	909,584
Capital Work-In-Progress	5,511	—	—	5,511	—	—	—	—	5,511
TOTAL	1,559,661	1,323	—	1,560,984	614,447	31,442	—	645,889	915,095

Notes:

- (a) During the year, the Company, had reviewed the useful life of its tangible assets as required under Schedule II of the Companies Act 2013 and accordingly depreciated the fixed assets based on the useful lives specified under Schedule II of the aforesaid Act.
- (b) During the year Capital-work-in-progress amounting to ₹ 5,511 thousand has been impaired. Impairment provision provided during the year amounts to ₹ 5,511 thousand.

Carol Info Services Limited

(₹ in Thousand)

(c) Out of the above, the following are the details of assets given on lease:

Assets given on lease	2016			2015		
	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block
Buildings	905,421	227,794	677,627	901,625	212,428	689,197
Furniture and fixtures	76,952	74,416	2,536	77,272	71,514	5,758
Office equipments	35,119	33,453	1,666	34,689	33,003	1,686
Plant and equipment	164,147	145,960	18,187	172,772	151,101	21,671
Vehicles	985	985	—	985	985	—
TOTAL	1,182,624	482,608	700,016	1,187,343	469,031	718,312

	As at March 31, 2016	As at March 31, 2015
10. NON-CURRENT INVESTMENTS		
TRADE (UNQUOTED):		
Others:		
6,750,000 (Previous Year- 6,750,000) Equity shares of ₹ 10 each fully paid-up in Wockhardt Hospitals Limited	50,000	50,000
Nil (Previous Year - 167,800) Equity shares of CHF 1 each fully paid-up in Swiss Biosciences AG (Liquidated)	—	5,577
2,500 (Previous Year- 2,500) 0% Optionally Convertible Redeemable Debentures of ₹ 1,000,000 each fully paid-up of the following series in Wockhardt Hospitals Limited:	2,500,000	2,500,000
- 1,405 (Previous Year- 1,405) Series A Debentures		
- 530 (Previous Year- 530) Series B Debentures		
- 565 (Previous Year- 565) Series C Debentures		
9,000,000 (Previous Year: 9,000,000) Zero coupon Non- Convertible Redeemable Bonds of Khorakiwala holding and Investment Private Limited of ₹ 100 each	900,000	900,000
369,942,639 (Previous Year - 369,942,639) 3% Non-Convertible Cumulative Redeemable Preference Shares of Dartmour Holding Private Limited of ₹ 10 each fully paid up	3,699,426	3,699,426
29,508,863 (Previous Year - 29,508,863) 3% Non-Convertible Cumulative Redeemable Preference Shares of Palanpur Holdings and Investment Private Limited of ₹ 100 each fully paid up	2,950,886	2,950,886
NON -TRADE (UNQUOTED):		
Others:		
780,000 (Previous Year - 780,000) Equity shares of ₹ 10 each fully paid up in Al Barr Finance House Limited	17,583	17,583
Less: Provision for permanent diminution	(15,680)	(15,680)
	<u>1,903</u>	<u>1,903</u>
TOTAL	<u><u>10,102,215</u></u>	<u><u>10,107,792</u></u>
11. LONG-TERM LOANS AND ADVANCES		
Security Deposits		
Unsecured, considered good	4,953	4,051
	<u>4,953</u>	<u>4,051</u>
Loans and advances to related parties (Refer note 25)		
Unsecured, considered good	465	664
Unsecured, considered doubtful	16,064	16,064
Less: Provision for doubtful advances	(16,064)	(16,064)
	<u>465</u>	<u>664</u>
Advance tax, net of provision for tax	130,885	130,038
Minimum Alternate Tax (MAT) credit entitlement	—	7,140
TOTAL	<u><u>136,303</u></u>	<u><u>141,893</u></u>

Consolidated

(₹ in Thousand)

	As at March 31, 2016	As at March 31, 2015
12. OTHER NON-CURRENT ASSETS		
Deposits with maturity more than 12 months (under lien)	119,195	—
Margin money (under lien)	156	—
Interest accrued	3,110	—
TOTAL	<u>122,461</u>	<u>—</u>
13. TRADE RECEIVABLES (Refer note 25 for related party balances)		
Trade receivables outstanding for a period less than six months		
Unsecured, considered good	218,833	131,804
	<u>218,833</u>	<u>131,804</u>
Trade receivables outstanding for a period exceeding six months		
Unsecured, considered good	—	6,239
Unsecured, considered doubtful	72	100
	<u>72</u>	<u>6,339</u>
Less: Provision for doubtful debts	(72)	(100)
	<u>—</u>	<u>6,239</u>
TOTAL	<u>218,833</u>	<u>138,043</u>
14. CASH AND BANK BALANCES		
Cash and cash equivalents:		
Balances with banks		
On current account	23,746	25,492
Deposit with maturity of less than 3 months	90,000	—
Unpaid dividend accounts	1,466	2,177
Cash on hand	86	161
	<u>115,298</u>	<u>27,830</u>
Other bank balances:		
Deposits with maturity more than 3 months but less than 12 months	179,856	121,286
Deposits with maturity more than 12 months (includes deposit under lien ₹ 110,718 thousand in Previous Year)	165,722	302,265
Deposits with maturity equal to 12 months	41,481	31,055
Margin money under lien	—	100
	<u>387,059</u>	<u>454,706</u>
TOTAL	<u>502,357</u>	<u>482,536</u>
15. SHORT-TERM LOANS AND ADVANCES		
Advances recoverable in cash or in kind or for value to be received		
Unsecured, considered good	7,014	3,974
Balance with customs, excise and sales tax authorities	7,776	4,698
TOTAL	<u>14,790</u>	<u>8,672</u>
16. OTHER CURRENT ASSETS		
Interest Accrued	2,688	3,817
Other Receivable	—	10,800
TOTAL	<u>2,688</u>	<u>14,617</u>

Carol Info Services Limited

	(₹ in Thousand)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
17. REVENUE FROM OPERATIONS		
Sale of services		
Rent income (Refer note 24)	617,898	552,239
TOTAL	617,898	552,239
18. OTHER INCOME		
Interest Income	43,138	36,437
Miscellaneous income (Refer note below)	1,071	10,036
Exchange fluctuation gain- net	588	—
Profit on sale of investment	4,143	36,602
TOTAL	48,940	83,075
Note:		
Miscellaneous income to the extent of ₹ 1,043 thousand (Previous Year- ₹ 10,036 thousand) is on account of liabilities no more payable.		
19. EMPLOYEE BENEFITS EXPENSE		
Salaries and wages (Refer note 26)*	1,252	699
Contribution to provident and other funds (Refer note 26)	93	25
Staff welfare expenses	234	190
TOTAL	1,579	914
[* including remuneration to Chairman and Managing Director ₹ 200 thousand (Previous Year - ₹ 200 thousand) - Refer note 25]		
20. FINANCE COSTS		
Interest expense		
on term loans	276,997	296,211
others	521	989
Other borrowing costs	—	786
TOTAL	277,518	297,986
21. OTHER EXPENSES		
Travelling and conveyance	136	137
Power and fuel	8,304	6,958
Rent	100	100
Rates and taxes	16,125	8,129
Repairs and maintenance		
– to Building	3,013	474
– to Others	5,246	4,365
Insurance	1,109	1,224
Bad debts	303	—
Legal and professional charges	4,661	2,951
Security services	3,934	2,553
Secretarial expenses	1,761	746
Miscellaneous expenses	1,288	891
TOTAL	45,980	28,528

(₹ in Thousand)

For the year ended March 31, 2016	For the year ended March 31, 2015
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22. EARNING PER SHARE

The calculations of earnings per share (EPS) (basic and diluted) are based on the earnings and number of shares as computed below:

Reconciliation of earnings

Profit after tax	<u>257,678</u>	225,210
Net profit for calculation of Basic/Diluted EPS	<u>257,678</u>	<u>225,210</u>

No. of Shares	No. of Shares
----------------------	---------------

Reconciliation of number of shares

Weighted average number of shares in calculating Basic/Diluted EPS	<u>35,436,472</u>	35,436,472
	<u>35,436,472</u>	<u>35,436,472</u>

Earnings per share (nominal value ₹ 10 each)

Earnings per share - Basic/Diluted in ₹	7.27	6.36
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23. SEGMENT INFORMATION**Primary Segments**

The Company is presently only into one segment 'renting of immovable property segment'. Hence disclosures required under Accounting Standard 17 on 'Segment Reporting' are not applicable

24. LEASE INCOME

The Company has given on operating lease various office and residential premises. These lease and license agreements are for a period not exceeding five years and are in most cases renewable by mutual consent, on mutually agreeable terms. The company has taken refundable interest free security deposits in accordance with the agreed terms. The aggregate of rentals receivable are recognised as revenue under Note 17 - Sale of services. Future lease rentals receivable are as follows:

	Year	For the year	Not later than one year	Later than One Year and not later than five years	Later than five years
Lease Rent Receivable	2016	62,250	63,000	81,900	—
	2015	60,000	62,250	144,900	—

25. RELATED PARTY DISCLOSURES

As per Accounting Standard 18, the disclosure of transaction with related parties are given below:

a) *Parties where control exists**Holding company*

Khorakiwala Holdings and Investments Private Limited

Fellow Subsidiary

Wockhardt Limited (upto July 07, 2014)

Enterprise that directly or indirectly through one or more intermediaries control or are controlled by the Company

Vinton Healthcare Limited (amalgamated with Wockhardt Limited effective April 01, 2014)

Individuals having direct or indirect control over the Company

H. F. Khorakiwala

Enterprises over which Individuals having direct or indirect control over the Company, have significant influence

Palanpur Holdings and Investments Private Limited

Wockhardt Hospitals Limited

Merind Limited

Sharanya Chemicals and Pharmaceuticals Private Limited

Holmdene Constructions

Dartmour Holdings Private Limited

Wockhardt Limited (w.e.f July 08, 2014)

Key Managerial Personnel

G.B. Parulkar

Carol Info Services Limited

b) Transactions with related parties during the year

	For the year ended March 31, 2016	For the year ended March 31, 2015
		(₹ in Thousand)
<i>Holding company</i>		
Rent paid	100	100
Share application money given refunded	—	900,000
Amount paid towards Zero Coupon Non-Convertible Redeemable Bonds	—	900,000
Investment in Zero Coupon Non-Convertible Redeemable Bonds	—	900,000
Interest Income on Zero Coupon Non - Convertible Redeemable Bonds	4,500	—
<i>Fellow Subsidiary Company</i>		
Rent received	—	129,699
Recovery of Electricity Charges	—	4,046
<i>Transactions with enterprises over which Individuals having direct or indirect control over the Company, having significant influence</i>		
Rent received from Wockhardt Limited	583,337	389,098
Recovery of Electricity Charges from Wockhardt Limited	18,286	11,113
Security Deposit received from Wockhardt Limited	90,000	—
Application money paid towards Optionally Convertible Redeemable Debentures to Wockhardt Hospitals Limited	—	740,000
Allotment of Optionally Convertible Redeemable Debentures by Wockhardt Hospitals Limited	—	740,000
Loans / Advances Given to Holmdene Constructions	—	9
Repayments made by Holmdene Constructions	200	—
Interest income from Holmdene Constructions*	1	—
* (Previous Year - ₹ 470)		
Allotment of Non-Convertible Cumulative Redeemable Preference Shares to Merind Limited	—	190,000
Share Application money repaid by Palanpur Holdings and Investments Private Limited	—	2,500
Investment in Non-Convertible Cumulative Redeemable Preference Shares: [Palanpur Holdings and Investments Private Limited ₹ Nil (Previous Year - ₹ 2,950,886 thousand) ; Dartmour Holdings Private Limited ₹ Nil (Previous Year - ₹ 3,699,426 thousand)]	—	6,650,312
<i>Enterprise that directly or indirectly through one or more intermediaries control or are controlled by the Company</i>		
Loan taken by the Company from Vinton Healthcare Limited adjusted against receivables of the Company from Wockhardt Limited after amalgamation of Vinton Healthcare Limited into Wockhardt Limited w.e.f April 01, 2014	—	222,107
c) <i>Managerial remuneration payable/paid to Key managerial personnel</i>	200	200
d) <i>Related party balances outstanding</i>		
Receivable from Holding Company	3,010	—
Security deposit payable to Wockhardt Limited	555,000	465,000
Receivable from Enterprises where significant influence exists (Net of Provision)	215,788	134,081
[Holmdene Constructions ₹ 465 thousand (Previous Year - ₹ 664 thousand); Wockhardt Limited ₹ 215,323 thousand (Previous Year - ₹ 133,417 thousand)]		
Payable to Enterprises where significant influence exists	55,127	55,127
[Merind Limited ₹ 54,690 thousand (Previous Year - ₹ 54,690 thousand); Wockhardt Hospitals Limited ₹ 437 thousand (Previous Year - ₹ 437 thousand)]		

26. EMPLOYEE BENEFITS

		(₹ in Thousand)	
(A) Defined benefit plans -		For the year ended March 31, 2016 Gratuity (Non-funded)	For the year ended March 31, 2015 Gratuity (Non-funded)
I Expenses recognised during the year			
1	Current Service Cost	—	6
2	Interest cost	—	4
3	Actuarial Losses/(Gains)	—	40
	Total Expenses	—	50
II Net Asset /(Liability) recognised as at balance sheet date			
1	Present value of defined benefit obligation	—	91
2	Net Asset/(Liability)	—	(91)
III Reconciliation of Net Asset/(Liability) recognised as at balance sheet date			
1	Net Asset/(Liability) at the beginning of year	(91)	(41)
2	Expense as per I above	—	(50)
3	Employer contributions	—	—
4	Liability settled on resignation of the employee	77	—
5	Excess provision written back	14	—
6	Net asset/(liability) at the end of the year	—	(91)
IV Actuarial Assumptions			
1	Discount rate	—	7.95%
2	Expected rate of salary increase	—	10.00%
3	Attrition rate	—	1.00%
4	Mortality	—	Indian Assured Lives Mortality (2006-08) Ultimate

Notes:

- a) There was no amount of gratuity liability as on March 31, 2016, hence no actuarial valuation was carried out during the year.
- b) Amounts recognised as an expense and included in the Note 19 - "Salaries and wages" :
Gratuity ₹ Nil (Previous Year - ₹ 50 thousand) and leave encashment ₹ Nil (Previous Year - ₹ 77 thousand).
- c) Actuarial valuation was worked out considering attrition rate and estimates of future salary increase taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- d) The Company had provided for gratuity and leave encashment based on actuarial valuation done as per Projected Unit Credit Method.

(B) Defined contribution plan -

Amount recognised as an expense and included in the Note 19 - "Contribution to provident and other funds" ₹ 93 thousand (Previous Year - ₹ 25 thousand).

(C) Details of gratuity for the current and previous four years are as follows:

	Defined benefit obligation	Surplus/ (deficit)	Experience adjustment on plan liabilities (gain)/ loss
April 2015- March 2016	—	—	—
April 2014- March 2015	(91)	(91)	10
April 2013- March 2014	(41)	(41)	3
April 2012- March 2013	(35)	(35)	(29)
April 2011- March 2012	(3,193)	(3,193)	72

Carol Info Services Limited

(₹ in Thousand)

27. CONTINGENT LIABILITY

- (a) Demands for ₹ 410 thousand (Previous Year - ₹ 14,316 thousand) have been raised by Sales Tax Authorities. The Company has filed appeals against the said demands.
- (b) Demand by Income tax authorities ₹ 4,127 thousand (Previous Year - ₹ 17 thousand) disputed by the Company.
28. Cumulative dividend on preference shares not provided for during the year ₹ 11,400 thousand (Previous year- ₹ 5,700 thousand).
29. Preference Shares of the Subsidiary Consists of 19,000,000 3% Non Convertible Cumulative Redeemable Preference Shares of ₹ 10 each redeemable at par on March 16, 2035.
30. Previous year figures have been regrouped where necessary to conform to current year's presentation.

For and on behalf of the Board of Directors

G. B. Parulkar
Chairman & Managing Director
DIN: 00015668

Shahnawaz Khan
Director
DIN: 03053420

Stephen D'souza
Director
DIN: 00045812

Place : Mumbai
Date : August 25, 2016

Nikhil Malpani
Company Secretary

Ravi Shekhar Mitra
Chief Financial Officer

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