

Starworth Infrastructure and Construction Limited

Financial Statements

For the year ended 31 March 2016

Starworth Infrastructure and Construction Limited

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Walker Chandiok & Co LLP

Independent Auditor's Report

To the Members of Starworth Infrastructure and Construction Limited

Walker Chandiok & Co LLP
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Report on the Financial Statements

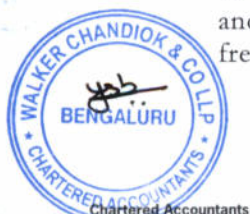
1. We have audited the accompanying financial statements of Starworth Infrastructure and Construction Limited, ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. 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.
5. 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.



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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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;
 - c. the financial statements dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. on the basis of the written representations received from the directors as on 31 March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 27 May 2016 as per Annexure II expressed modified opinion



Walker Chandiok & Co LLP

- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company does not have any pending litigations which would impact its standalone financial position
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Walker Chandiok & Co. LLP
For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Banthia
per Sanjay Banthia
Partner
Membership No.: 061068

Mumbai
27 May 2016



Walker Chandio & Co LLP

Annexure I to the Independent Auditor's Report of even date to the members of Starworth Infrastructure and Construction Limited, on the financial statements for the year ended 31 March 2016

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. The fixed assets have been physically verified by the management during the year and material discrepancies were noticed on such verification. These have been properly dealt with in the books of account.

(c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



Walker ChandioK & Co LLP

Annexure I to the Independent Auditor's Report of even date to the members of Starworth Infrastructure and Construction Limited, on the financial statements for the year ended 31 March 2016

(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) The dues outstanding in respect of income-tax, sales-tax, service tax, custom duty, excise duty, cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount	Amount Paid Under Protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of direct expenses	498,263	-	2010-11	Commissioner of Income Taxes (Appeals)

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained, though idle/surplus funds which were not required for immediate utilization were temporarily used for the purpose other than for which the loan was sanctioned but were ultimately utilized for the stated end-use.

(x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.



Walker Chandiok & Co LLP

Annexure I to the Independent Auditor's Report of even date to the members of Starworth Infrastructure and Construction Limited, on the financial statements for the year ended 31 March 2016

- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Walker Chandiok & Co. LLP

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sanjay Banthia

per Sanjay Banthia

Partner

Membership No.: 061068

Mumbai

27 May 2016



Walker ChandioK & Co LLP

Annexure II to the Independent Auditor's Report of even date to the members of Starworth Infrastructure and Construction Limited, on the financial statements for the year ended 31 March 2016

Annexure II

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the standalone financial statements of Starworth Infrastructure and Construction Limited ("the Company") as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the control criteria based on the control criteria in accordance with the Internal control framework defined in Annexure I to SA 315 "Identifying and Assessing the Risk of Material Misstatement Through Understanding the Entity and its Environment" ("the framework"). 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 the company's 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.
5. 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 IFCoFR.



Walker ChandioK & Co LLP

Annexure II to the Independent Auditor's Report of even date to the members of Starworth Infrastructure and Construction Limited, on the financial statements for the year ended 31 March 2016

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the framework.

Walker ChandioK & Co LLP
For Walker ChandioK & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Banthia
per Sanjay Banthia
Partner
Membership No.: 061068

Mumbai
27 May 2016



Balance Sheet as at 31 March 2016

(All amounts in ₹ lakh, unless otherwise stated)	Note	31 March 2016	31 March 2015
Equity and Liabilities			
Shareholders' Funds			
Share capital	2	5.00	5.00
Reserves and surplus	3	1,596.59	2,141.23
		1,601.59	2,146.23
Non-current Liabilities			
Long-term borrowings	4	206.88	707.84
Long-term provisions	5	206.50	66.45
		413.38	774.29
Current Liabilities			
Short-term borrowings	6	1,542.33	2.17
Trade payables			
total outstanding dues of micro enterprises and small enterprises		146.33	103.07
total outstanding dues of creditors other than micro enterprises and small enterprises	7	3,540.51	3,495.44
Other current liabilities	8	4,480.53	4,891.78
Short-term provisions	5	47.92	105.12
		9,757.62	8,597.58
Total		11,772.59	11,518.10
Assets			
Non-current Assets			
Fixed assets			
Tangible assets	9	3,373.71	1,952.72
Intangible assets	10	7.64	2.58
Capital work-in-progress		-	1,122.26
		3,381.35	3,077.56
Deferred tax asset (net)	11	493.74	205.51
Long-term loans and advances	12	1,229.37	939.56
Other non-current assets	13	0.92	0.92
		5,105.38	4,223.55
Current Assets			
Inventories	14	1,034.54	1,403.86
Trade receivables	15	2,215.71	2,425.54
Cash and bank balances	16	73.83	963.05
Short-term loans and advances	12	702.27	382.03
Other current assets	13	2,640.86	2,120.07
		6,667.21	7,294.55
Total		11,772.59	11,518.10

Significant accounting policies

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The accompanying notes referred to above form an integral part of the financial statements

As per our report of even date

Walker Chandio & Co. LLP
For Walker Chandio & Co LLP
Chartered Accountants

Sanjay Banthia

per Sanjay Banthia
Partner

Mumbai
27 May 2016



For and on behalf of the Board of Directors Starworth
Infrastructure and Construction Limited

Nani R Choksey

Nani R Choksey
Director
DIN 00504555

Mumbai
27 May 2016

Ashish R Puravankara

Ashish R Puravankara
Director
DIN 00504524

Mumbai
27 May 2016



Starworth Infrastructure and Construction Limited

Statement of Profit and Loss for the year ended 31 March 2016

(All amounts in ₹ lakh, unless otherwise stated)	Note	31 March 2016	31 March 2015
Income			
Revenue from operations	17	20,420.99	21,233.77
Revenue from construction services	17	292.38	66.17
Other operating revenue		<u>20,713.37</u>	<u>21,299.94</u>
Total			
Expenses			
Material and contract costs	18	17,641.77	18,540.84
Employee benefits expense	19	2,307.29	2,022.22
Finance expense, net	20	170.44	187.28
Depreciation expense	21	444.32	256.28
Other expenses	22	982.42	814.95
Total		<u>21,546.24</u>	<u>21,821.57</u>
Loss before tax		(832.87)	(521.63)
Tax expense			
Current tax		(288.23)	(181.24)
Deferred tax		<u>(544.64)</u>	<u>(340.39)</u>
Net loss for the year			
Earnings per share (Nominal value ₹ 10 per share)			
Basic (₹)	23	(1,089.28)	(680.78)
Diluted (₹)		(1,089.28)	(680.78)

Significant accounting policies

The accompanying notes referred to above form an integral part of the financial statements

As per our report of even date

Walker Chandio & Co. LLP
For Walker Chandio & Co LLP
Chartered Accountants

Sanjay Banthia
per Sanjay Banthia
Partner

Mumbai
27 May 2016

For and on behalf of the Board of Directors Starworth
Infrastructure and Construction Limited

Nani R Choksey

Nani R Choksey
Director
DIN 00504555

Mumbai
27 May 2016

Ashish R Puravankara

Ashish R Puravankara
Director
DIN 00504524

Mumbai
27 May 2016



Starworth Infrastructure and Construction Limited

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Cash Flow Statement

(All amounts in ₹ lakh, unless otherwise stated)

	31 March 2016	31 March 2015
A. Cash flow from operating activities		
Net loss before tax	(832.87)	(521.63)
Adjustments for:		
Depreciation and amortization	444.32	256.28
Loss on sale of fixed assets	88.88	0.01
Finance expense, net	170.44	187.28
Operating profit before working capital changes	(129.23)	(78.06)
Movements in working capital :		
(Increase) / Decrease in trade debtors	209.83	(283.94)
(Increase) / Decrease in inventories	369.32	(59.98)
(Increase) / Decrease in loans and advances and other assets	(783.91)	385.58
Increase in current liabilities and provisions	(296.47)	2,931.31
Cash received from operations	(630.46)	2,894.91
Direct taxes paid	(439.62)	(606.10)
Net cash from/(used in) operating activities	(1,070.08)	2,288.81
B. Cash flows from investing activities		
Purchase of fixed assets (including capital advances)	(1,063.39)	(2,313.29)
Proceeds from sale of fixed assets	332.75	0.54
Loan to holding company	(99.23)	-
Loan repaid by holding company	81.57	-
Net investment in bank deposits and margin monies	167.95	(146.39)
Interest received	4.56	36.39
Net cash (used in) investing activities	(575.79)	(2,422.75)
C. Cash flows from financing activities		
Loan from related parties	1,104.99	2,604.93
Loans repaid to related parties	(182.88)	(2,602.76)
Proceeds from cash credit and working capital loan	618.05	-
Proceeds from term loan	-	1,335.20
Repayment of term loan	(442.29)	(196.98)
Interest paid	(173.27)	(220.56)
Net cash generated from financing activities	924.60	919.83
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(721.27)	785.89
Cash and cash equivalents at the beginning of the year	795.10	9.21
Cash and cash equivalents at the end of the year	73.83	795.10
Components of cash and cash equivalents		
Cash and bank balances (as per note 16 to the financial statements)	73.83	963.05
Less: Bank deposits considered separately	-	167.95
	73.83	795.10

As per our report of even date

Walker Chandio & Co. LLP
For Walker Chandio & Co LLP
Chartered Accountants

Sanjay Banthia
per Sanjay Banthia
Partner

Mumbai
27 May 2016



For and on behalf of the Board of Directors Starworth
Infrastructure and Construction Limited

Nani R Choksey

Nani R Choksey
Director
DIN 00504555

Mumbai
27 May 2016

Ashish R Puravankara

Ashish R Puravankara
Director
DIN 00504524

Mumbai
27 May 2016



Starworth Infrastructure and Construction Limited

Summary of significant accounting policies and other explanatory information

1 Significant accounting policies

a. Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (as amended). The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The Central Government in consultation with National Advisory Committee on Accounting Standards has amended Companies (Accounting Standards) Rules, 2006 ('principal rules'), vide notification issued by Ministry of Corporate Affairs dated 30 March 2016. The Companies (Accounting Standards) Rules, 2016 is effective on the date of its publication in the official gazette, i.e., 30 March 2016. The Company believes that the Rule 3(2) of the principal rules has not been withdrawn or replaced and accordingly, the Companies (Accounting Standards) Rule, 2016 will apply for the accounting periods commencing on or after 30 March 2016. Accordingly, the changes thereof have not given effect to while preparing these financial statements.

b. Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Company to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. Significant estimates used by management in the preparation of these financial statements include the percentage completion for projects in progress, estimates of the economic useful lives of the fixed assets, provisions for bad and doubtful debts, income and deferred taxes, and accruals for employee benefits.

c. Revenue recognition

Revenue from the construction contracts are recognised when the outcome of the contract can be estimated reliably. The construction contract revenue and cost associated with the contract are recognised as revenue and expenses respectively by reference to the stage of completion at the reporting date. The stage of completion is estimated as the proportion that construction contract costs incurred for the work performed up to the reporting date bear to the estimated total construction costs.

Construction contract cost include costs that relate directly to the contract, cost that are attributable to contract in general and can be allocated to the contract and such other costs as are specifically chargeable under the terms of the contract. Losses expected to be incurred in the contracts are charged to the Statement of Profit and Loss in the period in which these losses are known.

Cost and recognised profit to date in excess of progress billings are shown as 'Unbilled revenue'. Where the progress billings exceed the cost and recognised profit to date, the same is disclosed as 'Advance received from customers'.

d. Fixed assets

Fixed assets are stated at cost less accumulated depreciation/amortisation and impairment losses. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Fixed assets purchased in foreign currency are recorded at the actual rupee cost incurred.

Expenditure directly relating to expansion is capitalised only if it increases the life or functionality of an asset beyond its original standard of performance.

e. Depreciation/amortisation

Depreciation/amortization on fixed assets is provided on the straight-line method, based on the useful life of asset specified in Schedule II to the Companies Act, 2013. Due to application of Schedule II of the Companies Act, 2013, with effect from April 1, 2014, the management has re-estimated useful lives of all its fixed assets. Schedule II allows Companies to use higher/lower useful lives if such useful lives can be technically supported and justification for difference is disclosed in the financial statements. The Management estimates the useful lives of the assets as per the indicative useful life prescribed in Schedule II to the Companies Act, 2013, except shuttering materials whose life is estimated as 7 years.

f. Borrowing cost

Borrowing costs that are attributable to the acquisition and/or construction of qualifying assets are capitalised as part of the cost of such assets, in accordance with Accounting Standard (AS) 16, Borrowing Costs. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

g. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturity three months or less.

h. Inventory

Inventory comprises raw materials used for the construction activity of the Company. Raw materials are valued at the lower of cost and net realizable value with the cost being determined on a 'First In First Out' basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs required to make the sale.

i. Foreign currency transactions

(a) Initial recognition

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

(b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.



Starworth Infrastructure and Construction Limited

Summary of significant accounting policies and other explanatory information

j. Leases

Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term unless other systematic basis is more representative of the time pattern of the benefit.

k. Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Accounting Standard (AS) 15, Employee Benefits.

Provident fund

The Company contributes to the statutory provident fund of the Regional Provident Fund Commissioner, in accordance with Employees' Provident Funds and Miscellaneous Provision Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the employee renders services.

Gratuity

Gratuity is a post employment benefit and is a defined benefit plan. The liability recognised in the Balance Sheet represents the present value of the defined benefit obligation at the Balance Sheet date less the fair value of plan assets (if any), together with adjustments for unrecognised actuarial gains or losses and past service costs. Independent actuaries using the projected unit credit method calculate the defined benefit obligation annually.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are credited or charged to the Statement of Profit and Loss in the year in which such gains or losses arises.

Vacation pay

Liability in respect of vacation pay becoming due or expected to be availed within one year from the Balance Sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of earned leave becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of actuarial valuation in a manner similar to gratuity liability.

The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Other short-term benefits

Expense in respect of other short-term benefits including performance bonus is recognised on the basis of amount paid or payable for the period during which the employees render services.

l. Tax expense

Tax expense comprises both current and deferred taxes. The current charge for income taxes is calculated in accordance with the relevant tax regulations. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted as at the Balance Sheet date.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits.

Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

m. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential equity shares.

n. Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

o. Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.



Starworth Infrastructure and Construction Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakh, unless otherwise stated)

2 Share capital

Authorised shares

0.5 lakh (31 Mar 2015- 0.5 lakh) equity shares of ₹ 10 each

31 March 2016 31 March 2015

Issued, subscribed and fully paid up shares

0.5 lakh (31 Mar 2015- 0.5 lakh) equity shares of ₹ 10 each

5.00 5.00
5.00 5.00

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares

	31 March 2016		31 March 2015	
	No. lakh	₹ lakh	No. lakh	₹ lakh
At the beginning of the year	0.50	5.00	0.50	5.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	0.50	5.00	0.50	5.00

b. Terms/rights attached to equity shares

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. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company

	31 March 2016		31 March 2015	
	No. lakh	% holding	No. lakh	% holding
Equity shares of ₹ 10 each fully paid				
Puravankara Projects Limited - Holding Company	0.50	100.00%	0.50	100.00%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d. Shares in the Company held by Holding Company

31 March 2016 31 March 2015

0.5 lakh (31 March 2015 - 0.5 lakh) equity shares of ₹ 10 each

5.00 5.00

e. Aggregate number of shares issued for consideration other than cash and shares brought back during the period of five years immediately preceding the reporting date :

The Company has not issued any shares for consideration other than cash nor has there been any buy back of shares during five years immediately preceding 31 March 2016.

3 Reserves and surplus

Surplus in the Statement of Profit and Loss

Balance at the beginning of the year
Less: Depreciation on fully used assets due to adoption of schedule II of Companies Act, 2013
Add: Net loss for the year
Balance at the end of the year

2,141.23 2,481.83
- 0.21
(544.64) (340.39)
1,596.59 2,141.23



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Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakh, unless otherwise stated)

4 Borrowings

	Non-current		Current	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Term loans (secured)				
From banks	206.88	707.84	500.93	442.26
	206.88	707.84	500.93	442.26
Amount disclosed under head "Other current liabilities" (refer note 8)	-	-	(500.93)	(442.26)
	206.88	707.84	-	-

SI.No	Particulars	Nature of security	Repayment details	Rate of Interest per annum	As at 31 Mar 2016	As at 31 Mar 2015
Term Loans from banks (Secured)						
i.	Equipment loan facility from ICICI Bank Limited - ₹ 709.28	This facility is secured by an exclusive first charge and hypothecation of MFE form work equipment of Purva Palm Beach project and backed by the Corporate guarantee from Puravankara Projects Limited (holding company).	Repayable in 36 equal monthly installments commencing from Oct 2014	13%	438.66	722.54
ii.	Equipment loan facility from ICICI Bank Limited - ₹ 625.92	This facility is secured by an exclusive first charge and hypothecation of Commercial vehicles of Purva Palm Beach and Purva West End projects and backed by the Corporate guarantee from Puravankara Projects Limited (holding company).	Repayable in 36 equal monthly installments commencing from Aug 2014	12%	269.15	426.90

Term loans from others (Secured)

i.	Other loans (Vehicle loans)	Secured by a charge against respective vehicles.	Repayable in 36 to 60 monthly installments	12%	-	0.66
----	-----------------------------	--	--	-----	---	------

5 Provisions

Provision for employee benefits (refer note 27A)

Gratuity	206.50	66.45	16.39	78.89
Vacation pay	-	-	31.53	26.23
	206.50	66.45	47.92	105.12

6 Short-term borrowings

Secured

Cash credit and other loan from banks			31 March 2016	31 March 2015
			618.05	-

Unsecured

Interest free loan from related parties repayable on demand (refer note 26)			924.28	2.17
			1,542.33	2.17

SI.No	Particulars	Nature of security	Rate of Interest per annum	As at 31 Mar 2016	As at 31 Mar 2015
Cash credit and other loan from banks (Secured)					
i.	Cash credit facility from IndusInd Bank Limited- ₹ 1,000	This facility is secured by an exclusive charge on the stock, book debts and fixed assets, excluding assets which have been exclusively funded under equipment finance and backed by the Corporate guarantee from Puravankara Projects Limited (holding company).	13.10%	618.05	-

31 March 2016 31 March 2015

7 Trade payables

Total outstanding dues of creditors other than micro enterprises and small enterprises

Trade payables (refer note 31)	3,518.58	3,446.61
Dues to related parties	21.93	48.83
	3,540.51	3,495.44

8 Other current liabilities

Current maturities of long term borrowings (refer note 4)	500.93	442.26
Advances received from customers	3,675.60	4,165.74
Interest accrued but not due on borrowings	4.76	7.03
Statutory dues payable	102.25	185.80
TDS payable	31.11	13.30
Dues to employees	56.56	45.38
Bonus payable (refer note 25)	105.78	26.08
Lease equalisation reserve	3.54	6.19
	4,480.53	4,891.78



Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakh, unless otherwise stated)

9 Tangible assets

	Plant and machinery	Office equipment	Computer Equipments	Furniture and fixtures	Vehicles	Shuttering materials	Total
Cost							
At 01 April 2014	285.79	3.40	1.59	7.82	23.10	1,220.45	1,542.15
Additions	851.81	5.42	5.76	4.71	20.18	194.74	1,082.62
Disposals	(0.76)	-	-	-	-	-	(0.76)
At 31 March 2015	1,136.84	8.82	7.35	12.53	43.28	1,415.19	2,624.01
Additions	142.37	62.98	5.61	0.19	-	2,074.84	2,285.99
Disposals	(464.06)	-	-	-	(14.40)	-	(478.46)
At 31 March 2016	815.15	71.80	12.96	12.72	28.88	3,490.03	4,431.54
Depreciation							
At 01 April 2014	19.70	0.76	0.76	4.08	3.22	386.55	415.07
Charge for the year	66.08	1.76	1.04	3.82	4.33	179.19	256.22
Adjusted to the opening reserves and surplus	-	-	0.21	-	-	-	0.21
Disposals	(0.21)	-	-	-	-	-	(0.21)
At 31 March 2015	85.57	2.52	2.01	7.90	7.55	565.74	671.29
Charge for the year	87.06	13.61	2.16	0.65	4.89	335.00	443.37
Adjusted to the opening reserves and surplus	-	-	-	-	-	-	-
Disposals	(54.54)	-	-	-	(2.29)	-	(56.83)
At 31 March 2016	118.09	16.13	4.17	8.55	10.15	900.74	1,057.83
Net block							
At 31 March 2015	1,051.27	6.30	5.34	4.63	35.73	849.45	1,952.72
At 31 March 2016	697.06	55.67	8.79	4.17	18.73	2,589.29	3,373.71

During the year ended 31 March 2015, the Company had reassessed the useful life of the fixed assets internally which coincide with the indicative useful life given in Schedule II of the Companies Act 2013. The aforesaid change did not have a material impact on statement of profit and loss for the year ended 31 March 2015. However, in accordance with the transitional provision, unamortized depreciation amounting to ₹ 0.21, towards tangible assets that should have been fully depreciated based on the revised useful life given in Schedule II of the Companies Act 2013, had been adjusted to the opening reserves and surplus.

10 Intangible assets

	Computer software	Total
Cost		
At 01 April 2014	-	-
Additions	2.64	2.64
Disposals	-	-
At 31 March 2015	2.64	2.64
Additions	6.01	6.01
Disposals	-	-
At 31 March 2016	8.65	8.65
Amortization		
At 01 April 2014	-	-
Charge for the year	0.06	0.06
Disposals	-	-
At 31 March 2015	0.06	0.06
Charge for the year	0.95	0.95
Disposals	-	-
At 31 March 2016	1.01	1.01
Net block		
At 31 March 2015	2.58	2.58
At 31 March 2016	7.64	7.64



Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakh, unless otherwise stated)

11 Deferred tax asset (net)	31 March 2016	31 March 2015
Expenses allowable on payment basis		
Gratuity	77.14	50.30
Vacation pay	10.91	9.08
Bonus	36.60	31.87
Lease equalization	1.22	2.14
Carry forward of losses	434.49	160.20
Less: Deferred tax liability arising on account of:		
Depreciation	(66.62)	(48.08)
	493.74	205.51

Deferred tax asset on carry forward losses and other deductible timing differences have been recorded in the financial statements on account of existence of virtual certainty supported by convincing evidence (i.e. non-cancellable contracts with Holding Company) that sufficient future taxable income will be available against which such deferred tax asset can be realized.

	Non-current		Current	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
12 Loans and advances				
Security deposits				
Unsecured, considered good	71.44	60.69	-	10.00
	71.44	60.69	-	10.00
Loans and advances to related parties				
(Unsecured, considered good)				
Loans to Holding Company	17.66	-	-	-
	17.66	-	-	-
Other loans and advances				
(Unsecured, considered good)				
Advances to suppliers *	-	-	304.79	125.18
Advances to contractors *	-	-	163.86	153.61
Advance income tax [net of provision for taxation ₹ 1,275.35 (2015- ₹ 1,275.35)]	1,140.27	700.65	-	-
Prepaid expenses	-	-	10.04	3.07
Taxes and duties recoverable *	-	71.87	196.88	73.63
Other advances *	-	-	26.70	16.54
Capital advance	-	106.35	-	-
	1,140.27	878.87	702.27	372.03
Total loans and advances	1,229.37	939.56	702.27	382.03

* Advances recoverable in cash or kind.

	Non-current		Current	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
13 Other assets				
Deposit balances (refer note 16)	0.92	0.92	-	-
Interest accrued but not due on fixed deposits	-	-	0.33	4.33
Unbilled revenue	-	-	2,640.53	2,115.74
	0.92	0.92	2,640.86	2,120.07
14 Inventories				
Raw materials			1,034.54	1,403.86
			1,034.54	1,403.86
15 Trade receivables				
(Unsecured, considered good)				
Outstanding for a period exceeding six months			858.85	1,664.33
Other receivables			1,356.86	761.21
			2,215.71	2,425.54

16 Cash and bank balances				
Cash and cash equivalents				
Cash on hand			5.81	4.37
Balances with scheduled banks:				
On current accounts			68.02	790.73
Deposits with original maturity of less than three months			-	-
			73.83	795.10
Other bank balances				
Deposits with maturity for more than 12 months	0.92	0.92	-	-
Deposits with maturity for less than 12 months	-	-	-	7.10
Margin money deposit	-	-	-	160.85
	0.92	0.92	-	167.95
Amount disclosed under other non-current assets (refer note 13)	(0.92)	(0.92)	-	-
	-	-	73.83	963.05



Starworth Infrastructure and Construction Limited

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Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakh, unless otherwise stated)

	Year ended	
	31 March 2016	31 March 2015
17 Revenue from operations		
Revenue from construction services	20,420.99	21,233.77
	20,420.99	21,233.77
Other operating revenue		
Scrap sales and others	292.38	66.17
	292.38	66.17
18 Material and contract costs		
Inventory of building material at the beginning of the year	1,403.86	1,343.88
Add: Incurred during the year	17,272.45	18,600.82
	18,676.31	19,944.70
Less: Inventory of building material at the end of the year	1,034.54	1,403.86
	17,641.77	18,540.84
19 Employee benefits expense		
Salaries, wages and bonus	1,963.64	1,700.63
Contribution to provident fund and other funds (refer note 27 B)	237.83	175.28
Gratuity expenses (refer note 27 A)	39.13	60.43
Vacation pay (refer note 27 A)	18.39	19.95
Staff welfare	48.30	65.93
	2,307.29	2,022.22
20 Finance expense, net		
Finance expense:		
Interest on loans	137.33	127.27
Interest on cash credits	16.17	-
Bank charges	14.97	44.39
Loan and other processing charges	-	56.00
Others	2.53	(0.07)
	171.00	227.59
Finance Income:		
Interest on:		
- Bank deposits	0.02	40.31
- Others	0.54	-
	0.56	40.31
Finance expense, net	170.44	187.28
21 Depreciation expense		
Depreciation of tangible assets	443.37	256.22
Amortization of intangible assets	0.95	0.06
	444.32	256.28
22 Other expenses		
Travel and conveyance	40.48	25.49
Repairs and maintenance		
- plant and machinery	11.00	13.66
- building	0.43	-
- others	180.10	131.73
Legal and professional	51.40	68.09
Rent	161.23	183.79
Rates and taxes	35.36	15.21
Security	312.04	276.64
Communication costs	8.47	6.76
Printing and stationery	8.35	8.76
Advertising and business promotion	1.51	18.49
Contribution towards CSR (refer note 30)	34.68	-
Miscellaneous expenses	48.49	66.32
Loss on sale of fixed assets	88.88	0.01
	982.42	814.95
Payment to auditor (on accrual basis, excluding service tax) [included in legal and professional]		
As auditor:		
Audit fee	13.00	11.00
In other capacity:		
Other services	-	-
Reimbursement of expenses	13.00	11.00



Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakh, unless otherwise stated)

	Year ended	
	31 March 2016	31 March 2015
23 Earning per share (EPS)		
Weighted average number of shares outstanding during the year (lakh)	0.50	0.50
Weighted average number of shares used to compute diluted EPS (lakh)	0.50	0.50
Profit / (loss) for the period attributable to equity shareholders	(544.64)	(340.39)
Earnings per share (₹) :		
Basic	(1,089.28)	(680.78)
Diluted	(1,089.28)	(680.78)
Nominal value - ₹ per equity share	10.00	10.00

24 Leases

Operating lease

The lease expense for cancellable and non-cancellable operating leases was ₹ 161.23 for the year ended 31 March 2016 (31 Mar 2015 ₹ 183.79). Lease commitments under the non-cancellable operating leases as at the Balance Sheet date were as follows:-

	Year ended	
Particulars	31 March 2016	31 March 2015
a) Within one year	23.98	60.04
b) One to five years	4.23	58.10
c) More than five years	-	-
Total	28.21	118.14

25 Other commitments and contingencies

a) Bonus payable to workers and employees

	31 March 2016	31 March 2015
	21.70	-

On 01 January 2016, the Payment of Bonus (Amendment) Act, 2015 (the 'Act') was notified in the official gazette increasing the minimum wages for payment of statutory bonus with retrospective effect from 01 April 2014. The Hon'ble High Court of Karnataka vide order dated 02 February 2016 stayed the retrospective application of the Act. The Company has provided for the payment of bonus as per the Act for all the locations except Karnataka for which provision has been made for the period on or after 01 April 2015.

26 Related party transactions

(i) Parties where control exists

Puravankara Projects Limited - Holding Company
Mr. Ravi Puravankara

(ii) Key management personnel

Mr. Ravi Puravankara (till 15 May 2015)
Mr. Ashish Puravankara
Mr. Nani R Choksey

(iii) Relative of Key Management Personnel

Ms. Amanda Puravankara
Mr. Lowell Fernandes

(iv) Entities controlled by key management personnel (Other related parties):

Provident Housing Limited
Purva Star Properties Private Limited
Handiman Services Limited



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Starworth Infrastructure and Construction Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakh, unless otherwise stated)

(v) The transactions with related parties for the year:

Nature of transaction	Holding Company		Key management personnel		Relative of key management personnel		Other related parties	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Transactions during the year:								
Loans given to								
Puravankara Projects Limited	99.23	-	-	-	-	-	-	-
Loans repaid by								
Puravankara Projects Limited	81.57	-	-	-	-	-	-	-
Loans taken from								
Puravankara Projects Limited	180.71	2,574.93	-	-	-	-	924.28	30.00
Purva Star Properties Private Limited	-	-	-	-	-	-	-	-
Loans repaid to								
Puravankara Projects Limited	182.88	2,572.76	-	-	-	-	-	30.00
Purva Star Properties Private Limited	-	-	-	-	-	-	-	-
Material and services sold								
Puravankara Projects Limited	12,377.27	14,047.45	-	-	-	-	728.95	2,659.26
Provident Housing Limited	-	-	-	-	-	-	5,291.19	3,323.35
Purva Star Properties Private Limited	-	-	-	-	-	-	-	-
Security and maintenance								
Handiman Services Limited	-	-	-	-	-	-	216.68	231.24
Remuneration								
Amanda Puravankara	-	-	-	-	12.19	6.15	-	-
Lowell Fernandes	-	-	-	-	35.22	18.98	-	-
Balances at the year end:								
Loans given to								
Puravankara Projects Limited	17.66	-	-	-	-	-	-	-
Loans taken from								
Puravankara Projects Limited	-	2.17	-	-	-	-	-	-
Purva Star Properties Private Limited	-	-	-	-	-	-	924.28	-
Trade receivables								
Puravankara Projects Limited	189.35	1,368.30	-	-	-	-	-	-
Provident Housing Limited	-	-	-	-	-	-	972.37	590.16
Purva Star Properties Private Limited	-	-	-	-	-	-	-	132.05
Dues to								
Handiman Services Limited	-	-	-	-	-	-	21.93	48.83
Advance received from customers								
Puravankara Projects Limited	1,110.23	1,784.35	-	-	-	-	-	-
Provident Housing Limited	-	-	-	-	-	-	4.49	-
Purva Star Properties Private Limited	-	-	-	-	-	-	1,821.42	1,368.33
Unbilled Revenue								
Puravankara Projects Limited	695.95	559.28	-	-	-	-	-	-
Provident Housing Limited	-	-	-	-	-	-	304.49	866.15
Purva Star Properties Private Limited	-	-	-	-	-	-	472.15	-



Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakh, unless otherwise stated)

27 Employee benefits

A. Defined benefit plan

The Company has gratuity and vacation pay as defined benefit retirement plans for its employees. Disclosures as required by AS 15 for the year ended 31 March 2016 and 31 March 2015 are as under:

	31 March 2016		31 March 2015		
	Gratuity	Vacation pay	Gratuity	Vacation pay	
1 The amounts recognized in the Balance Sheet are as follows:					
Present value of the obligation as at the end of the year	222.89	31.53	145.34	26.23	
Fair value of plan assets as at the end of the year	-	-	-	-	
Net liability recognised in the Balance Sheet	<u>222.89</u>	<u>31.53</u>	<u>145.34</u>	<u>26.23</u>	
2 The amounts recognised in the Statement of Profit and Loss are as follows:					
Service cost	44.22	11.91	47.30	16.28	
Interest cost	21.74	2.48	15.43	1.45	
Net actuarial (gain)/loss recognised in the year	(26.83)	3.92	(2.30)	2.19	
Expense recognised in the Statement of Profit and Loss of the year	<u>39.13</u>	<u>18.31</u>	<u>60.43</u>	<u>19.92</u>	
3 Changes in the present value of defined benefit obligation					
Defined benefit obligation as at beginning of the year	145.34	26.23	84.91	10.56	
Service cost	44.22	11.91	48.87	16.28	
Interest cost	21.74	2.48	15.43	1.45	
Actuarial losses/(gains)	(26.83)	3.92	(2.30)	2.19	
Benefits paid	(94.00)	(18.33)	(1.57)	(4.25)	
Others	132.42	5.32	-	-	
Defined benefit obligation as at the end of the year	<u>222.89</u>	<u>31.53</u>	<u>145.34</u>	<u>26.23</u>	
Assumptions used in the above valuations are as under:					
Interest rate	7.80%	7.80%	7.80%	7.80%	
Discount rate	7.80%	7.80%	7.80%	7.80%	
Future salary increase	6%	6%	6%	6%	
Attrition rate	5%	5%	5%	5%	
Retirement age	60 years	60 years	60 years	60 years	
4 Experience adjustments					
Defined benefit obligation as at the end of the year	222.89	145.34	84.91	52.70	27.88
Plan assets	-	-	-	-	-
Surplus/(deficit)	222.89	145.34	84.91	52.70	27.88
Experience adjustments on plan liabilities	(26.83)	(2.30)	9.78	(1.59)	(3.36)
Experience adjustments on plan assets	-	-	-	-	-

B. Defined contribution plan

The Company makes contribution of statutory provident fund as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees State Insurance Scheme as per the Employees' State Insurance Act, 1948. This is a defined contribution plan as per AS 15. Contribution made was ₹ 237.83 for the year ended 31 March 2016 (31 Mar 2015 - ₹ 175.28).

28 Segmental Information

The Company is engaged in construction of residential and commercial properties which is considered to be the only reportable business segment as per Accounting Standard (AS) 17, Segment Reporting. The Company operates primarily in India and there is no other significant geographical segment.

29 Supplementary statutory information (to the extent applicable)

a) Particulars relating to foreign currency

	31 March 2016	31 March 2015
i. CIF value of imports		
Construction equipments	743.16	972.92
Construction materials	123.07	-
	<u>866.23</u>	<u>972.92</u>

b) Consumption of raw materials

Indigenous

31 March 2016		31 March 2015	
₹ Lakh	%	₹ Lakh	%
11,500.07	100.00	10,081.26	100.00
<u>11,500.07</u>	<u>100.00</u>	<u>10,081.26</u>	<u>100.00</u>



Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakh, unless otherwise stated)

30 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The areas for CSR activities are promoting education, art and culture, healthcare, ensuring environmental sustainability, destitute care and rehabilitation and rural development projects. During the year, the Company has spent ₹ 34.68 against ₹ 17.53 towards CSR activities.

31 Disclosures of dues to Micro, Small and Medium Enterprises

The information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors. The Company has not received any claim for interest from any supplier under the said Act.

	31 Mar 2016	31 Mar 2015
i. The principal amount remaining unpaid	146.33	103.07
ii. Interest due thereon remaining unpaid	2.46	-
iii. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iv. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	2.46	-
v. The amount of interest accrued during the year and remaining unpaid	2.46	-
vi. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	2.46	-

32 Disclosures pursuant to Accounting Standard (AS) 7 "Construction Contracts"

	31 March 2016	31 March 2015
Contract revenue recognised during the year	20,420.99	21,233.77
The aggregate amount of costs incurred and recognised profits upto the reporting date for all contracts in progress	73,757.47	53,336.48
Amount of customer advances outstanding for contracts in progress as at the end of financial year	3,675.60	4,165.74
Retention amounts due from customers for contracts in progress as at the end of financial year	665.98	1,872.90

33 Prior year comparatives

Prior period comparatives have been regrouped/reclassified wherever necessary to conform to the presentation in the current year.

As per our report of even date

Walker Chandniok & Co. LLP
For Walker Chandniok & Co LLP
Chartered Accountants

Sanjay Banthia

per Sanjay Banthia
Partner

Mumbai
27 May 2016



For and on behalf of the Board of Directors Starworth Infrastructure and Construction Limited

Nani R Choksey

Nani R Choksey
Director
DIN 00504555

Mumbai
27 May 2016

Ashish R Puravankara

Ashish R Puravankara
Director
DIN 00504524

Mumbai
27 May 2016

