

CIN:U15400TG2009PTC062658

**NOTICE**

NOTICE is hereby given that the **SEVENTH ANNUAL GENERAL MEETING** of the members of **M/s.KAPSTON FACILITIES MANAGEMENT PRIVATE LIMITED**, will be held on **MONDAY, THE TWENTY EIGHTH DAY OF SEPTEMBER, 2015**, at **3.00 PM** at the Registered Office of the Company at **NO.287, MIG-2, IX PHASE, KPHB, KUKATPALLY, HYDERABAD – 500072, TELANGANA**, to transact the following Ordinary business:

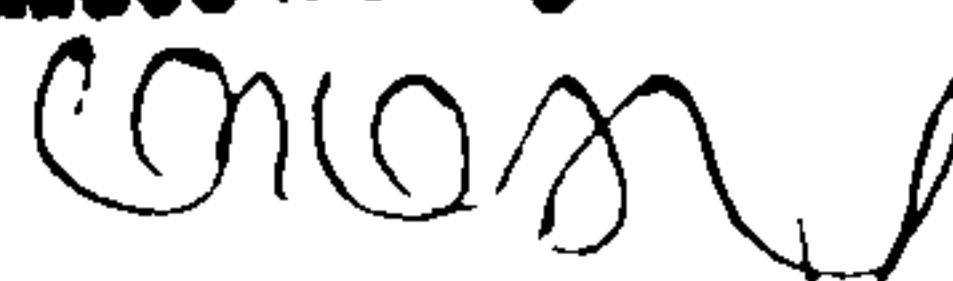
1. To receive, consider and adopt the audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2015, together with the Report of the Directors and Auditors thereon.
2. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

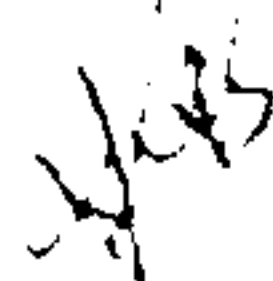
RESOLVED that pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, and pursuant to the resolution passed by the members at the Annual General Meeting held on 27.09.2014, the appointment of M/s. P.SAMBA MURTHY AND CO., Chartered Accountants, FRN:006207S, as the Statutory Auditors of the Company to hold office till the conclusion of the AGM to be held for the Financial Year 2018-2019, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to fix the remuneration payable to the Statutory Auditors, in connection with the Statutory Audit for the financial year ending 31.03.2016, after due consultation with the auditors.

// By Order of the Board //

For KAPSTON FACILITIES MANAGEMENT PRIVATE LIMITED

For Kapston facilities Management Pvt. Ltd.  
  
Managing Director

For Kapston facilities Management Pvt. Ltd.  
  
Managing Director

SRIKANTH KODALI  
DIRECTOR, DIN-02464623

RADHA KRISHNA PINNAMANENI  
DIRECTOR, DIN -03324910

Place: HYDERABAD

Date: 31/08/2015

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF/HERSELF TO ATTEND AND VOTE THERE AT AND SUCH PROXY NEED NOT BE A MEMBER.**
2. The instrument appointing the proxy should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.
3. The Report of the Auditors, and the Statutory Registers pursuant to Section 170 (1) and 189 (1) of the Companies Act, 2013, will be available for inspection of the members at the Annual General Meeting.

CIN:U15400TG2009PTC062658

**BOARD'S REPORT TO THE SHARE HOLDERS**

Your Directors have utmost pleasure in presenting the Seventh Annual Report of your Company along with the Audited Accounts for theyear ended 31<sup>st</sup> March 2015.

**OPERATIONS AND FINANCIAL PERFORMANCE OF THE COMPANY:**

The financial performance of the Company for the year ending 31<sup>st</sup> March, 2015, in comparison with the previous year, is as follows:

Particulars	FY 2014 – 2015 (Amount in Rs.)	FY 2013 – 2014 (Amount in Rs.)
Revenue from Operations	57,35,64,036	41,27,02,316
Grants received for specific Purpose	1,52,72,371	0
Other Income	2,36,706	25,05,874
Total Expenditure	55,90,25,743	39,36,52,328
Profit/(Loss) before prior period items and tax	<b>3,00,47,369</b>	<b>2,15,55,861</b>
<b>Less:</b>		
Income Tax	90,90,405	44,21,967
Deferred Tax (Asset)/Liability	(8,26,613)	(1,94,672)
<b>Profit/(Loss) for the Year</b>	<b>2,17,83,577</b>	<b>1,73,28,566</b>

Your directors are taking all initiatives for acquiring the required infrastructure for the carrying on the business on full scale, and all possible steps to minimize expenditure, tap various business opportunities and are confident of achieving better turnover as well as profits in the years to come.

**FUTURE OUTLOOK:**

Our future focus is to develop the company in providing wide range of services and stronger relationships with customers and to improve market position through widening our reach geographically and diversification of these services. All our activities are driven by our mission of maximizing wealth creation for shareholders, value creation for all our stakeholders, and to serve the society as a whole.

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

*Chinnan*  
Managing Director

*[Signature]*  
Director

**TRANSFER TO RESERVES:**

During the Financial Year under review, no amounts are proposed to be transferred to any reserves.

**DIVIDEND:**

Your Directors wish to plough back the profits in order to increase share value and regret for not recommending any dividend for the year under review.

**CHANGE IN THE NATURE OF BUSINESS:**

During the financial year under review, there has been no change in the nature of business.

**MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There were no material changes from the end of the financial year till the date of this report, affecting the financial position of the Company.

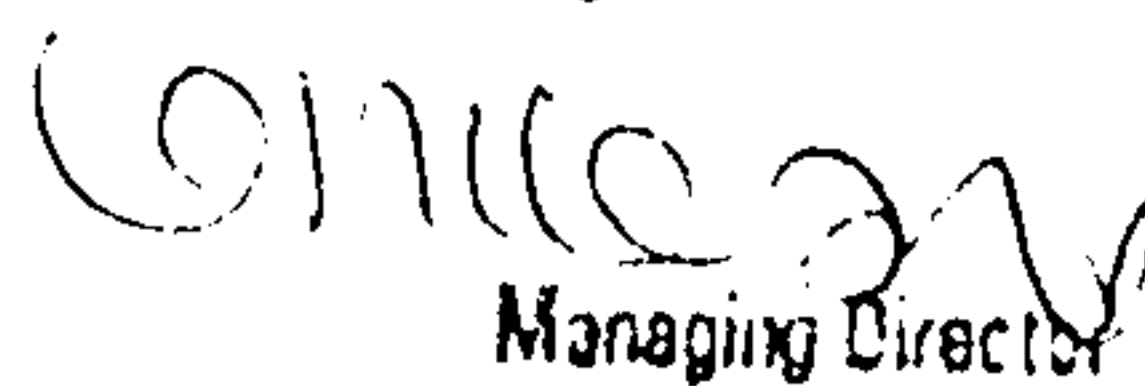
**DIRECTORS / KEY MANAGERIAL PERSONNEL:**

During the year, there was no change in the constitution of the Board of Directors.

**EXTRACT OF ANNUAL RETURN:**

The extract of the annual return to be provided pursuant to Section 134 (3) (a) of Companies Act, 2013, in form MGT-9, pursuant to Section 92(3) read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, is attached herewith as an **Annexure-A**

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

  
Managing Director



Director

**MEETINGS OF THE BOARD:**

Pursuant to the provisions of Section 173 of the Companies Act, 2013, during the financial year 2014 – 2015 (01.04.2014 to 31.03.2015), the Board of Directors duly met 13 (Thirteen) times as below:

Sl. No.	Board Meeting Date	Number of Directors as on the date of Board meeting	Number of Directors who attended the Board Meetings.
1.	04.04.2014	2	2
2.	01.07.2014	2	2
3.	08.07.2014	2	2
4.	16.07.2014	2	2
5.	30.08.2014	2	2
6.	29.09.2014	2	2
7.	30.10.2014	2	2
8.	08.11.2014	2	2
9.	05.12.2014	2	2
10.	27.01.2015	2	2
11.	24.02.2015	2	2
12.	16.03.2015	2	2
13.	17.03.2015	2	2

In respect of above meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

**INDEPENDENT DIRECTORS:**

The Company being a Private Ltd company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and hence no declaration pursuant to Section 149 (7) of the Companies Act, 2013 has been obtained.

**NOMINATION AND REMUNERATION COMMITTEE AND STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Company, being a Private Limited Company was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

*(Signature)*  
Managing Director

*(Signature)*

Director

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments pursuant to section 186.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

During the year under review, the company did not enter into any contracts or arrangements as referred to in to section 188(1) with the related parties as defined under section 2(76) of the Companies Act, 2013.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information pursuant to Section 134 (3) (m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended from time to time, is provided hereunder:

**A: Conservation of Energy:**

**(i) The steps taken or impact on conservation of energy:**

As the Company is engaged in business of providing Security and House Keeping Services and the Company are not energy oriented, and accordingly heavy usage of power is not involved, except for the use of Training Academy and Office Equipment of the Company. However, the Company has been continuously making efforts to reduce energy consumption. The management is striving to achieve cost reduction by economical usage of energy.

**(ii) The steps taken by the Company for utilising alternate sources of energy:**

The Management is not of the opinion of using any alternate sources of energy, in view of the cost of the infrastructure.

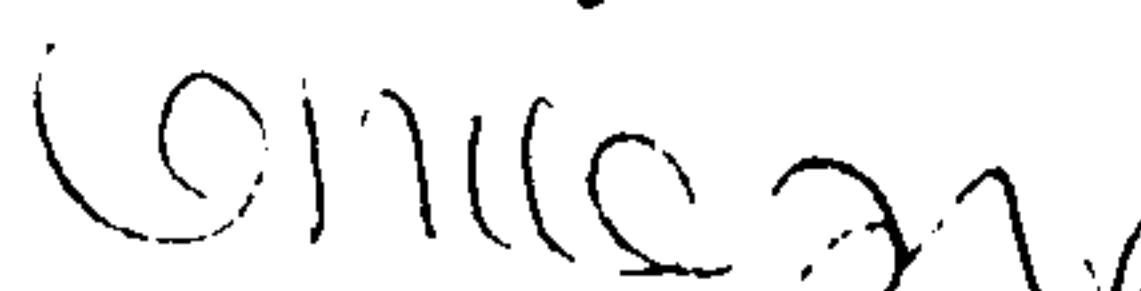
**(iii) The capital investment on energy conservation equipment:**


The same may be treated as NIL.

**B. Technology Absorption:**

The particulars as required under the provisions of the Section 134(3) m of the Companies Act, 2013 in respect of Technology Absorption are not required to be furnished considering the nature of the activities undertaken by the company during the year under review.

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

  
Managing Director

  
Director

**C. Foreign Exchange Earnings and Out Go:**

Foreign Exchange Earnings (in flows) : NIL  
Foreign Exchange Outgo (out flows) : NIL

**DEPOSITS:**

During the financial year under review, your Company has not accepted any deposits falling within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time.

**RISK MANAGEMENT POLICY:**

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making.

Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process over the period of time will become embedded into the Company's business systems and processes, such that our responses to risks remain current and dynamic.

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

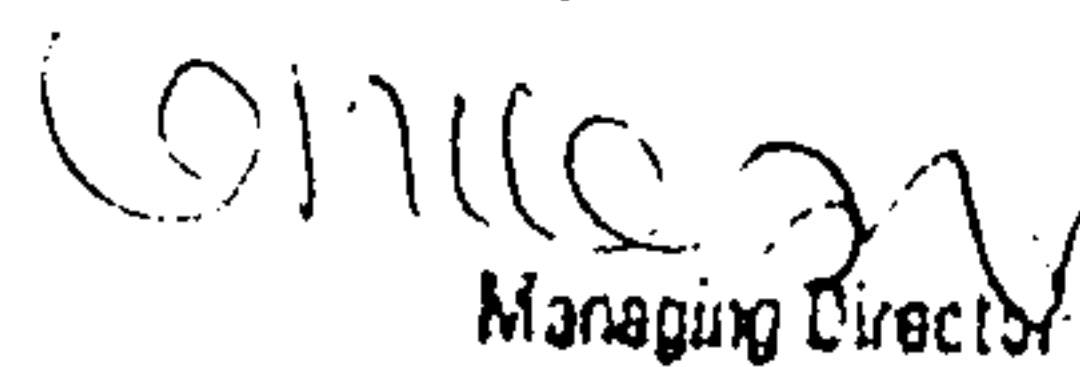
The provisions of Section 135 of the Act are not applicable to the Company, as none of the threshold limits as prescribed in the Section were breached, and accordingly, the question of providing the information does not arise.

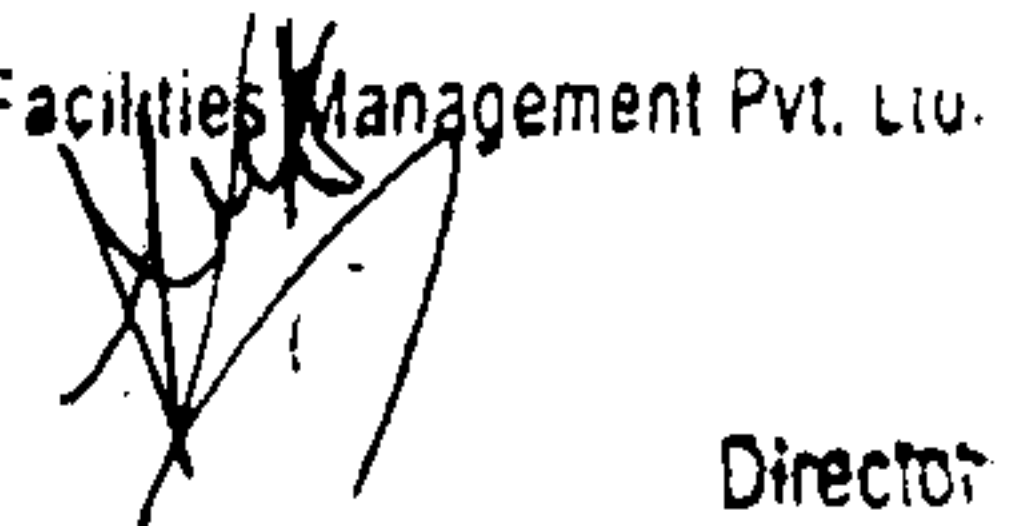
**STATUTORY AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, the members of the Company, at the 6<sup>th</sup> Annual General Meeting for the Financial Year 2013 – 2014 held on 23<sup>rd</sup> day of September, 2014 had appointed M/s P. Samba Murthy & Co., Chartered Accountants as Statutory Auditors of the Company for a period of 5 years to hold office from the conclusion of 6<sup>th</sup> AGM till conclusion of the 11<sup>th</sup> AGM to be held in the Financial Year 2018-2019, subject to ratification of their appointment at every AGM.

Pursuant to first proviso to Section 139(1), the matter relating to appointment shall be placed before every AGM for ratification by the members. Accordingly, the resolution for appointment of M/s. P. Samba Murthy, Chartered Accountants, as Statutory Auditors for the FY 2015 – 2016, is placed before the members for ratification.

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

  
Managing Director

  
Director

**PARTICULARS OF EMPLOYEES:**

The management and employees' relationship has been very cordial throughout the year. There are no employees employed in India, drawing remuneration in excess of the limits for which disclosures are required to be made pursuant to Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further there are no employees posted and working in a country outside India, not being directors or their relatives, drawing more than sixty lakh rupees per financial year or five lakh rupees per month, as the case may be, as may be decided by the Board.

**FRAUDS REPORTED BY THE AUDITORS:**

The provisions of Section 134 (3) (ca) of the Companies Act, 2013, as inserted vide Companies Amendment Act, 2015 [No.21 of 2015], relating to frauds to be reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government, is not applicable for the FY 2014 – 15, since the reporting limits are yet to be prescribed by the Government.

However, the auditors have not reported any instances of fraud in the company, during the FY 2014 – 2015, and accordingly, the same may be treated as NIL.

**ESTABLISHMENT OF VIGIL MECHANISM:**

The threshold limits, as laid down under Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, for establishment of Vigil Mechanism, have not been breached by the Company. accordingly, establishing of vigil mechanism for their directors and employees to report their genuine concerns or grievances, is not applicable to the company.

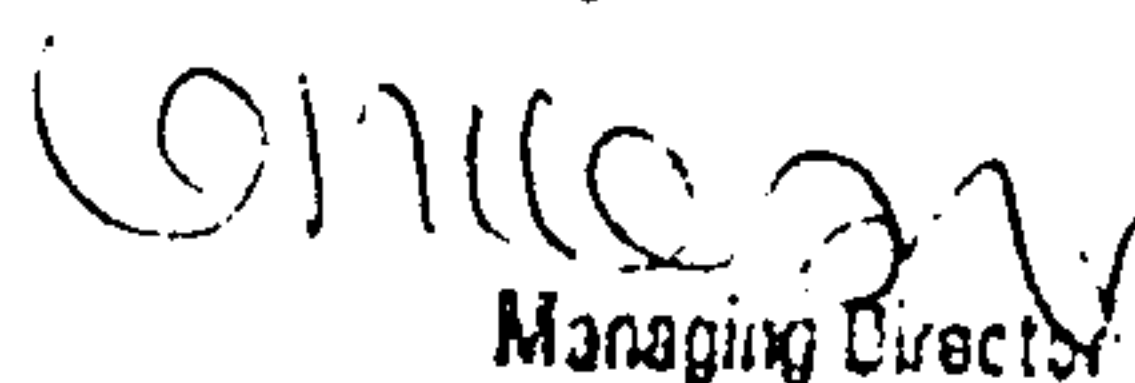
However, the Employees and Directors of the Company have been provided with due access to report their genuine concerns or grievances to the Board of Directors.

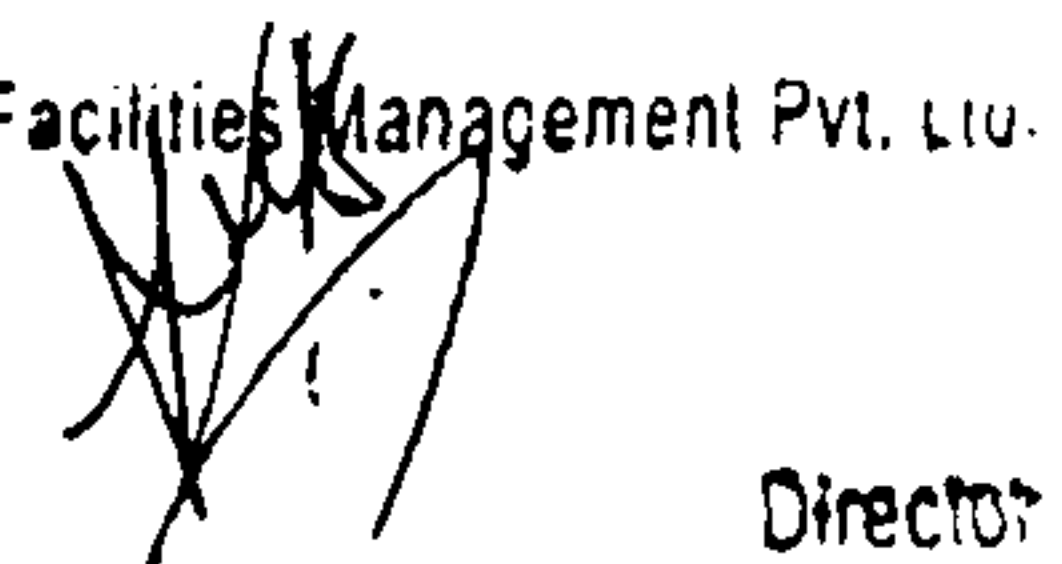
**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013, the Board of Directors of your Company hereby certifies and confirms that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

  
Managing Director

  
Director

- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates 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 that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and their irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**EXPLANATIONS/COMMENTS/REPLIES BY THE BOARD:**

Explanations / Comments/ Replies by the Board of Directors on every qualification, reservation or adverse remark or disclaimer made by:

(i) **The Auditor in their report:**

There are no qualifications in the Auditor's Report.

(ii) **The Company Secretary in practice in his Secretarial Audit Report:**

The Company being a Private Company is not required to obtain a Secretarial Audit Report from a Company Secretary in Practice, pursuant to Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.

**ISSUE OF SHARES WITH DIFFERENTIAL VOTING RIGHTS:**

The information pursuant to Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014, as to the number of Equity Shares with differential Voting Rights issued and allotted during the Financial year, is not applicable, as no such shares were issued during the year under review.

**SWEAT EQUITY SHARES:**

The Disclosure/Information, pursuant to Rule 8 (13) of The Companies (Share Capital and Debentures) Rules, 2014, relating to Sweat Equity Shares issued during the year, is not applicable, since no Sweat Equity Shares were issued during the year under review.

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

  
Managing Director



Director



**EMPLOYEES STOCK OPTIONS SCHEME [ESOPS]:**

The Disclosure relating to ESOPS granted, vested, exercised, lapsed and other information, pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, is not applicable, since there are no ESOP Schemes in the Company.

**OTHER DISCLOSURES:**

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

There were no complaints received/pending pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013, and accordingly the disclosure/Information pursuant Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013, may be treated as **NIL**.

**ACKNOWLEDGEMENTS:**

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.


**// FOR AND ON BEHALF OF THE BOARD //**  
**For KAPSTON FACILITIES MANAGEMENT PRIVATE LIMITED**

**For Kapston facilities Management Pvt. Ltd.**

  
**Managing Director**

**SRIKANTH KODALI**  
**DIRECTOR, DIN-02464623**

**For Kapston facilities Management Pvt. Ltd.**

  
**Managing Director**

**RADHA KRISHNA PINNAMANENI**  
**DIRECTOR, DIN -03324910**

Place: HYDERABAD

Date: 31/08/2015

**FORM MGT-9**  
**EXTRACT OF ANNUAL RETURN AS ON**  
**THE FINANCIAL YEAR ENDED 31.03.2015**

**Annexure - A**

**I. REGISTRATION AND OTHER DETAILS:**

(i)	CIN	:	<b>U15400TG2009PTC062658</b>
(ii)	Registration Date	:	<b>31.01.2009</b>
(iii)	Name of the Company	:	<b>KAPSTON FACILITIES MANAGEMENT PRIVATE LIMITED</b>
(iv)	Category/Sub-Category of the Company	:	Company Limited by Shares/ Indian Non-Government Company
(v)	Address of the Registered office and contact details	:	PLOT NO.287,MIG-2, IX PHASE, KPHB, KUKATPALLY HYDERABAD – 500072, TELANGANA. Landline: +91-9640504050 E-mail: info@kapstonfm.com
(vi)	Whether Listed Company	:	Yes/ No
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any.	:	NOT APPLICABLE

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the company are as below:

Sl. No.	Name and description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1.	House Keeping Services	8110	26.11 %
2.	Security Services	8010	73.89 %

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sl. No.	Name and Address of the Company	CIN/ GLN/ Regn. No.	Holding/ Subsidiary/ Associate Company	% of shares held	Applicable Section
NOT APPLICABLE					

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

*(Signature)*  
 Managing Director

*(Signature)*  
 Director

**IV. SHARE HOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity):**

**i) Category-wise Share Holding:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1. Indian</b>									
a. Individual / HUF	-	5,00,000	5,00,000	100	-	5,00,000	5,00,000	100	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	-	-	-	-	-	-	-	-	-
e. Bank/ FI	-	-	-	-	-	-	-	-	-
f. Any Others	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (1)</b>		<b>5,00,000</b>	<b>5,00,000</b>	<b>100</b>	-	<b>5,00,000</b>	<b>5,00,000</b>	<b>100</b>	-
<b>2. Foreign</b>									
a. NRI-Individuals	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Body Corporate	-	-	-	-	-	-	-	-	-
d. Bank/ FI	-	-	-	-	-	-	-	-	-
e. Any	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding</b>	-	<b>5,00,000</b>	<b>5,00,000</b>	<b>100</b>	-	<b>5,00,000</b>	<b>5,00,000</b>	<b>100</b>	-

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

*(Signature)*  
 Managing Director

*(Signature)*  
 Director

<b>B. Public Shareholding</b>									
<b>1. Institution</b>									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Bank/ FI	-	-	-	-	-	-	-	-	-
c. Cent. Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIIs	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
i. Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total- (B) (1)</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-</b>									
a. Bodies Corporate									
- Indian	-	-	-	-	-	-	-	-	-
- Overseas	-	-	-	-	-	-	-	-	-
b. Individuals									
i. Individual shareholders holding nominal share capital uptoRs. 1	-	-	-	-	-	-	-	-	-

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

*Chiranjeev*  
 Managing Director

*[Signature]*  
 Director

ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh	-	-	-	-	-	-	-	-	-
c. Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	-	-	-	-	-	-	-	-	-

<b>C. Shares held by</b>									
<b>Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-

<b>Grand Total (A+B+C)</b>	-	<b>5,00,000</b>	<b>5,00,000</b>	<b>100</b>	-	<b>5,00,000</b>	<b>5,00,000</b>	<b>100</b>	<b>--</b>
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For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

*(Signature)*  
 Managing Director

*(Signature)*  
 Director

ii) Shareholding of Promoters:

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total	
1.	Mr. SRIKANTH KODALI	4,50,000	90 %	--	4,50,000	90 %	--	--
2.	Mr. RADHA KRISHNA PINNAMANENI	50,000	10 %	--	50,000	10 %	--	--
	TOTAL	5,00,000	100	--	5,00,000	100	--	--

iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	5,00,000	100	5,00,000	100
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g.	--	--	--	--
3.	At the End of the year	5,00,000	100	5,00,000	100

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

*Chinnay*  
 Managing Director

*[Signature]*  
 Director

iii (a) : Change in Promoters' Shareholding:

Sl. No	Shareholding at the beginning of the year	Changes during the year		Shareholding at the End of the year
		Date	Particulars / Details as to the Change	
1.	5,00,000		NO CHANGE IN THE PROMOTERS SHAREHOLDING	5,00,000

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		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. ....				
	At the beginning of the year				
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	<b>NOT APPLICABLE</b>			
	At the End of the year (or on the date of separation, if separated during the year)				

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

*(Signature)*  
 Managing Director

*(Signature)*  
 Director

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Particulars to be provided for each KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>Mr. Srikanth Kodali, Director</b>				
	At the beginning of the year	4,50,000	90 %	4,50,000	90 %
	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity)	--	--	--	--
	At the End of the year	4,50,000	90 %	4,50,000	90 %
<b>2.</b>	<b>Mr. Radha Krishna Pinnamaneni, Director</b>				
	At the beginning of the year	50,000	10 %	50,000	10 %
	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity)	--	--	--	--
	At the End of the year	50,000	10 %	50,000	10 %

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

*(Signature)*  
 Managing Director

*(Signature)*

Director



**V. INDEBTEDNESS:**

**Indebtedness of the Company including interest outstanding/accrued but not due for Payment:**

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year:</b>				
1. Principal Amount	1,13,63,639	72,80,737	--	1,86,44,376
2. Interest due but not paid	--	--	--	--
3. Interest accrued but not due	--	--	--	--
<b>Total (1+2+3)</b>	<b>1,13,63,639</b>	<b>72,80,737</b>	<b>--</b>	<b>1,86,44,376</b>
<b>Change in Indebtedness during the financial year:</b>				
<b>Addition</b>	26,40,048	74,39,803	--	1,00,79,851
<b>Reduction</b>	26,71,553	34,73,583	--	61,45,136
<b>Net Change</b>	<b>-31,505</b>	<b>39,66,220</b>	<b>--</b>	<b>39,34,715</b>
<b>Indebtedness at the end of the financial year:</b>				
1. Principal Amount	1,13,32,134	1,12,46,957	--	2,25,79,091
2. Interest due but not paid	--	--	--	--
3. Interest accrued but not due	--	--	--	--
<b>Total (1+2+3)</b>	<b>1,13,32,134</b>	<b>1,12,46,957</b>	<b>--</b>	<b>2,25,79,091</b>

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

*(Signature)*  
 Managing Director

*(Signature)*  
 Director

Director

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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

A-I

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		MD	WTD	Manager	
	<b>Name</b>	<b>Not Applicable</b>	<b>Not applicable</b>	<b>Not applicable</b>	
1	Gross salary				
	a. Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	--	--	--	--
	b. Value of perquisites u/s 17(2) Income Tax Act, 1961	--	--	--	--
	c. Profits in lieu of salary under section 17(3) Income Tax Act, 1961	--	--	--	--
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission	--	--	--	--
	- as % of profit	--	--	--	--
	- Others, specify...	--	--	--	--
5	Others, please specify	--	--	--	--
	Total (A-I)	--	--	--	--
	Ceiling as per the Act	NA	NA	NA	NA

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

*Chinnan*  
 Managing Director

*[Signature]*  
 Director

A-II

Sl. No.	Particulars of Remuneration	Name of Executive Director			Total Amount
		ED	ED	ED	
	Name	Mr. Srikanth Kodali	NOT APPLICABLE	NOT APPLICABLE	
1	Gross salary				
	d. Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	29,00,000	--	--	29,00,000
	e. Value of perquisites u/s 17(2) Income Tax Act, 1961	--	--	--	--
	f. Profits in lieu of salary under section 17(3) Income Tax Act, 1961	--	--	--	--
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission	--	--	--	--
	- as % of profit	--	--	--	--
	- Others, specify...	--	--	--	--
5	Others, please specify	--	--	--	--
	Total (A-II)	29,00,000	--	--	29,00,000
	Total (A-I + A-II)	<b>29,00,000</b>	--	--	<b>29,00,000</b>
	Ceiling as per the Act	NA	NA	NA	NA

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

*Conicor*  
 Managing Director

*[Signature]*  
 Director

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	<b>Independent Directors</b>					
	Fee for attending board / committee meetings		<b>NOT APPLICABLE</b>			
	Commission					
	Others, please specify					
	<b>Total (1)</b>					
2	<b>Other Non-Executive Director:</b>					
		<b>Mr. Radha Krishna Pinnamaneni</b>	<b>NOT APPLICABLE</b>	<b>NOT APPLICABLE</b>	<b>NOT APPLICABLE</b>	
	Fee for attending board / committee meetings	NIL	--	--	--	--
	Commission	--	--	--	--	--
	Others, please specify	--	--	--	--	--
	<b>Total-(2)</b>	--	--	--	--	--
	<b>Total-B (1+2)</b>	NIL	--	--	--	--
	Total Managerial Remuneration (A+B)					<b>29,00,000</b>
	Overall Ceiling as per the Act	NA	NA	NA	NA	NA

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

*Chinnan*  
 Managing Director

*[Signature]*  
 Director

Director

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

Sl. No.	Particulars of Remuneration	Name of the KMP, Designation			Total Amount
		CEO	CS	CFO	
1	<b>Gross salary</b>				
	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961				
	Value of perquisites u/s 17(2) Income Tax Act, 1961	<b>NOT APPLICABLE</b>			
	Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- Others, specify...				
5	Others, please specify				
<b>Total</b>					

For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.

*(Signature)*  
 Managing Director

*(Signature)*  
 Director

**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)
<b>A. COMPANY</b>					
Penalty					
Punishment		<b>NOT APPLICABLE</b>			
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment		<b>NOT APPLICABLE</b>			
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment		<b>NOT APPLICABLE</b>			
Compounding					


// FOR AND ON BEHALF OF THE BOARD //  
 For KAPSTON FACILITIES MANAGEMENT PRIVATE LIMITED

For Kapston facilities Management Pvt. Ltd.

  
 Managing Director

**SRIKANTH KODALI**  
 DIRECTOR, DIN - 02464623

For Kapston facilities Management Pvt. Ltd.

  
 Managing Director

**RADHA KRISHNA PINNAMENI**  
 DIRECTOR, DIN - 03324910

Place: HYDERABAD  
 Date: 31.08.2015

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**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF  
KAPSTON FACILITIES MANAGEMENT PRIVATE LIMITED.**

**1. Report on the Financial Statements**

We have audited the accompanying financial statements of KAPSTON FACILITIES MANAGEMENT PRIVATE LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**2. Management's Responsibility for the Financial Statements**

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

**3. Auditor's Responsibility**

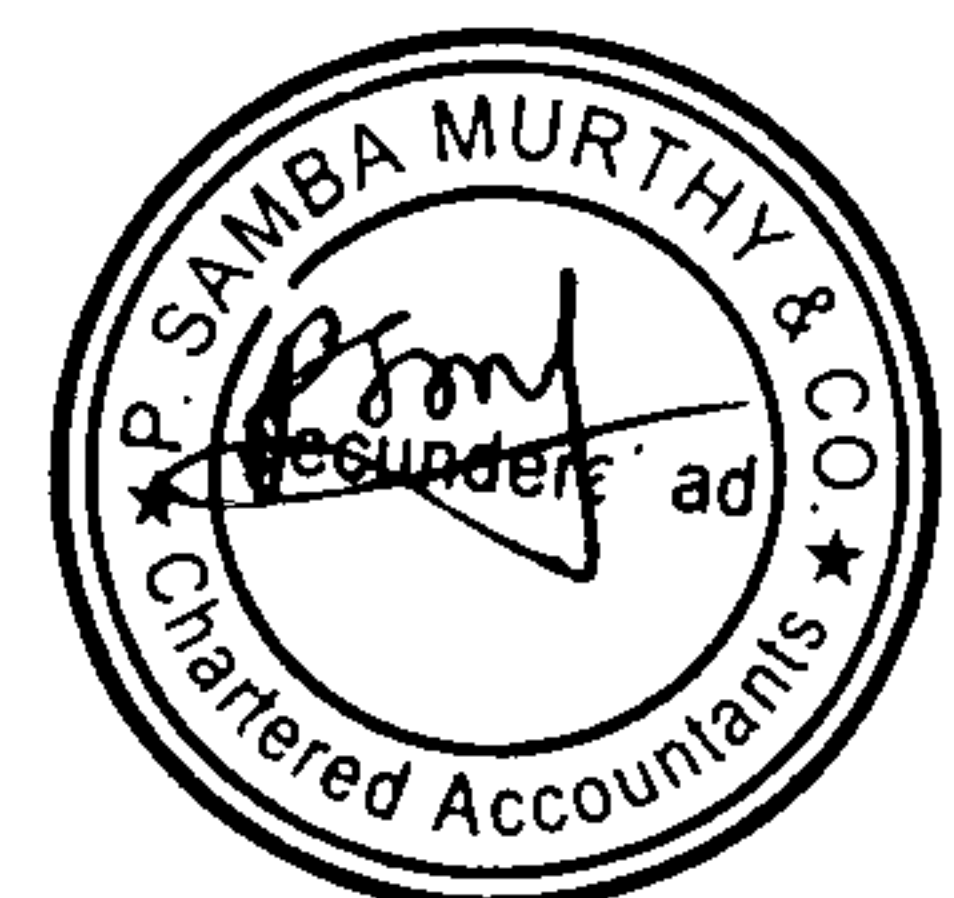
Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



#### 4. Opinion

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### 5. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books (and proper returns adequate for the purposes of our audit have been received from the branches which is also audited by us)
- c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act have been prepared by us and have been properly dealt by us in preparing this report.
- d) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- e) 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.
- f) There is nothing to disclose which is having adverse effect on the functioning of the company.
- g) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- h) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund.

Place : **SECUNDERABAD**  
Date : **31/08/2015**

for **P. SAMBA MURTHY AND COMPANY**  
**Chartered Accountants**  
**FRN:006207S**  
*psambamurthy*  
**SAMBA MURTHY PACHCHALLA**  
**Membership No:202338**

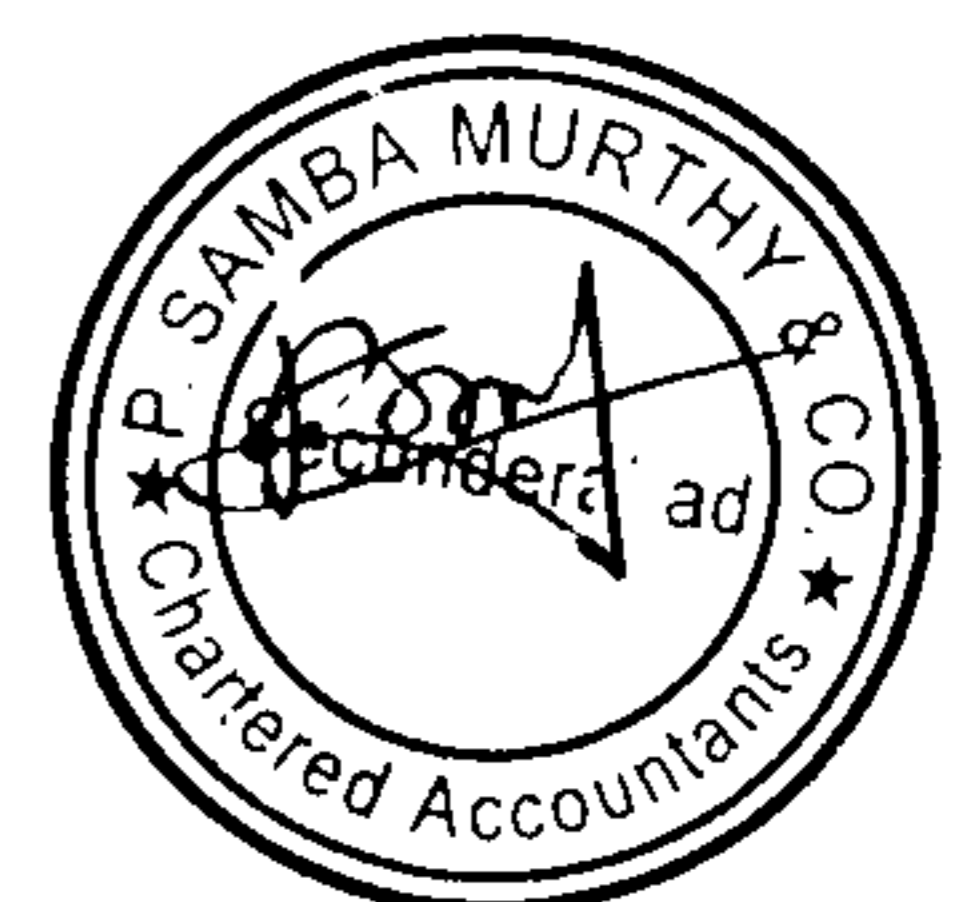


**ANNEXURE TO THE AUDITORS' REPORT**

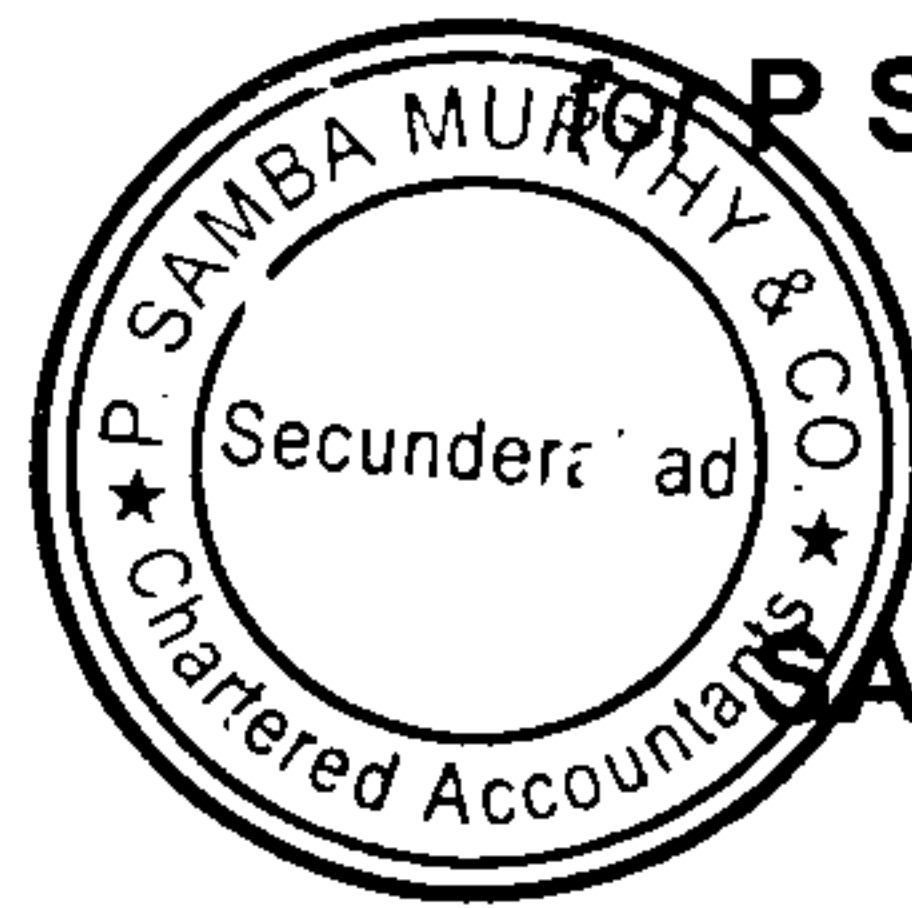
**The Annexure referred to in our report to the members of KAPSTON FACILITIES MANAGEMENT PRIVATE LIMITED for the year ended 31<sup>st</sup> March, 2015.**

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification. In our opinion and according to the information and explanations given to us, no fixed asset has been disposed of during the year and therefore does not affect the going concern assumption.
2. The Company does not have any Inventory as it is providing Security and House Keeping Services. Hence the Comment on the Inventory does not arise.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act. Thus sub clauses (a) & (b) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. In our opinion and according to the information and explanations given to us company hasn't accepted any deposits, from the directives issued by the Reserve Bank of India and as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act
6. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 148 of the Act in respect of the business of the Company.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2015 for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.



- (c) The company is not required to transfer any amount which is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under within time.
8. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
  9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
  10. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
  11. In our opinion Terms Loans were applied for the purpose for which loans were obtained
  12. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.



**P. SAMBA MURTHY AND COMPANY**  
**Chartered Accountants**  
**FRN:006207S**  
*P. Samba Murthy*  
**SAMBA MURTHY PACHCHALLA**  
**Membership No:202338**

Place : **SECUNDERABAD**  
Date : **31/08/2015**

**M/S.KAPSTON FACILITIES MANAGEMENT PRIVATE LIMITED**  
**NO.287, MIG-2, IX PHASE, KPHB,KUKATPALLY,HYDERABAD500072**

**BALANCE SHEET AS ON 31ST MARCH, 2015**

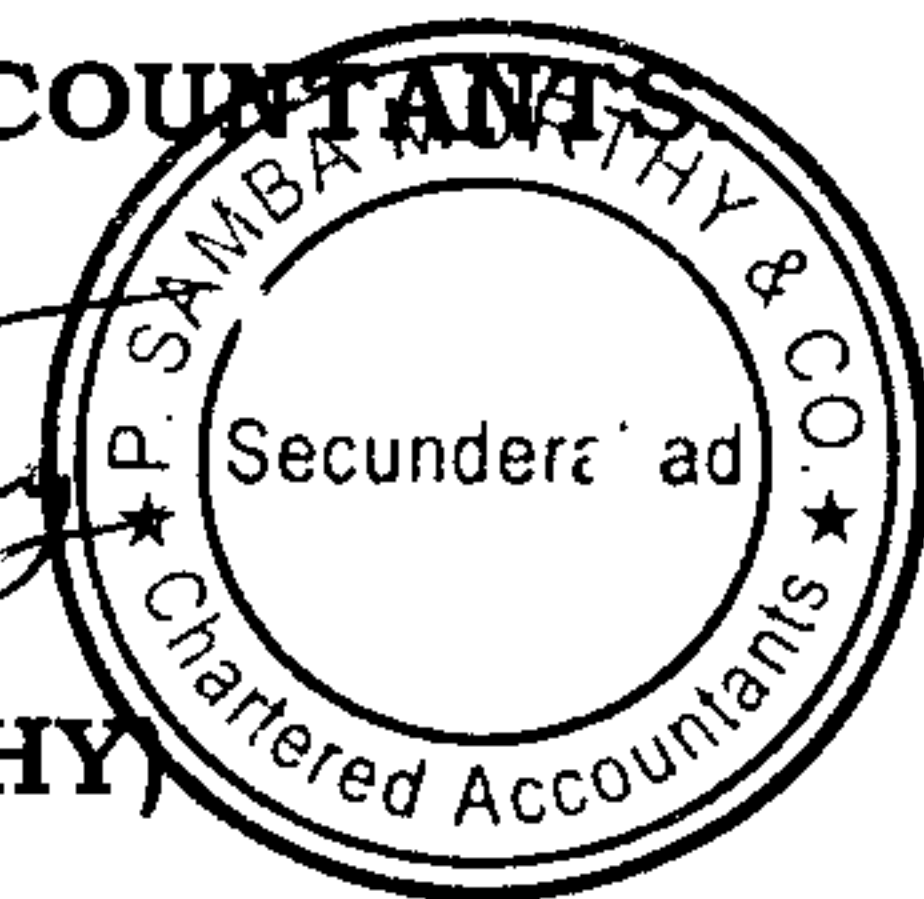
Amount in (Rs.)

Particulars	Notes	As at 31.03.2015	As at 31.03.2014
<b><u>EQUITY AND LIABILITIES:</u></b>			
<b>1. Share holders funds</b>			
a) Share Capital	3	5,000,000	5,000,000
b) Reserves & Surplus	4	39,961,059	18,228,640
<b>2. Share application money pending allotment</b>			
		-	-
<b>3. Non-current Liabilities</b>			
a) Long Term Borrowings	5	22,579,091	18,644,376
b) Deferred Tax Liability (Net)		-	-
<b>4. Current Liabilities</b>			
a) Trade Payables	6	7,724,407	5,666,899
b) Other Current Liabilities	7	102,442,629	61,593,697
c) Short Term Provisions	8	9,090,405	4,421,967
<b>TOTAL</b>		<b>186,797,591</b>	<b>113,555,579</b>
<b><u>ASSETS:</u></b>			
<b>1. Non-Current Assets</b>			
a) Fixed Assets			
i) Tangible Assets	10	14,012,349	14,989,350
b) Deffered Tax Asset(Net)	9	1,054,648	228,035
<b>2. Current Assets</b>			
a) Trade Receivables	11	106,578,533	82,627,479
b) Cash and Cash Equivalent	12	42,198,448	2,231,696
c) Other Current Assets	13	21,878,396	12,488,446
d) Short Term Loans and Advances	14	1,075,217	990,573
<b>TOTAL</b>		<b>186,797,591</b>	<b>113,555,579</b>

**Notes on Accounts & Significant accounting policies 1 & 2**

As per our report of even date  
**FOR P.SAMBA MURTHY & CO.,**  
**CHARTERED ACCOUNTANTS**  
**FRN : 006207S**

*P. Sambamurthy*  
**(P.SAMBA MURTHY)**  
**PROPRIETOR**  
**MNO : 202338**

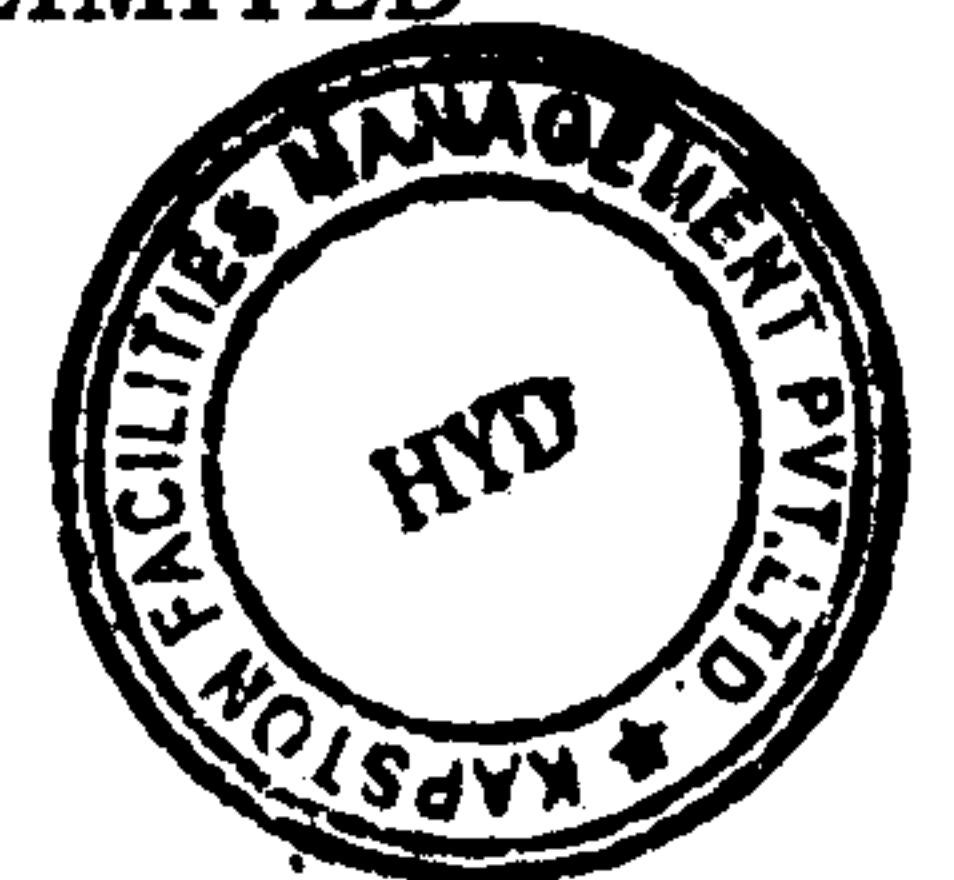


**PLACE SECUNDERABAD**  
**DATE: 31/08/2015**

**On Behalf of the Board**  
**M/S.KAPSTON FACILITIES**  
**MANAGEMENT PRIVATE LIMITED**

*[Signature]*  
**DIRECTOR**

*[Signature]*  
**DIRECTOR**



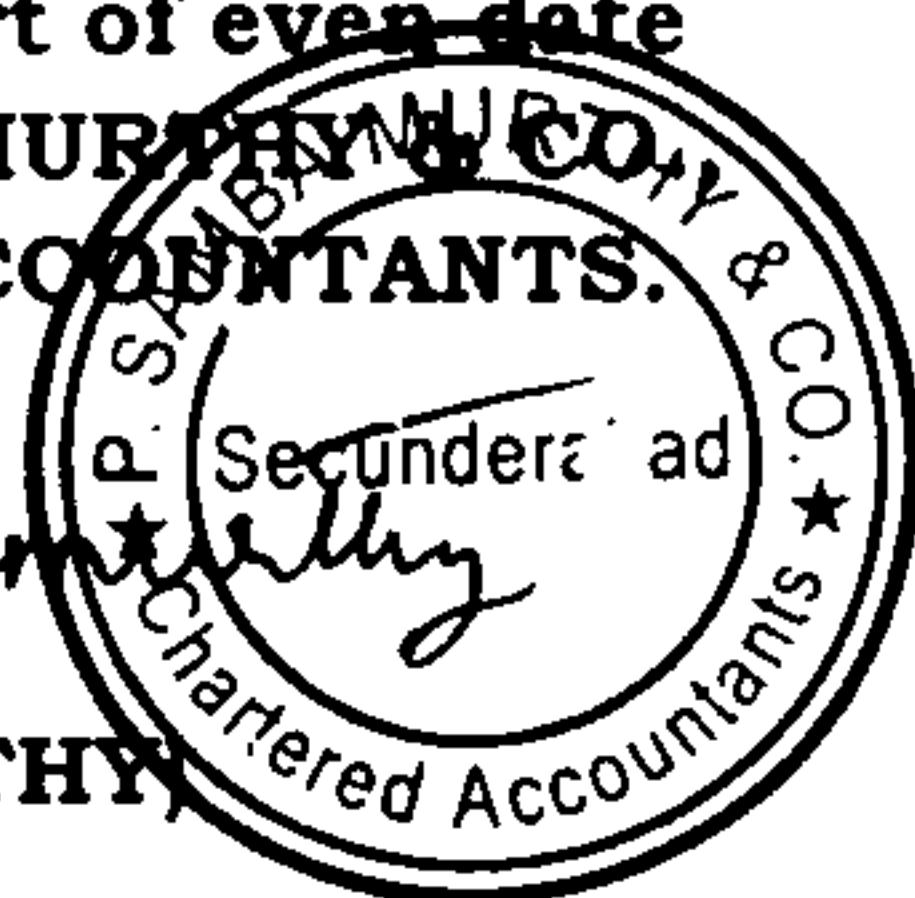
**M/S.KAPSTON FACILITIES MANAGAMENT PRIVATE LIMITED**  
**NO.287, MIG-2, IX PHASE, KPHB,KUKATPALLY,HYDERABAD500072**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2015:**

(Amount in Rs.)

PARTICULARS	NOTES	YEAR ENDED 31.03.2015	YEAR ENDED 31.03.2014
<b>Income:</b>			
Revenue From Operations	15	573,564,036	412,702,316
Grants Received from Ministry of Rural Development and Government of India for Skills Projects	16	15,272,371	-
Other Income	17	236,706	2,505,874
<b>Total Revenue</b>		<b>589,073,112</b>	<b>415,208,190</b>
<b>Expenses:</b>			
Expenses for Grants received from Ministry of Rural Development and Govt. of India for Skills Projects	18	15,272,371	-
Employee Benefits	19	462,433,258	323,300,334
Finance costs	20	7,992,601	1,169,969
Depreciation	10	6,201,001	3,156,240
Other Expenses	21	67,126,511	66,025,786
<b>Total Expenditure</b>		<b>559,025,743</b>	<b>393,652,328</b>
Profit/(Loss) for the year		30,047,369	21,555,861
<b>Tax Expense</b>			
Less: Current Tax		9,090,405	4,421,967
Add: Deferred Tax Asset		826,613	194,672
Profit/(Loss) after tax		<b>21,783,577</b>	<b>17,328,566</b>
<b>Earnings Per Equity share</b>			
(1) Basic		43.57	34.66
(2) Diluted		43.57	34.66
<b>Notes on Accounts &amp; Significant accounting policies 1 &amp; 2</b>			

As per our report of even date  
FOR P.SAMBA MURTHY & CO  
CHARTERED ACCOUNTANTS.  
FRN : 006207S



(P.SAMBA MURTHY)  
PROPRIETOR  
MNO : 202338

PLACE: SECUNDERABAD  
DATE: 31/08/2015

On Behalf of the Board  
M/S.KAPSTON FACILITIES  
MANAGAMENT PRIVATE LIMITED

*[Signature]*  
DIRECTOR

*[Signature]*  
DIRECTOR

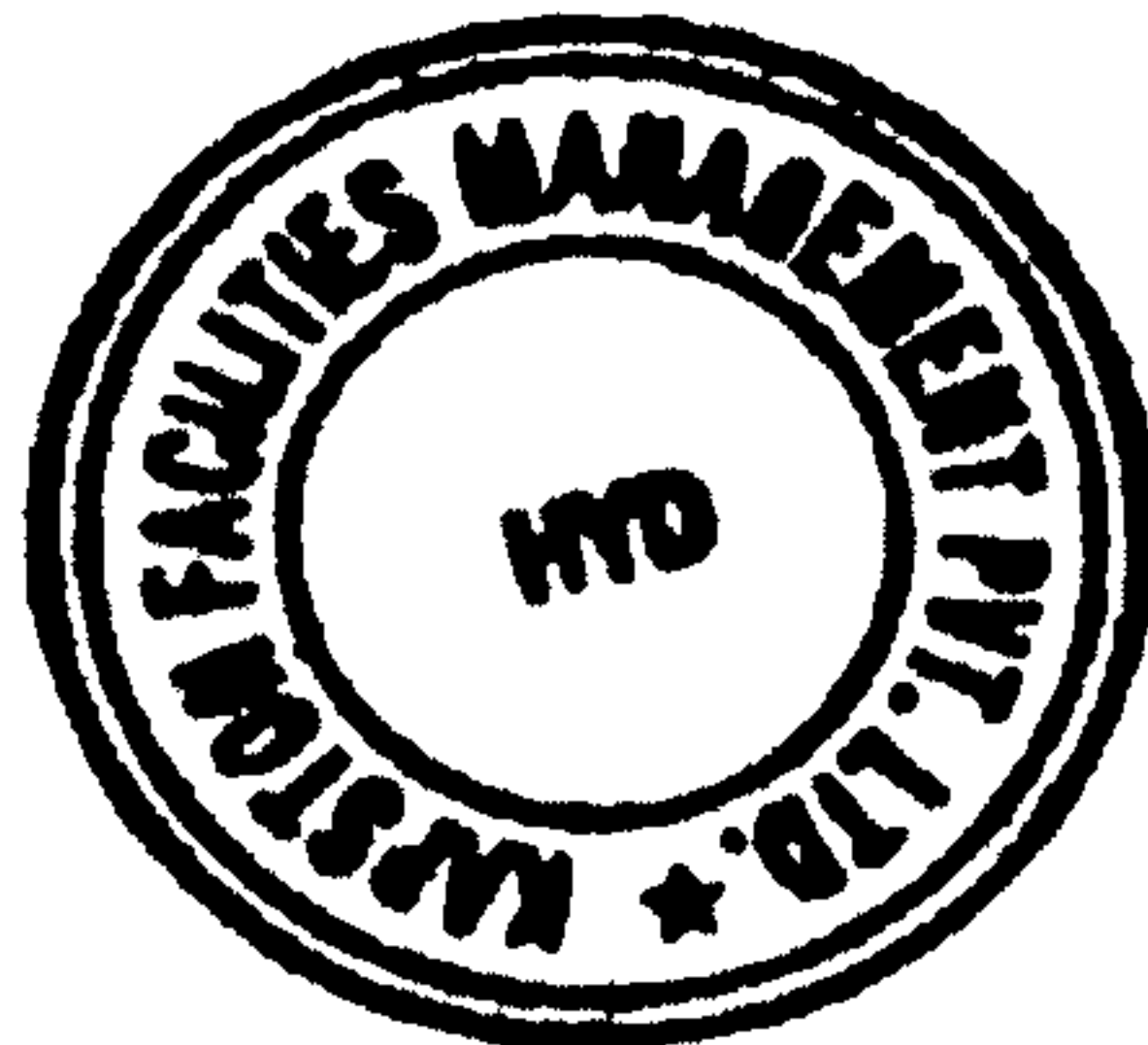
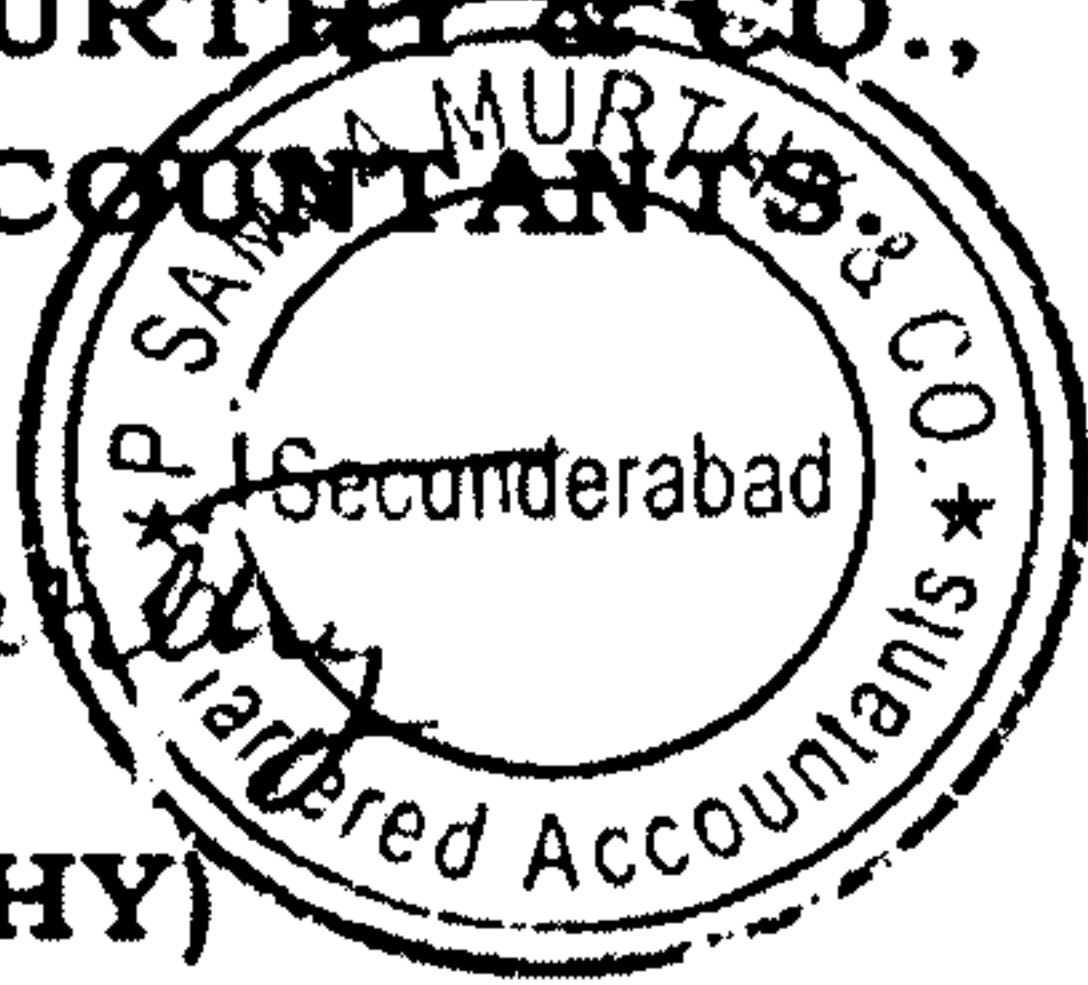


**M/S.KAPSTON FACILITIES MANAGEMENT PRIVATE LIMITED**  
**No.287, MIG-2, IX PHASE, KPHB, KUKATPALLY, HYDERABAD**  
**CASH FLOW STATEMENT AS ON 31.03.2015**

Particulars	2015		2014	
	Amount in Rs.		Amount in Rs.	
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>				
Net Profit before Tax		30047369		21555861
Adjustments for :				
Add : Expenses:				
Depreciation	6201001		3156240	
Interest Paid	7992601	14193602	1169969	4326209
		44240971		25882070
Less: Incomes:				
Interest Received on Deposits	236706		88250	
Interest on IT Refund	0	236706	42938	131188
<b>Operating Profit before working capital Changes</b>		44004265		25750882
Increase/Decrease in Creditors	2057508		2114375	
Increase/Decrease in other C.L.	40848932		8369925	
Increase/Decrease in Receivables	-23951054		-25716539	
Increase/Decrease in other C.A.	-9389950		-3625718	
Increase/Decrease in short Term loans and advances	-84644	9480792	204822	-18653135
<b>Operating Profit before tax and extraordinary items</b>		53485057		7097747
Less: Income Tax paid		4421967		8381199
<b>Net cash flow from Operating Activities I</b>			49063090	-1283452
<b>II. Cash Flow from Investing Activites</b>				
Additions to fixed Assets (not deletions)		-5275157		-8362181
Interest income		236706		131188
<b>Net cash flow from Investing Activities II</b>			-5038451	-8230993
<b><u>III. Cash from financing activities:</u></b>				
Proceeds of short term/long term borrowings		3934715		9233934
Interest		-7992601		-1169969
<b>Net cash flow from financing activities III</b>			-4057886	8063965
<b>Increase in cash and cash equivalents(I+II+III)</b>			39966753	-1450480
Cash and cash equivalent at the beginning of the year				
Cash and Bank			2231696	3682177
Closing cash and cash equivalent at the end of the year			42198448	2231696

As per our report of even date  
**FOR P.SAMBA MURTHY & CO.,**  
**CHARTERED ACCOUNTANTS**  
**FRN : 006207S**

*P. Samba Murthy*  
**(P.SAMBA MURTHY)**  
**PROPRIETOR**  
**MNO : 202338**



On Behalf of the Board  
**M/S.KAPSTON FACILITIES**  
**MANAGEMENT PRIVATE LIMITED**

*[Signature]*  
**DIRECTOR**

*[Signature]*  
**DIRECTOR**

**PLACE:SECUNDERABAD**  
**Date : 31/08/2015**

# KAPSTON FACILITIES MANAGEMENT PRIVATE LIMITED

## Significant Accounting Policies and Notes to Accounts

### 1. Basis of Accounting

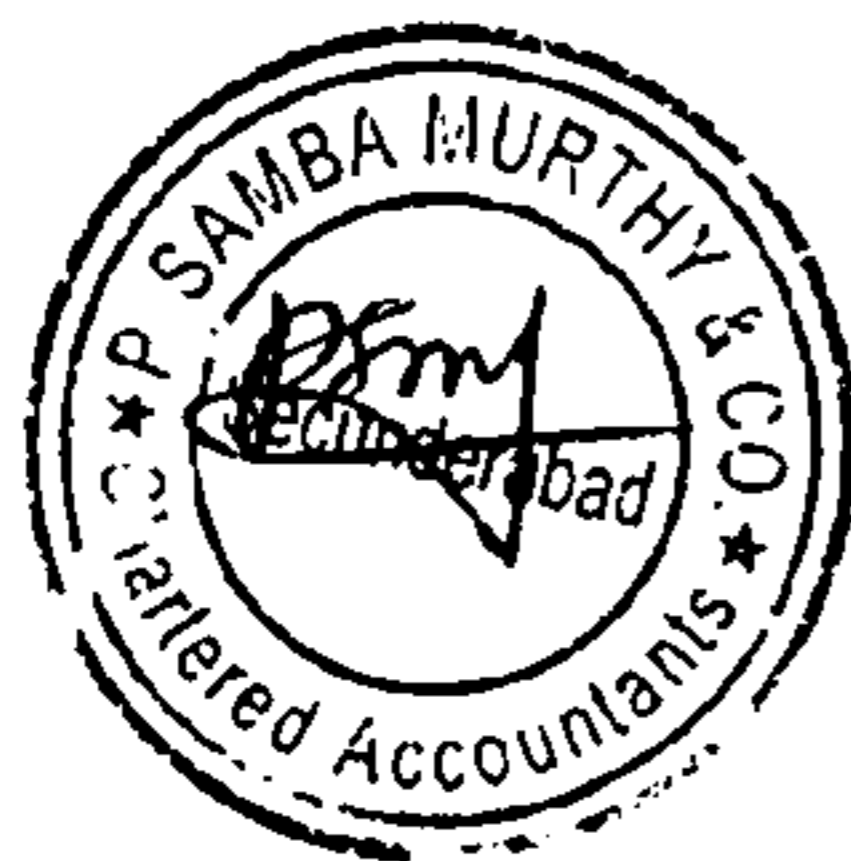
The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles ('GAAP') in India and comply with the accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006, to the extent applicable and in accordance with the provisions of the Companies Act, 1956, as adopted consistently by the Company.



### 2. Inventories

The Company does not have any Inventory as it is providing Security and House Keeping Services.

### 3. Use of Estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, provision for income taxes, retirement benefits, the useful lives of fixed assets and intangible assets. Actual results could differ from such estimates.



For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.  
  
Managing Director  
  
Director

**4. Revenue Recognition**

Revenue is recognized as per the Accounting Standard-9.

**5. Government Grants**

During the Financial year The Company has received Grants Received from Ministry for Rural Development and Government of India for undertaking Skill Projects. The same were utilized by the Company has per the Norms Specified by the Ministry for Rural Development and Government of India and as per the Accounting Standard-12.

**6. Fixed Assets & Depreciation**

Fixed Assets are accounted at cost of acquisition inclusive of other related expenses on such acquisition. They are stated at cost less accumulated depreciation.

Depreciation on fixed assets is provided on a pro-rata basis using WDV method at rates as per Schedule II to the Companies Act 2013.

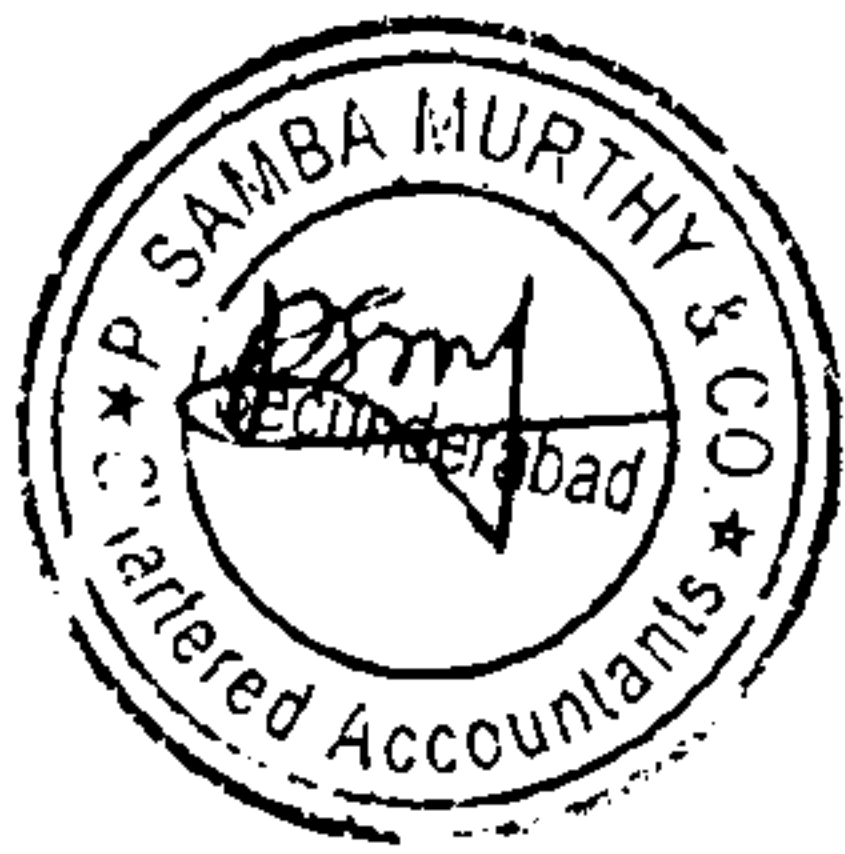
**7. Investments**



The Company does not have any Long term Investments.

**8. Borrowing Cost**

Interest is recognised as an expense as and when it is due for payment.

No amount of Interest has been capitalised during the year. The amount of Borrowing Cost recognised in the statement of Profit & Loss is Rs. 17,04,884/-



For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.  
  
Managing Director  
  
Director

## 9. Taxation

Income tax comprises current tax and deferred tax. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences, subject to the consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates enacted or substantively enacted by the Balance Sheet date.

## 10. Earnings Per Share

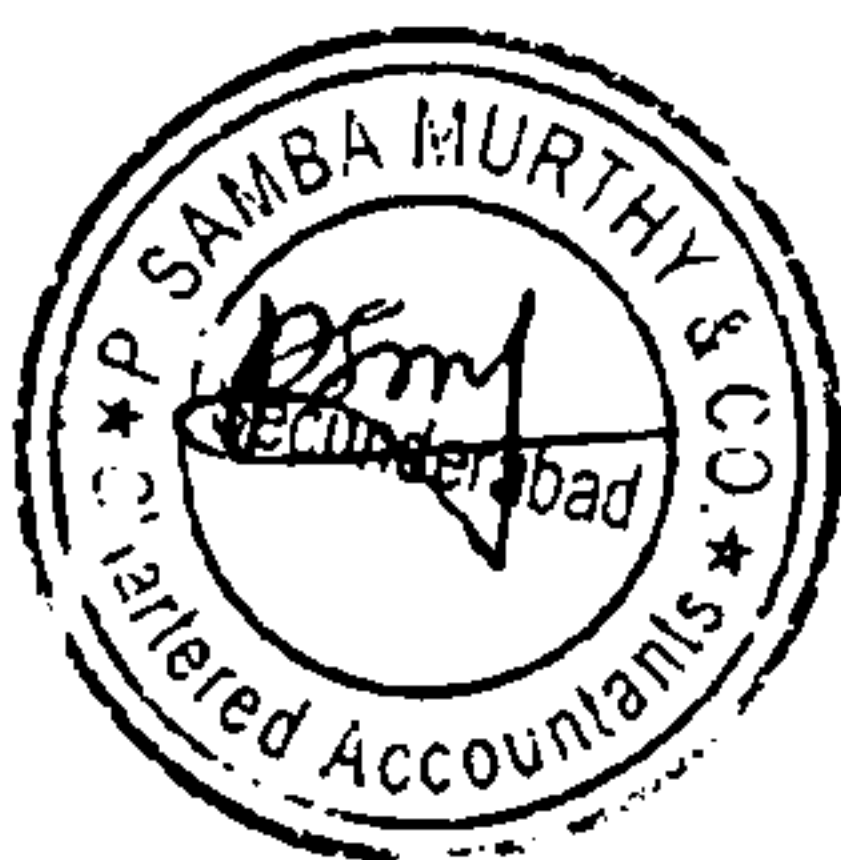
The earnings considered in ascertaining the Company's EPS comprises the net profit after tax attributable to equity shareholders. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.



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 dilutive potential equity shares.

The basic EPS for the year is Rs.43.57/-. During the financial year there are no securities outstanding which are dilutive in nature.

## 11. Provisions & Contingencies

The company creates a provision when there is a present obligation as a result of an obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the outflow. A disclosure of contingent liability will be made when there is a possible obligation or a present obligation that may, but probably will not, require outflow of resources. No disclosure will be made if the possibility of outflow is remote.



For Kapston Facilities Management Pvt. Ltd. For Kapston Facilities Management Pvt. Ltd.  
  
Managing Director  
  
Director



## 12. Payment to Auditors

Particulars	Current Year (Amount in Rs.)
As auditor	2,25,000
For taxation matters	NIL
For company law matters	NIL
For management services	NIL
For other services	NIL
For reimbursement of expenses	NIL

## 13. Previous Year Figures

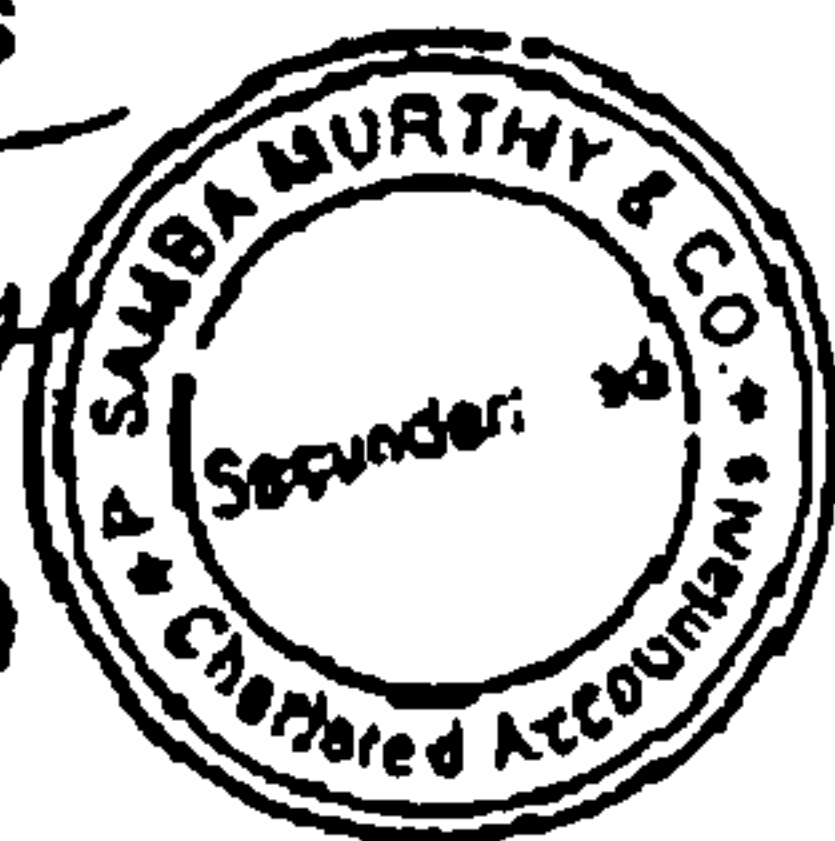
Previous year figures have been regrouped/ rearranged wherever necessary

For P.SAMBAMURTHY & Co.,

Chartered Accountants

FRN: 006207S

*psambamurthy*  
(P.Samba Murthy)  
Proprietor




Membership No.202338

Place: Hyderabad

Date:31stAugust, 2015

For and on behalf of the Board  
KAPSTON FACILITIES MANAGEMENT  
PRIVATE LIMITED

*CO. SECRETARY*  
Director  
*[Signature]*  
Director



**M/S.KAPSTON FACILITIES MANAGAMENT PRIVATE LIMITED**  
**NO.287, MIG-2, IX PHASE, KPHB,KUKATPALLY,HYDERABAD500072**

**Notes on Accounts**

**Note 3 - Share Capital**

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Authorised Share Capital</b>		
5,00,000 Equity Shares of Rs. 10/- each	5,000,000	5,000,000
<b>Issued Subscribed &amp; fully Paidup Capital</b>		
5,00,000 Equity Shares of Rs. 10/- each	5,000,000	5,000,000
<b>Total</b>	<b>5,000,000</b>	<b>5,000,000</b>

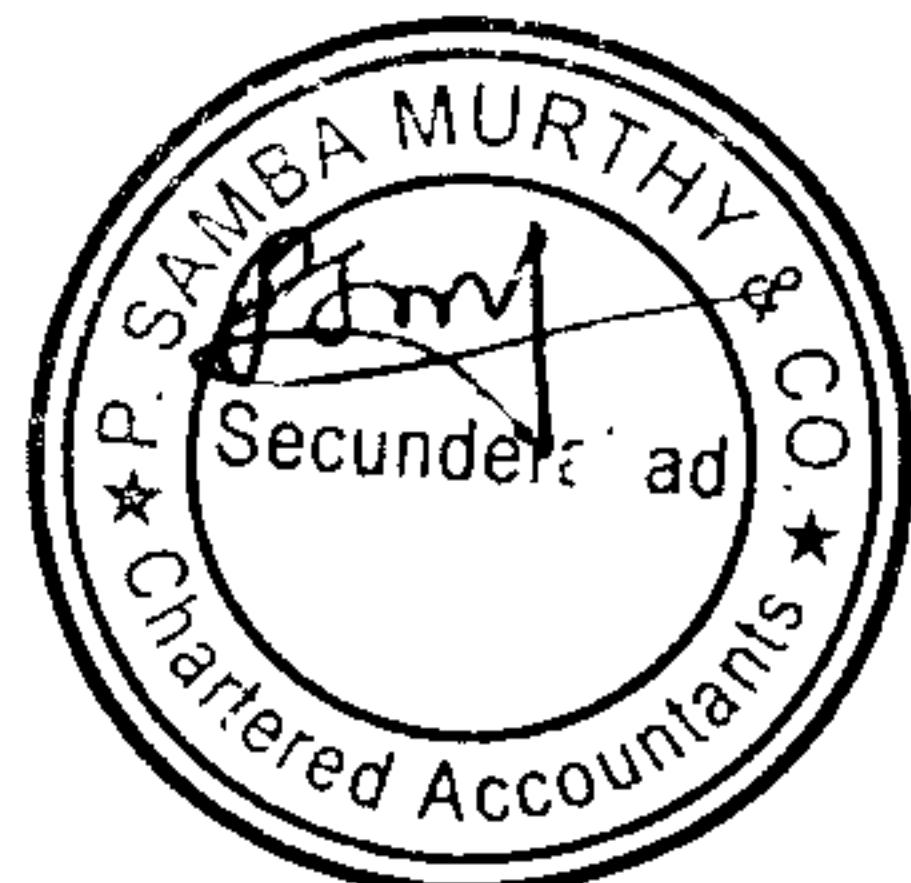
The Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period is set out below

Particulars	As at 31.03.2015		As at 31.03.2014	
	No of shares	Amount(Rs.)	No of shares	Amount(Rs.)
<b>Shares outstanding :</b>				
At the beginning of the year	500,000	5,000,000	10,000	100,000
Issued during the year	-	-	490,000	4,900,000
<b>Shares outstanding at the end of the year</b>	<b>500,000</b>	<b>5,000,000</b>	<b>500,000</b>	<b>5,000,000</b>

The details of shareholders holding more than 5% of equity shares along with no of Equity Shares held is set below

Name of the Share holder	As at 31.03.2015		As at 31.03.2014	
	No.of shares held	(%) of holding	No.of shares held	(%) of holding
Srikanth Kodali	450,000	90%	450,000	90%
Radha Krishna Pinnamaneni	50,000	10%	50,000	10%

The company has only one class of equity shares having a par value of Rs. 10/- per share



For Kapston Facilities Management Pvt. Ltd.

*[Signature]*  
**Managing Director**

For Kapston Facilities Management Pvt. Ltd.

*[Signature]*  
**Director**

**M/S.KAPSTON FACILITIES MANAGAMENT PRIVATE LIMITED**  
**NO.287, MIG-2, IX PHASE, KPHB,KUKATPALLY,HYDERABAD500072**

**Notes on Accounts (Continued)**

**Note 4 - Reserves and Surplus**

**Amt. in Rs.**

<b>Balance in Statement of Profit and Loss</b>	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
Opening Balance	18228640	5800074
Add: Current Year Profit	21783577	12428566
Less: Transitional Adjustment on Fixed asset	51158	0
<b>Total</b>	<b>39961059</b>	<b>18228640</b>

**Note 5 - Long term borrowings (refer Note No.5.1)**

**Amt. in Rs.**

<b>Particulars</b>	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
<b>a)Term Loans from Banks</b>		
Secured	11332134	11363639
Unsecured	8824246	1384443
<b>b)Loans and Advances from related parties</b>		
Unsecured	2422711	5896294
<b>Total</b>	<b>22579091</b>	<b>18644376</b>

**Note 6 - Trade Payables**

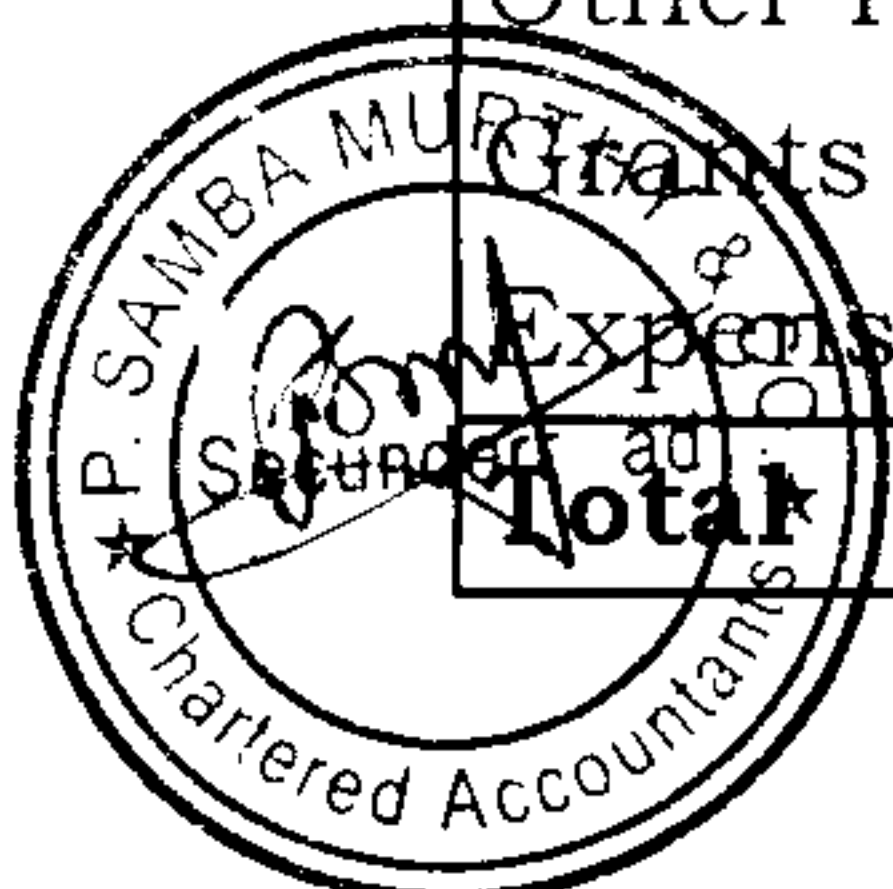
**Amt. in Rs.**

<b>Particulars</b>	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
Trade payables for supplies	7724407	5666899
<b>Total</b>	<b>7724407</b>	<b>5666899</b>

**Note 7 - Other Current liabilities**

**Amt. in Rs.**

<b>Particulars</b>	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
Audit fee payable	0	67500
Consultancy charges payable	97776	81000
ESI Payable	1087634	1135071
PF Payable	6415332	2865451
PT Payable	9150	8300
Rent Payable	65395	102240
Salaries payable	3121101	2204794
TDS Payable	348284	221321
Wages payable	46120860	27877011
Service tax payable	16631249	26652267
Other Provisions	381809	378742
Grants Received in Advance -Sub-schedule	26574230	0
Expenses Payable of Projects -Sub-Schedule	1589809	0
<b>Total</b>	<b>102442629</b>	<b>61593697</b>



For Kapston Facilities Management Pvt. Ltd.

*[Signature]*

\* Director

For Kapston facilities Management Pvt. Ltd.

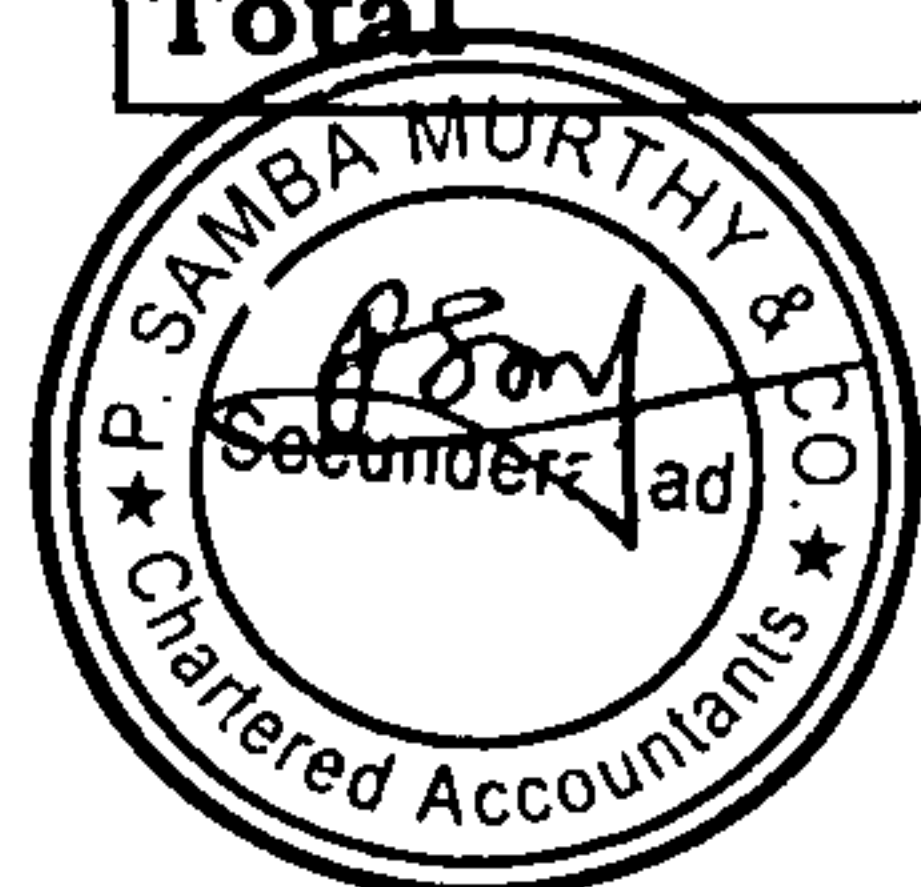
*[Signature]*  
Managing Director

**M/S.KAPSTON FACILITIES MANAGMENT PRIVATE LIMITED**  
**NO.287, MIG-2, IX PHASE, KPHB,KUKATPALLY,HYDERABAD500072**

**Reference Note 5.1**

Details of terms of repayment for the long-term borrowings and security provided in respect of the secured long-term borrowings:

Particulars	As at 31.03.2015		As at 31.03.2014	
	Secured	Unsecured	Secured	Unsecured
Kotak Mahindra Car Loan	-	-	197,561	-
TATA Capital Car Loan	-	-	112,817	-
TATA Omni Loan	-	-	25,722	-
HDFC Bank	3,252,456	-	4,295,555	-
HDFC Bank	630,196	-	807,267	-
BMW Financial Services	4,083,247	-	4,886,718	-
HDFC Bank-Top up Loan	726,188	-	1,038,000	-
BMW Financial Services - Innova	1,044,672	-	-	-
BMW Financial Services - Tavera	830,090	-	-	-
Kotak Mahindra Prime - Skoda Loan	765,286	-	-	-
Fullerton India Credit	-	5,000,000	-	-
HDFC Bank-Business Loan	-	3,824,246	-	1,384,443
	<b>11,332,134</b>	<b>8,824,246</b>	<b>11,363,639</b>	<b>1,384,443</b>
<u>Loans and advances from related parties:</u>				
<u>from Related Parties</u>				
Srikanth Kodali	-	489,711	-	3,543,294
Radhakrishna Pinnamaneni	-	1,933,000	-	2,353,000
<b>Total</b>	-	<b>2,422,711</b>	-	<b>5,896,294</b>



For Kapston facilities Management Pvt. Ltd.

X

*[Signature]*  
Managing Director

For Kapston Facilities Management Pvt. Ltd.

X *[Signature]*

Director

**M/S.KAPSTON FACILITIES MANAGMENT PRIVATE LIMITED**  
**NO.287, MIG-2, IX PHASE, KPHB,KUKATPALLY,HYDERABAD500072**

**Notes on Accounts (Continued)**

**Note 8 - Short term Provisions**

**Amt. in Rs.**

Particulars	As at 31.03.2015	As at 31.03.2014
Provision for tax	9090405	4421967
<b>Total</b>	<b>9090405</b>	<b>4421967</b>

**Note 9 Deferred Tax Asset**

**Amt. in Rs.**

Particulars	As at 31.03.2015	As at 31.03.2014
Opening Balance	228035	33363
Add/(Less): Deferred Tax(Asset)/Liability	826613	194672
<b>Total</b>	<b>1054648</b>	<b>228035</b>

**Note 11 Trade Receivables**

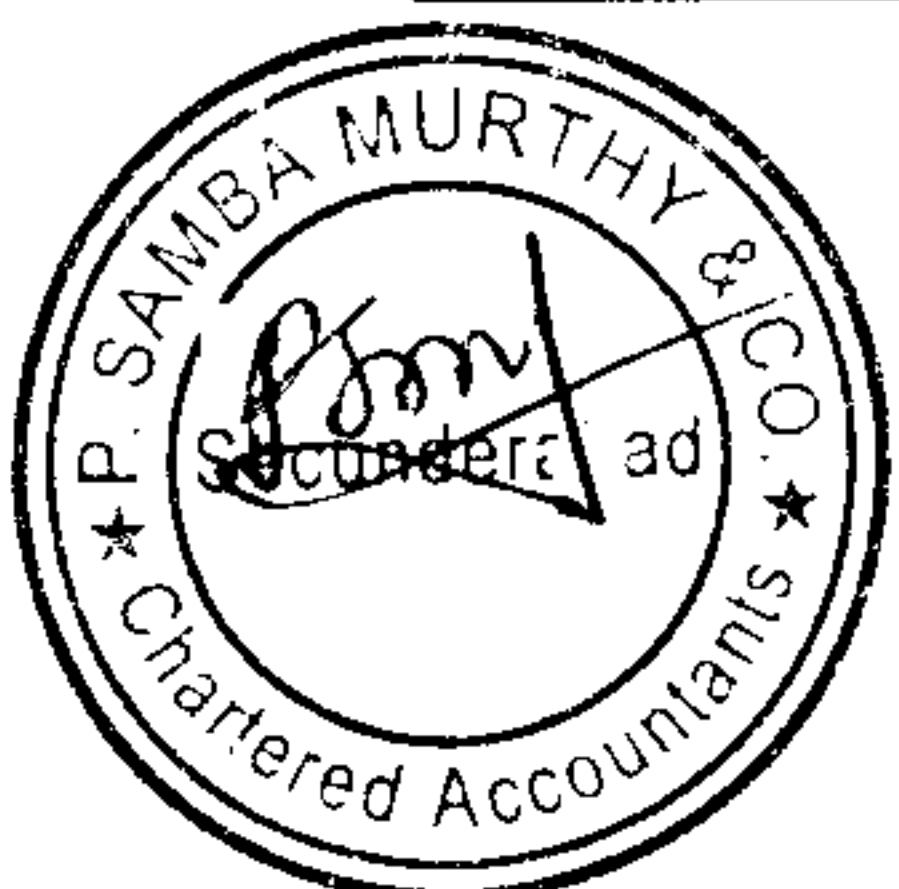
**Amt. in Rs.**

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Unsecured, considered good</b>		
Trade receivables o/s for a period not exceeding 6 months from the due date	106578533	82627479
<b>Total</b>	<b>106578533</b>	<b>82627479</b>

**Note 12 Cash and Cash Equivalents**

**Amt. in Rs.**

Particulars	As at 31.03.2015	As at 31.03.2014
(a) Cash in hand	71895	191942
(b) Balances with banks		
-IDBI Bank Kukatpally	158549	147487
-IDBI Bank BanjaraHills	310	310
-Karur Vysya Bank	13800606	1063615
-HDFC Bank	399035	753783
-Karur Vysya Bank NSDC	9791	0
-State Bank of India	-118514	34559
-UCO Bank - Odisha Project	1662079	0
-HDFC Bank-Karnataka Project	4719785	0
-State Bank of India-Assam Project	9109447	0
-Federal Bank - Kerala Project	12385467	0
-HDFC (Ajeevika Deposit)	0	40000
<b>Total</b>	<b>42198448</b>	<b>2231696</b>



For Kapston facilities Management Pvt. Ltd.

*[Signature]*  
 Managing Director

For Kapston Facilities Management Pvt. Ltd.

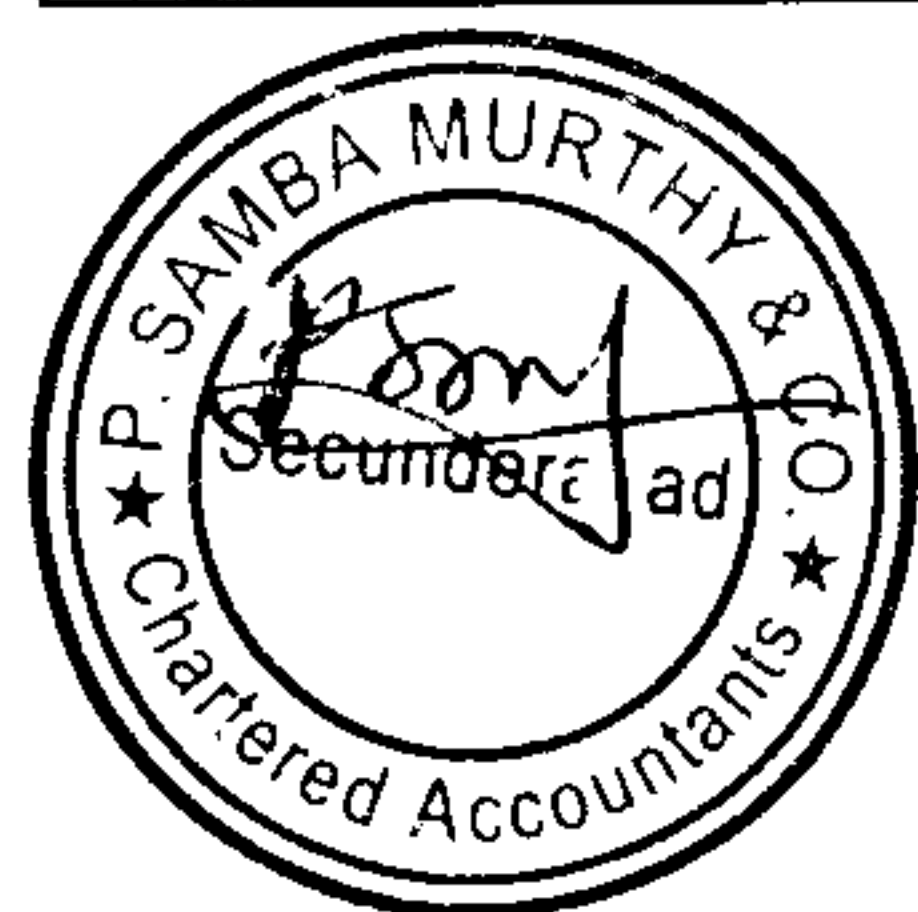
*[Signature]*  
 Director

**M/S.KAPSTON FACILITIES MANAGEMENT PRIVATE LIMITED**  
**NO.287, MIG-2, IX PHASE, KPHB,KUKATPALLY,HYDERABAD-500072**

**NOTE NO.10:**

**NOTE OF FIXED ASSETS & DEPRECIATION STATEMENT FOR THE YEAR ENDED 31.03.2015:**

Sl. No	Name of the Asset	Useful Life (Years)	Gross Block				Depreciation				Net Block	
			As at 01-04-14 Rs.	Additions Rs.	Deductions	Total Rs.	Upto 31.03.14 Rs.	For the Year Rs.	Transitiona. Adjustment Rs.	Total Rs.	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
1	Plant & Machinery	5	479,471	-		479,471	163,235	177,298	29,686	370,219	109,893	316,236
2	Office Equipment	5	320,045	526,225	-	846,270	87,619	200,956	12,296	300,871	545,399	232,426
3	Cell Phone	5	191,798	21,500	-	213,298	26,456	83,632	5,448	115,536	97,762	165,342
4	Furniture & Fixtures	10	1,863,175	191,333	-	2,054,508	453,564	397,159	-	850,723	1,203,785	1,409,611
5	Vehicle	10	20,000	58,892	-	78,892	15,144	7,362	-	22,506	56,386	4,856
6	Car-Corrella	8	901,290	-	-	901,290	483,661	141,200	-	624,861	276,429	417,629
7	Car-Taverra	8	725,150	-	-	725,150	329,694	130,382	-	460,076	265,074	395,456
8	Omni Van	8	269,500	-	-	269,500	144,727	42,186	-	186,913	82,587	124,773
9	Car-Jaguar	8	6,391,635	-	-	6,391,635	2,185,661	1,365,259	-	3,550,920	2,840,715	4,205,974
10	Car- Volks Wagon	8	1,217,251	-	-	1,217,251	350,979	278,420	-	629,399	587,852	866,272
11	Car- Audi	8	6,059,990	-	-	6,059,990	257,907	1,821,854	-	2,079,761	3,980,229	5,802,083
12	Cheverlot Car	8	-	1,026,260	-	1,026,260	-	158,055	-	158,055	868,205	-
13	Skoda Rapid Car	8	-	1,134,075	-	1,134,075	-	176,601	-	176,601	957,474	-
14	Toyota Innova	8	-	1,457,531	-	1,457,531	-	276,853	-	276,853	1,180,678	-
15	Computer	3	1,797,849	859,341	-	2,657,190	749,797	943,784	3,728	1,697,309	959,881	1,048,052
<b>Total :</b>			<b>20,237,154</b>	<b>5,275,157</b>	<b>-</b>	<b>25,512,311</b>	<b>5,248,444</b>	<b>6,201,001</b>	<b>51,158</b>	<b>11,500,603</b>	<b>14,012,349</b>	<b>14,988,710</b>



For and on behalf of the Board

Director

Director

**M/S.KAPSTON FACILITIES MANAGAMENT PRIVATE LIMITED**  
**NO.287, MIG-2, IX PHASE, KPHB,KUKATPALLY,HYDERABAD500072**

**Notes on Accounts (Continued)**

**Note 13 Other Current Assets**

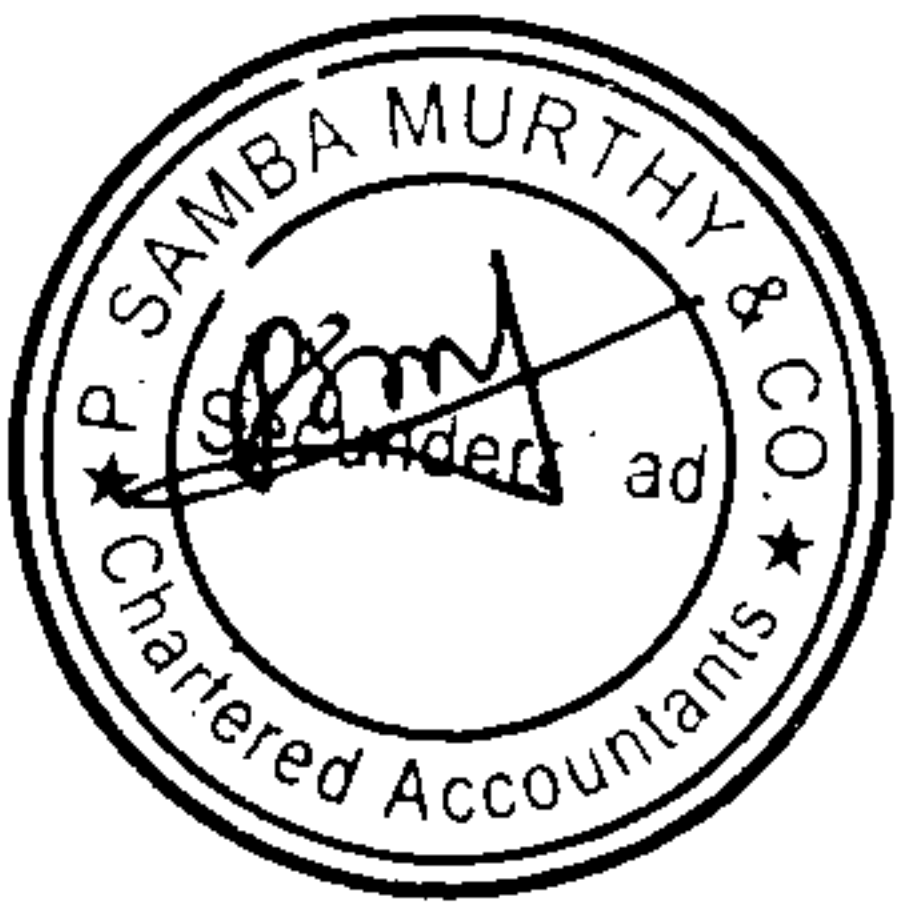
**Amt. in Rs.**

<b>Particulars</b>	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
(a) Balances with government authorities		
(i) TDS receivable	15682779	8771746
(ii) TDS receivable-Karnataka Project	244008	0
(iii) TDS receivable-Assam Project	238468	0
(b)Deposits		
(i)Rental and Other Deposits	4668656	3716699
(ii)Rental Deposit - Karnataka-Project	325000	0
(iii)Rental Deposit - Assam Project	529485	0
(c)Prepaid Expenses	190000	
<b>Total</b>	<b>21878396</b>	<b>12488445</b>

**Note 14 Short Term Loans and Advances**

**Amt. in Rs.**

<b>Particulars</b>	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
Staff Advances	1043003	376685
Staff Advances-Karnataka Project	9930	0
Staff Advances-Assam Project	22284	0
Other Receivable	0	10171
EGMM Grant Receivable	0	603717
<b>Total</b>	<b>1075217</b>	<b>990573</b>



For Kapston facilities Management Pvt. Ltd.

+

*[Handwritten Signature]*  
**Managing Director**

For Kapston Facilities Management Pvt. Ltd.

+

*[Handwritten Signature]*  
**Director**

**M/S.KAPSTON FACILITIES MANAGEMENT PRIVATE LIMITED**  
**NO.287, MIG-2, IX PHASE, KPHB,KUKATPALLY,HYDERABAD500072**

**Notes on Accounts**

**Note: 15 Revenue from operations**

**Amt. in Rs.**

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>Sale of services</b>		
(a) House Keeping	149,794,980	90,822,344
(b) Security Service Charges	423,769,056	321,879,971
<b>Total</b>	<b>573,564,036</b>	<b>412,702,315</b>

**Note: 16 Grants received from Ministry for Rural Development and Government of India for Skills Projects**

**Amt. in Rs.**

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Odisha Government	3,891,663	-
Karnataka Government	8,014,272	-
Assam Government	2,706,412	-
Kerala Government	660,024	-
<b>Total</b>	<b>15,272,371</b>	-

**Note: 17 Other Income**

**Amt. in Rs.**

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Interest Received	236,706	88,250
Interest on IT Refund	-	42,938
EGMM Grant	-	2,374,686
<b>Total</b>	<b>236,706</b>	<b>2,505,874</b>

**Note: 18 Expenses relating to Grants from Government for Skills P**

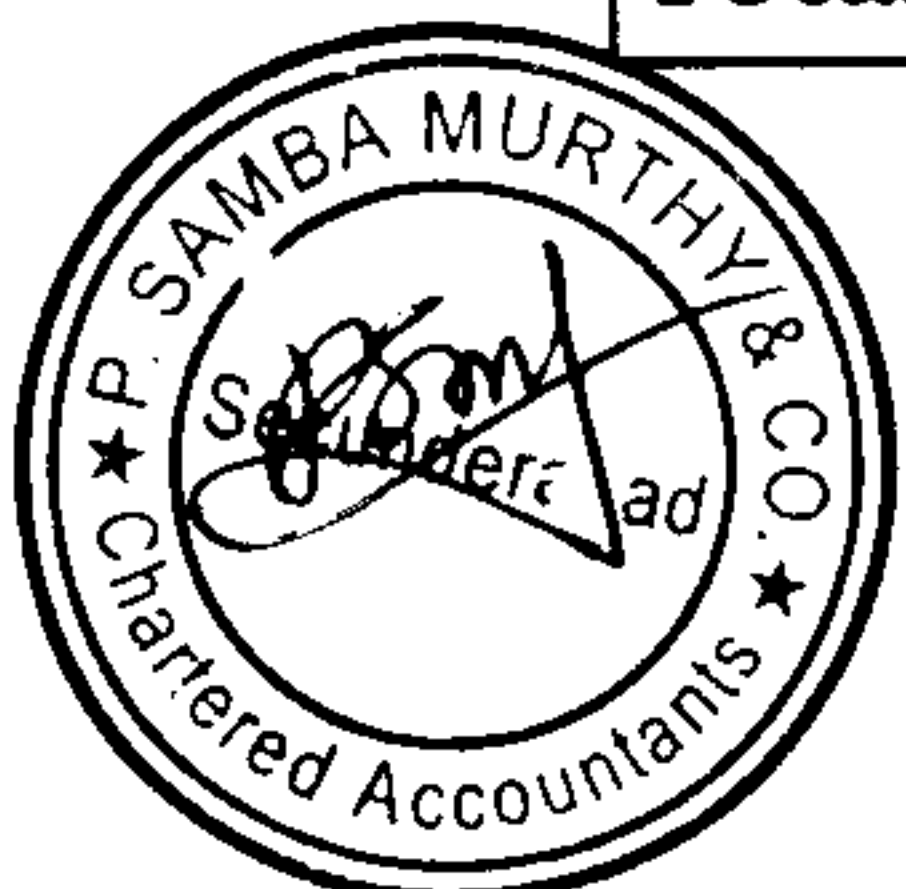
**Amt. in Rs.**

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Odisha Government	3,891,663	-
Karnataka Government	8,014,272	-
Assam Government	2,706,412	-
Kerala Government	660,024	-
<b>Total</b>	<b>15,272,371</b>	-

**Note: 19 Employee Benefits**

**Amt. in Rs.**

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Wages	399,850,575	275,234,622
Salaries	29,840,490	26,611,153
Directors Remuneration	2,900,000	2,400,000
Bonus	7,631,093	3,979,257
ESI Paid	5,175,914	3,970,116
Provident Fund paid	12,579,532	9,258,743
Staff Welfare	4,455,655	1,846,443
<b>Total</b>	<b>462,433,258</b>	<b>323,300,334</b>



For Kapston facilities Management Pvt. Ltd.

*[Signature]*  
**Managing Director**

For Kapston Facilities Management Pvt. Ltd.

*[Signature]*



**M/S.KAPSTON FACILITIES MANAGMENT PRIVATE LIMITED**  
**NO.287, MIG-2, IX PHASE, KPHB,KUKATPALLY,HYDERABAD500072**

**Notes on Accounts**

**Note: 20 Finance cost**

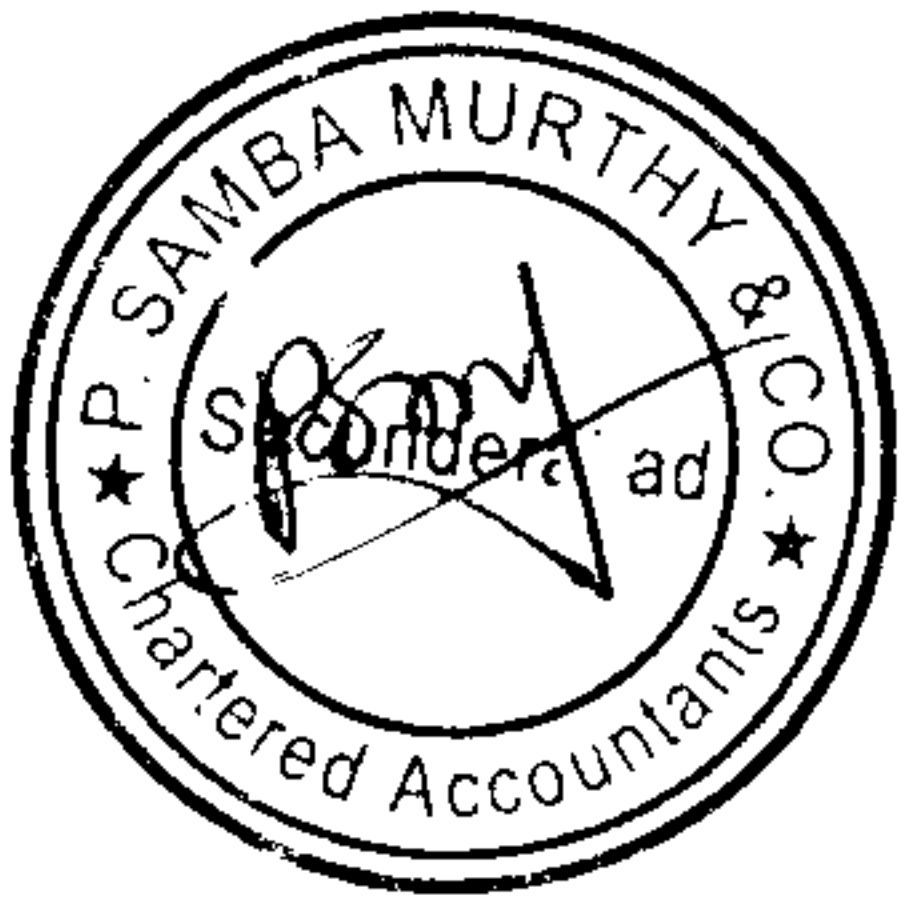
**Amt. in Rs.**

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Interest on car loan	1,248,780	762,908
Interest on Loans	456,104	92,407
Interest on TDS ,Service tax, and IT	6,287,716	314,654
<b>Total</b>	<b>7,992,601</b>	<b>1,169,969</b>

**Note: 21 Other Expenses**

**Amt. in Rs.**

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Staff Dress, Uniform and Material Purchase	45,076,558	44,414,930
Tender Forms	22,433	17,865
Advertisement Charges	90,964	58,580
Audit Fees	225,000	180,000
Bank Charges	1,067,011	890,048
Computer Maintenance	211,945	64,749
Consultancy Charges	2,393,613	3,730,226
Conveyance	2,765,305	2,538,620
Electricity Charges	395,339	669,813
Donation	1,102,232	230,756
Insurance	440,171	672,195
Internet Charges	202,841	254,010
Rates and Taxes	658,933	431,005
Office Maintenance	2,216,060	1,396,045
Postage and Telegram	49,518	22,474
Printing and Stationery	470,625	516,271
Rent Paid	3,117,055	3,161,673
Telephone Charges	1,019,675	921,667
Travelling Expenses	1,054,501	1,501,668
Vehicle Maintenance	2,478,404	1,322,898
Business Promotion Expenses	2,068,330	3,030,292
<b>Total</b>	<b>67,126,511</b>	<b>66,025,785</b>



**For Kapston Facilities Management Pvt. Ltd.**

**For Kapston facilities Management Pvt. Ltd.**

*[Signature]*  
**Managing Director**

*[Signature]*  
**Director**