

— STORE —
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Store One Retail India Limited
Annual Report 2014 - 2015

Property & Facility Management Services | Renting of Plant and Machinery

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Company Information

Board of Directors

Ms. Pia Johnson
Mr. Mehul Johnson
Mr. Shamsher Singh Ahlawat
Mr. Aishwarya Katoch
Mr. Prem Prakash Mirdha

Company Secretary

Mr. Vikas Khandelwal

Chief Financial Officer

Mr. Vijay Kumar Agrawal

Statutory Auditors

Agarwal Prakash & Co.
Chartered Accountants
508, Indra Prakash,
21, Barakhamba Road,
New Delhi - 110 001

Internal Auditors

MRKS and Associates
Chartered Accountants
610, Best Sky Towers,
Netaji Subhash Place,
Pitampura, New Delhi-110 034

Registrar and Transfer Agent

Karvy Computershare Private Limited
Karvy Selenium, Tower B, Plot No.31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032

Registered Office

M – 62 & 63, First Floor,
Connaught Place, New Delhi – 110 001
CIN: L52190DL2005PLC181536
Website: www.storeone.in
E-mail: helpdesk@indiabulls.com
Tel: 0124-6681199, Fax: 0124-6681240

Corporate Offices

“Indiabulls House” 448-451,
Udyog Vihar, Phase V, Gurgaon – 122 016, Haryana

Indiabulls Finance Center,
Tower 1, Elphinstone Mills, Senapati Bapat Marg,
Elphinstone Road, Mumbai - 400 013, Maharashtra

Bankers

HDFC Bank Limited
State Bank of India
IDBI Bank Limited
Kotak Mahindra Bank Limited
Axis Bank Limited
Yes Bank Limited
ICICI Bank Limited

Management Discussion and Analysis



ECONOMIC OVERVIEW

The Indian economy in 2013-14 has emerged as one of the largest economy with a promising outlook on the back of the controlled inflation, rise in domestic demand, increase in investments, decline in oil prices and reforms among others. With the pro development government coming into power and steps and programmes initiated by new government such as monetary policy framework, FDI reforms, make in India, skilled India, fast track diplomacy and foreign policy, simplified governance, legislative reforms, swachh bharat and impetus to tourism etc., the markets have begun to respond to this favorable change, with the national indices hitting all time high. Foreign and domestic institutional investors have started pumping in money in the equity and debt markets. Also, RBI has tight lined the monetary policy during last year, and as a result rupee remained relatively stable vis a vis the currency of peer emerging countries. The macroeconomic situation in India has improved significantly during last financial year. Acceleration in services and manufacturing growth point to the strengthening of demand of the facility management services and renting of the plant & machinery etc. In the light of the government's commitment to reforms, the outlook for domestic macroeconomic parameters is generally optimistic in 2015-16.

BUSINESS REVIEW

The Company is primarily engaged into the business of providing property and facility management services, rental services of plant and machinery etc. Your directors believe that these businesses have huge potential & scope for further business development.

Property & Facility Management Services

The Company is engaged in all avenues of the business of Property & facility management, which is a multi-discipline field involving maintenance and care of the buildings and properties, maintenance of all the common facilities including common area development and landscaping, security, pest control, waste disposal and recycling etc. The vast area of business operations & revenue generation in this field gives huge business opportunities to the Company.

Renting of Plant and Machinery

The Company is aggressively involved in the rental business of plant and machinery. Our brand new asset base includes tower cranes, passenger cum material hoists, boom placers, material hoists, transit mixers, dumpers, excavators, formwork for construction of building/ structures. The renting of machinery is done on both terms, i.e. dry and wet lease basis.

OPPORTUNITIES

Property & Facility Management Services

Your Directors believe that due to increased demand from high-end service sectors like healthcare, banking, hospitality, education, infrastructure, aviation etc. and due to increased number of multi storied high-end residential, commercial & retail space, there is huge business opportunities and potential in the business of providing property & facility management services.

Renting of Plant and Machinery

Your Directors believe that due to rapid growth & demand of infrastructural development in the country, the rental business of plant and machinery in the space of infrastructure development, which includes renting of tower cranes, passenger cum material hoists, boom placers, hoists, transit mixers, dumpers, excavators, formwork etc., has huge business potential & scope for further business development in this stage.

Management Discussion and Analysis (contd.)

Although the equipment rental industry is highly fragmented and diverse, we believe that we are well positioned to take advantage of this environment because, as a larger company, we have more extensive resources and certain compelling competitive advantages. In addition, our size gives us greater purchasing power, the ability to provide customers with a broader range of equipment and services, the ability to provide customers with equipment that is more consistently well-maintained and therefore more productive and reliable, and the ability to enhance the earning potential of our assets by transferring equipment among various regions and sites to satisfy customer needs.

STRENGTHS

Leadership & strong management team

The Company has an experienced professional management team with the leaders, having vision & strong capabilities, which enables the Company to operate and integrate the front and backend operations efficiently. In the unorganised sectors, existence of strong professional leaders and management team is a key strength for the Company.

Diversified business portfolio

To capitalize existing potential, the Company has diversified in the business of facility management services, business support services, equipment/ machinery rental services etc. Thus the diversified business portfolio of the Company is a real key strength for its business expansion and future growth.

Strong Systems and Process

The Company believes that the systems and processes are its major strength. The Company has strong focus on systems and processes and continue to invest in its front and back end processes and systems and believe that continuous investment in process, systems and technology results into substantial growth.

Large and diverse rental fleet

Our large and diverse fleet allows us to serve large customers that require substantial quantities and/or wide varieties of equipment and necessary technical feedback. We believe our ability to serve such customers should allow us to improve our performance and enhance our market leadership position. We manage our rental fleet, which is one of the largest and most comprehensive in the industry particularly catering to the residential and factories segment, utilizing a lifecycle approach that focuses on satisfying customer demand and optimizing availability and utilization levels. As part of this lifecycle approach, we closely monitor repair and maintenance expense and can anticipate, based on our extensive experience with a large and diverse fleet, the optimum time for an asset to reach the breakeven point.

Significant purchasing power

Purchase of large amounts of equipment both indigenous and imported, contractor supplies and other items enables the Company to negotiate favorable pricing, warranty and other terms with our vendors.

Consolidation of common functions

The Company reduces its overhead and other costs through the consolidation of functions that are common to our various regional set-ups, such as accounts payable, payroll, asset and spare purchase, logistic management, information technology and credit and collection.

Information technology systems

The Company has a wide variety of information technology systems that supports its operations. This information

Management Discussion and Analysis (contd.)

technology infrastructure facilitates its management to make rapid and informed decisions, respond quickly to changing market conditions and share rental equipment among various sites.

Strong brand recognition

As one of the largest equipment rental company in India, we have strong brand recognition, which helps us attract new customers and build customer loyalty.

THREATS AND COMPETITIVE ADVANTAGES

The presence of small unorganised players in the market may be a threat in achieving the expected growth. Further the business sectors, in which your Company is engaged, requires major reforms and recognition, and the Government policies and reforms, if any, can adversely affect Company's business. However, your Directors firmly believe that organised structure, skilled professionally managed team, strong systems and process provide competitive advantage for facing such regulatory reforms and managing its business efficiently.

STRATEGY

Your Company is well positioned to gain from the high demand of facility management services in various service sectors, specifically, hospitality, education, aviation, tourism & travel, banking etc. Further, the infrastructure services industry is one of the highest growing industries in India, thereby having huge untapped business potential for sustenance and growth of the rental business of plant and machinery.

For the past several years, we have executed a strategy focusing on improving the profitability of our core equipment rental business through revenue growth, margin expansion and operational efficiencies.

In particular, we have focused on customer segmentation, customer service differentiation, rental rate management, fleet management and operational efficiency.

In 2015-16, we expect to continue our disciplined focus on increasing our profitability and return on invested capital.

In particular, our strategy calls for:

- A consistently superior standard of service to customers often provided through a single point of contact;
- The further optimization of our customer mix and fleet mix, with a dual objective to enhance our performance in serving our current customer base and to focus on the customer and customer types that are best suited to our strategy for profitable growth.

We believe these efforts will lead to even better service of our target customers, primarily large construction and industrial customers, as well as select Tier II contractors.

Our fleet team's analyses are aligned with these objectives to identify trends in equipment categories and define action plans that can generate improved returns.

HUMAN RESOURCES

The Company's businesses are managed by a team of competent and passionate leaders, capable of enhancing your Company's standing in the competitive market. The Company has a structured recruitment process, the focus is on recruiting people who have the right mindset for working at desired levels, supported by structured training programs and internal growth opportunities.

Management Discussion and Analysis (contd.)

INTERNAL CONTROLS AND THEIR ADEQUACY

The Company has a sound and adequate system of internal controls commensurate with the size of the Company and the nature of its business to ensure that all the assets are safeguarded and protected against loss from unauthorized use or disposition, and that the transactions are authorized, recorded and reported correctly and adequately by appropriate empowered authorities. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets. All financial and audit control systems are also reviewed by the Audit Committee of the Board of Directors of the Company at regular periodical interval.

Cautionary Statement

Statements in this Report on Management's Discussion and Analysis describing the Company's objectives, estimates and expectations may be forward looking statements based on certain assumptions and expectations of future events. Actual results might differ substantially or materially from those expressed or implied.

The Company cannot guarantee that the assumptions and expectations are accurate or will be realized and hence the actual results, performance or achievements could thus differ materially from those expressed in the statements. The Company assumes no responsibility nor is under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

Directors' Report



Dear Shareholders,

Your Directors present to you the Tenth Annual Report together with audited statement of accounts for the financial year ended March 31, 2015.

FINANCIAL RESULTS

The highlights of the financial results of the Company for the financial year ended March 31, 2015 are as under:

Particulars	Amount in ₹	
	Year ended March 31, 2015	Year ended March 31, 2014
Profit/ (Loss) before Tax and Depreciation	359,473,374	429,931,534
Less: Depreciation of Fixed Assets	126,842,205	77,785,008
Profit/ (Loss) before Tax	232,631,169	352,146,526
Less: Prior Period Tax Adjustments	199,353	438,109
Profit/ (Loss) after Tax	232,431,816	351,708,417
Profit/ (Loss) brought forward	(2,768,254,470)	(3,116,831,977)
Less: Adjustments due to depreciation*	704,959	-
Amount available for appropriation	(2,536,527,613)	(2,765,123,560)
Less: Appropriations:		
Proposed dividend on preference shares	2,676,105	2,676,105
Corporate dividend tax thereon	535,064	454,805
Balance carried forward to Balance Sheet	(2,539,738,782)	(2,768,254,470)

*Impact of transitional provision provided in the Schedule II of the Companies Act, 2013.

BUSINESS REVIEW

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DIVIDEND

In view of the accumulated losses and in order to utilize the profits for business requirements of the Company, your Directors do not recommend any dividend.

DIRECTORS & KEY MANAGERIAL PERSONNEL

To achieve the highest standards of Corporate Governance in its management, during the financial year 2014-15, the Board of Directors of the Company (Board) was re-constituted with appointment of Ms. Pia Johnson, as Woman Executive

Directors' Report (contd.)

Director and appointments of Mr. Shamsheer Singh Ahlawat, Mr. Aishwarya Katoch and Mr. Prem Prakash Mirdha, as independent directors. All the present Independent Directors of the Company have given declaration that they meet the criteria of independence laid down under Section 149 (6) of the Act and Clause 49 of the Listing Agreement.

Mr. Abhimanyu Singh Mehlawat, Executive Director and Mr. Karan Singh Khara, Independent Director, ceased to be directors of the Company during FY 2014-15. The Board has placed on record its appreciation for the contributions made by these directors, during their respective tenures of office.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Mehul Johnson (DIN: 00016075), Director, retire by rotation and, being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. The Board of Directors recommend his re-appointment.

Further, Ms. Pia Johnson (DIN: 00722403) was appointed by the Board of Directors as an Additional Director and Whole-time Director of the Company for a period of 5 years with effect from January 30, 2015, without any remuneration. However, being an Additional Director, she holds office as such, upto the date of ensuing Annual General Meeting. The Company has received a notice along with a deposit in terms of Section 160 of the Companies Act, 2013, from a member, proposing the candidature of Ms. Pia Johnson for the office of Director of the Company. Accordingly, the Board recommends her appointment as such.

The present composition of the Board along with the brief resume of the Directors proposed to be appointed / reappointed, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, are provided in the Report on Corporate Governance forming part of this Annual Report.

During the year under review, Mr. Vijay Kumar Agrawal was appointed as CFO - a key managerial person of the Company, in accordance with the provisions of the Companies Act, 2013, with effect from April 23, 2014.

EMPLOYEE STOCK OPTIONS

The disclosures required to be made in the Directors' Report in respect of 'Store One Retail India Limited Employees Stock Option Scheme-2009', in terms of the format prescribed under SEBI (Employee Stock Option Scheme and Stock Purchase Scheme) Guidelines, 1999, are set out in the Annexure 1, forming part of this report.

Shareholders of the Company in their Annual General Meeting held on September 30, 2009, have approved the launch of 'Store One Retail India Limited Employees Stock Option Scheme-2009 (II)' covering 3,000,000 (Thirty Lac) stock options, for the benefit of the Eligible Employees. However, no options have yet been granted by the Board/ Compensation Committee under this scheme.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from the public, falling within the ambit of Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

LISTING WITH STOCK EXCHANGES

The Equity Shares (ISIN : INE 034H01016) of the Company, continue to remain listed at BSE Limited and National Stock Exchange of India Limited. The listing fees payable to both the exchanges for the financial year 2015-16 have been paid.

AUDITORS

(a) Statutory Auditors

M/s Agarwal Prakash & Co. (Firm Registration No. 005975N), the Statutory Auditors of the Company were appointed by the members in their Ninth Annual General Meeting, held on September 26, 2014, for a period of five years i.e. until the conclusion of the fourteenth Annual General Meeting of the Company. The Company has received a certificate from the Auditors to the effect that their continuation as such from the conclusion of this Annual General Meeting until the conclusion of Eleventh Annual General Meeting is in accordance with the provisions of the Section 141(3)(g) of the Companies Act, 2013. The Board recommends the ratification of the appointment of M/s Agarwal Prakash & Co., as Statutory Auditors of the Company till the conclusion of Eleventh Annual General

Directors' Report (contd.)

Meeting of the Company.

The Auditors' Report is self-explanatory and therefore do not call for any further explanation.

(b) Secretarial Auditors & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the rules made thereunder, the Company has appointed M/s Barnita Jain & Associates, a firm of Company Secretaries in practice as its Secretarial Auditors, to conduct the secretarial audit of the Company, for the Financial Year 2014-15. The Company has provided all assistance, facilities, documents, records and clarifications etc. to the Secretarial Auditors for conducting their audit. The Report of Secretarial Auditors for the Financial Year 2014-15, is annexed as Annexure 2, forming part of this Report. The Report is self-explanatory and therefore do not call for any further explanation.

CORPORATE SOCIAL RESPONSIBILITY

As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken projects in the areas of Health, Education, Sanitation, Nutrition and Rural Development, as per its CSR Policy (available on your Company's website www.storeone.in) and the details are contained in the Annual Report on CSR Activities given in Annexure 3, forming part of this Report. These projects are in accordance with Schedule VII of the Companies Act, 2013, read with the relevant rules.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management's Discussion and Analysis Report, for the year under review, is presented in a separate section forming part of this Annual Report.

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Corporate Governance practices followed by the Company, together with a certificate from a Practicing Company Secretary confirming compliance, is presented in a separate section forming part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company, as at March 31, 2015 and the profit and loss of the company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that such financial controls were adequate and were operating effectively; and
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate

Directors' Report (contd.)

and operating effectively.

INFORMATION PURSUANT TO SECTION 134 AND SECTION 197 OF THE COMPANIES ACT, 2013, READ WITH THE RELEVANT RULES AND LISTING AGREEMENT

The information required to be disclosed pursuant to Section 134 and Section 197 of the Companies Act, 2013, read with the relevant rules (to the extent applicable) and Listing Agreement, not elsewhere mentioned in this Report, are given in Annexure A, forming part of this Report.

GREEN INITIATIVES

Electronic copies of the Annual Report 2015 and Notice of the Tenth AGM will be sent to all the members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2015 and Notice of the Tenth AGM will be sent in the permitted mode.

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice of the Tenth AGM. This is pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by Companies (Management and Administration) Amendment Rules, 2015, and Clause 35B of the Listing Agreement. The instructions for e-voting are provided in the AGM Notice.

ACKNOWLEDGEMENT

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functional areas and the efficient utilization of all its resources for sustainable and profitable growth. Your Directors wish to place on record their appreciation of the contributions made and committed services rendered by the employees of the Company at various levels. Your Directors also wish to express their gratitude for the continuous assistance and support received from the investors, clients, bankers, regulatory and government authorities, during the year.

For and on behalf of the Board of Directors

Date : August 28, 2015
Place : New Delhi

Pia Johnson
Executive Director
(DIN: 00722403)

Mehul Johnson
Director
(DIN: 00016075)

Annexure to the Directors' Report

Annexure A

EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return, as on the financial year ended March 31, 2015, pursuant to Section 92(3) of the Companies Act, 2013, in form MGT-9, are given in Annexure 4, forming part of this Report.

BOARD MEETINGS

During the FY 2014-15, 7 (Seven) Board Meetings were convened and held. The details of such meetings are given in Corporate Governance Report forming part of this Annual Report. The intervening gap between these meetings was within the period prescribed under the Companies Act, 2013. The notice and agenda including all material information required to be made available to the Board were circulated to all directors, well within the prescribed time, before the meeting or were placed at the meeting. During the year, separate meeting of the Independent Directors was held on March 24, 2015, without the presence of Non-Independent Directors and the members of the Company Management.

BOARD EVALUATION

Pursuant to the applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its performance, the directors individually as well as the working of its Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report forming part of this Annual Report.

REMUNERATION POLICY

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report forming part of this Annual Report.

LOANS, GUARANTEES OR INVESTMENTS

During the FY 2014-15, in terms of the provisions of Section 186 (1) of the Companies Act, 2013, the Company did not make any investments through more than two layers of investment companies. The Company has not made any investment or given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

During the year, no materially significant related party transaction was entered by the Company with its Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. The Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company: www.storeone.in.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an elaborate system of internal controls commensurate with the size, scale and complexity of its operations; it also covers areas like financial reporting, fraud control, compliance with applicable laws and regulations etc. Regular internal audits are conducted to check and to ensure that responsibilities are discharged effectively. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with regulatory directives, efficacy of its operating systems, adherence to the accounting procedures and policies at all branch offices of the Company. Wherever required, the internal audit efforts are supplemented by audits conducted by specialized consultants/audit firms. Based on the report of the Internal Auditors, process owners undertake corrective actions, in their respective areas and thereby strengthen the controls.

Annexure to the Directors' Report (contd.)

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, affecting the financial position of the Company, which has occurred between the end of the Financial Year of the Company i.e. March 31, 2015 and the date of this Report.

Further, no significant and material orders were passed by the regulators or courts or tribunals, impacting the going concern status and Company's operations in future.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo, is as under:

A. Conservation of Energy

The Company uses energy for its office equipment such as computers, lighting and utilities at its work premises. As an ongoing process, the following measures are undertaken to conserve energy:

- Implementation of viable energy saving proposals.
- Installation of automatic power controllers to save maximum charges and energy.
- Awareness and training sessions, at regular intervals, to concerned operational personnel on opportunities of energy conservation and their benefits.

B. Technology Absorption

The Company is investing in cutting edge technologies to upgrade its infrastructure set up and innovative technical solutions, thereby increasing customer delight & employee efficiency. Next Generation Business Intelligence & analytics tool have been implemented to ensure that while data continues to grow, decision makers gets answers faster than ever for timely & critical level decision making. The Company has implemented best of the breed applications to manage and automate its business processes to achieve higher efficiency, data integrity and data security. It has helped it in implementing best business practices and shorter time to market new schemes, products and customer services. The Company has taken major initiatives for improved employee experience and efficient Human resource management, by implementing world class HRMS application and empowering them by providing mobile platform to manage their work while on the go.

The Company's investment in technology has improved customer services, reduced operational cost and development of new business opportunities.

C. Foreign Exchange Earnings and Outgo

There were no earnings in the foreign exchange during the year under review, the foreign exchange outgo is given in the table below:

(Amount in ₹)		
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Capital expenditure	337,674,060	390,801,462

BUSINESS RISK MANAGEMENT

Pursuant to the applicable provisions of the Companies Act, 2013, the Company has formulated robust business Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on its business objectives and enhance its competitive advantage. It defines the risk management approach across the Company at various levels including the documentation and reporting. At present, the Company has not identified any element of risk which may threaten its existence. The requirement of constituting Risk Management Committee in terms of clause Clause 49 of the Listing Agreement is not applicable to the Company.

PARTICULARS OF EMPLOYEES

Pursuant to the applicable provisions of the Companies Act, 2013, read with Companies (Appointment and Remuneration

Annexure to the Directors' Report (contd.)

of Managerial Personnel) Rules, 2014, disclosures on Managerial Remuneration are provided in Annexure 5, forming part of this Report. In terms of the provisions of Section 136(1) of the Companies Act, 2013, read with the said rules, the Directors' Report is being sent to all the shareholders of the Company excluding the annexure on the names and other particulars of employees, required in accordance with Rule 5(2) of said rules, which is available for inspection by the members, subject to their specific written request, in advance, to the Company Secretary. The inspection is to be carried out at the Company's Registered Office or at its Corporate Office, at Gurgaon, during business hours on working days of the Company up to date of ensuing Annual General Meeting.

FAMILIARISATION PROGRAMME FOR NON-EXECUTIVE DIRECTORS

Non-Executive Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through presentations about the Company's strategy, business model, product and service offerings, customers' & shareholders' profile, financial details, human resources, technology, facilities, internal controls and risk management, their roles, rights and responsibilities in the Company. The Board is also periodically briefed on the various changes, if any, in the regulations governing the conduct of non-executive directors including independent directors. The details of the familiarization programmes have been hosted on the website of the company and can be accessed on the link: http://www.storeone.in/home/pdf/SORIL_Familiarisation_Programme.pdf

COMMITTEES OF THE BOARD

The Company has following Board constituted committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee
- d) Corporate Social Responsibility Committee

The details with respect to composition, power, role, terms of reference, etc. of each of these committees are given in the Corporate Governance Report forming part of this Annual Report.

Apart from the above, the Board has also constituted Compensation Committee for administration of stock option scheme(s).

NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards any action on the part of any of its officials, which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every woman employee of the Company. The Company's Sexual Harassment Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

During the financial year 2014-15, no cases of sexual harassment were reported.

VIGIL MECHANISM

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has implemented the Whistle Blower Policy ("the Policy"), to provide an avenue for employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy applies to all employees of the Company. Pursuant to the Policy, the whistle blowers can raise concerns relating to matters such as breach of Company's Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, misappropriation of Company's funds / assets etc. A whistle-blowing or reporting mechanism, as set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices. The details of the Whistle Blower Policy are available on the intranet portal of the Company.

Annexure to the Directors' Report (contd.)

Annexure - 1

STORE ONE RETAIL INDIA LIMITED EMPLOYEES STOCK OPTION SCHEME – 2009 – AS AT MARCH 31, 2015

Particulars	
a. Options Granted	1,500,000
b. Exercise price	₹ 30.45
c. Options vested	Nil
d. Options exercised	Nil
e. The total number of Shares arising as a result of exercise of option	Nil
f. Options lapsed	1,500,000
g. Variation in terms of options	Nil
h. Money realized by exercise of options	Nil
i. Total number of options in force	Nil (During the year ended March 31, 2015, all the outstanding options of the Company under this Scheme, have lapsed)
j. Employee wise details of options granted to: <ul style="list-style-type: none"> i. Senior Management personnel ii. any other employee who received a grant in any one year of option amounting to 5% or more of option granted during that year iii. identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital of the Company. 	Nil
k. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 ['Earnings Per Share']	₹ 8.40
l. Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed	Refer to Note no. 29 of Financial Statements forming part of the Annual Report
m. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	No options are outstanding as on March 31, 2015
n. A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information: <ul style="list-style-type: none"> i. risk free interest rate ii. expected life iii. expected volatility iv. expected dividends iv. the price of the underlying share in market at the time of option grant 	Refer to Note no. 29 of Financial Statements forming part of the Annual Report

Annexure to the Directors' Report (contd.)

Annexure - 2

SECRETARIAL AUDIT REPORT

For the Financial Year ended on March 31, 2015

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Store One Retail India Limited (the Company)
M-62 & 63, First Floor,
Connaught Place,
New Delhi – 110 001

We have conducted, the Secretarial Audit of compliance of applicable statutory provisions and adherence to good corporate practices, by the Company. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and accordingly expressing our opinion thereupon.

Based on our verification of books, papers, minutes books, forms and returns filed and other records maintained by Store One Retail India Limited (**hereinafter referred as 'Company'**) and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company, has during the audit period covering the financial year ended on 31.03.2015 complied with various Statutory provisions listed hereunder and also that the Company has proper Board – Processes and compliance – mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Year ended 31.03.2015 according to the provisions of the following, to the extent these are applicable :-

- (i) The Companies Act, 1956 and Companies Act, 2013 (to the extent applicable) and Rules made there under and various allied acts warranting compliance primarily originating on account of action taken/initiated under Companies Act itself ;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder ;
- (iii) The Depositories Act, 1996 and the Regulations and Bye – Laws framed thereunder ;
- (iv) The provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2009
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

Annexure to the Directors' Report (contd.)

We have also examined compliance with the applicable clauses of the Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited, Stock Exchanges.

However, since the Secretarial Standards issued by the Institute of Company Secretaries of India have not become mandatory during the period under review, we have not examined the compliances of Secretarial Standards.

During the period under review the Company has been regular in complying with various applicable provisions of the Act, rules, regulations, Guidelines and Standards etc. which are subject matter of present Audit Report, stated hereinabove.

It is further reported that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non – Executive Directors, Woman Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not carried out any major strategic action warranting compliance of specific/special nature, except transactions (originating either on Company's action or otherwise) as hereunder :

- a). During the year, the Board of Directors of the Company (Board) was re-constituted, from time to time, with the appointment of Ms. Pia Johnson, as Executive Director of the Company and cessation of Mr. Abhimanyu Singh Mehlawat and Mr. Karan Singh Khera.
- b). Shareholders have accorded their approval, pursuant to the provisions of Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013, for the Company to borrow monies and to create security on the borrowings, from time to time.
- c). The Company had allotted 44,00,000 equity shares of face value ₹ 10/- each to the promoter, against conversion of equivalent number of warrants.

**For Barnita Jain & Associates
Practicing Company Secretaries**

Barnita Jain
CP No.:13713

Place : New Delhi

Date : 07.08.2015

Disclaimer: This is Secretarial Audit as required to be carried out pursuant to provisions of Section 204 of the Companies Act, 2013, read with applicable rules, and has been carried accordingly, hence must be construed and interpreted accordingly.

Annexure to the Directors' Report (contd.)

Annexure - 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

The Company focuses its CSR efforts on such areas, where it could provide maximum benefits to the society at large. These are, improving awareness of communities towards education, health, nutrition, sanitation and rural development etc. The Company will continue to engage with stakeholders including experts, NGOs, professional bodies / forums and the government and would take up such CSR activities in line with the government's intent, which are important for the society at large. The Company may also undertake such other CSR projects, where societal needs are high or in special situations (natural disasters etc.)

CSR Policy is stated herein below:

Web-link:

http://www.storeone.in/home/pdf/CSR_Policy_Store_One.pdf

2. Composition of the CSR Committee

Mr. Shamsher Singh Ahlawat, Chairman (Independent Director)

Ms. Pia Johnson, Member (Executive Director)

Mr. Mehul Johnson, Member (Non-executive Director)

3. Average Net Profit of the Company for last three financial years: ₹ 29.88 crores
4. Prescribed CSR expenditure (two percent of the amount as in item 3 above): ₹ 59.75 lacs
5. Details of CSR expenditure for the financial year 2014-15:
 - a. Total amount spent for the financial year: ₹ 59.75 lacs
 - b. Amount unspent, if any: Nil
 - c. Manner in which the amount spent during the financial year is detailed below:

(Amount in ₹)

1	2	3	4		5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs		Amount outlay (budget) projects or programs-wise	Amount spent on projects or programs Sub Heads:	Cumulative expenditure up to 31st March, 2015	Amount spent directly or through implementing agency
			District	State				
1	Distribution of Sanitary Napkins (KUMUD)	Sanitation	Mumbai	Maharashtra	3,000,000	517,892	517,892	Implementing Agency (Indiabulls Foundation)
			Thane					
			Palghar					
			Raigad					
2	Distribution of School Bags	Education	Palghar	Maharashtra	2,976,391	-	517,892	Implementing Agency (Indiabulls Foundation)
	Total				5,976,391	517,892		

Annexure to the Directors' Report (contd.)

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in Board's report.

During the financial year 2014-15, the Company has contributed its entire CSR expenditure aggregating to ₹ 59.75 lacs to the corpus of Indiabulls Foundation, for undertaking CSR projects, on its behalf.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

The Company understands that for it to continue to prosper over the long term, the community, environment and society at large must also prosper. During the financial year 2014-15, the implementation and monitoring of CSR Policy of the Company were environmental friendly and in compliance with the applicable laws, CSR objectives and Policy of the Company.

For **Store One Retail India Limited**

Date : August 28, 2015
Place : New Delhi

Pia Johnson
Executive Director
(DIN: 00722403)

Shamsher Singh Ahlawat
Chairman – CSR Committee
(DIN: 00017480)

Annexure - 4

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2015

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L52190DL2005PLC181536
ii	Registration Date (Date of Incorporation)	18-March-2005
iii	Name of the Company	Store One Retail India Limited
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	M - 62 & 63 First Floor, Connaught Place, New Delhi 110001
vi	Whether listed company	Yes
vii	Name , Address & contact details of Registrar & Transfer Agent, if any	Karvy Computershare Private Limited Unit: Store One Retail India Limited Karvy Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032 Tel : 040-6716 2222 - Fax: 040-23001153 E-mail: einward.ris@karvy.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Facility Maintenance Services and other related activities	81100	54.73%
2	Equipment Hiring Services	43900	39.58%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Indiabulls Wholesale Services Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	L51101DL2007PLC166209	Holding	73.85%	Section 2(46) of Companies Act, 2013

Annexure to the Directors' Report (contd.)

IV (i) Shareholding Pattern (Equity Share capital Break up as % to total Equity)

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	
A. PROMOTERS									
(1) Indian									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	15,983,310	0	15,983,310	68.89	20,383,310	0	20,383,310	73.85	4.96
e) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (1)	15,983,310	0	15,983,310	68.89	20,383,310	0	20,383,310	73.85	4.96
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	15,983,310	0	15,983,310	68.89	20,383,310	0	20,383,310	73.85	4.96
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	561	0	561	0.01	0	0	0	0.00	-0.01
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Government	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	48,990	0	48,990	0.21	40,000	0	40,000	0.14	-0.07
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
i) Others (specify)	0	0	0	0	0	0	0	0	0.00
SUB TOTAL (B)(1):	49,551	0	49,551	0.22	40,000	0	40,000	0.14	-0.08
(2) Non Institutions									
a) Bodies Corporate									
i) Indian	968,476	0	968,476	4.17	823,789	0	823,789	2.98	-1.19
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakhs	3,279,002	496	3,279,498	14.14	3,240,615	496	3,241,111	11.74	-2.40
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	2,830,636	0	2,830,636	12.20	2,977,440	0	2,977,440	10.79	-1.41

Annexure to the Directors' Report (contd.)

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	
c) Others (specify)									
i) Non-Resident Indians	57,243	0	57,243	0.25	96,824	0	96,824	0.35	0.10
ii) Clearing Members	31,286	0	31,286	0.13	37,526	0	37,526	0.14	0.01
SUB TOTAL (B)(2):	7,166,643	496	7,167,139	30.89	7,176,194	496	7,176,690	26.00	-4.89
Total Public Shareholding (B)= (B)(1)+(B)(2)	7,216,194	496	7,216,690	31.11	7,216,194	496	7,216,690	26.15	-4.96
C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter group	0	0	0	0.00	0	0	0	0	0.00
Public	0	0	0	0.00	0	0	0	0	0.00
Grand Total (A+B+C)	23,199,504	496	23,200,000	100.00	27,599,504	496	27,600,000	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Indiabulls Wholesale Services Limited	15,983,310	68.89	0.00	20,383,310	73.85	0.00	4.96

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

	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
At the beginning of the year	15,983,310	68.89		
At the end of the year	20,383,310	73.85	20,383,310	73.85
<i>Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)</i>				
Reason	Date	No. of Shares		
Conversion of Warrants into Equity Shares	28-Apr-14 (Increase)	4,400,000	20,383,310	73.85

Annexure to the Directors' Report (contd.)

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Ashish Damani*	238,070	1.03	238,070	0.86
2	SDK Securities Private Limited [#]	206,488	0.89	0	0.00
3	Suresh Kanmal Jajoo*	170,000	0.73	120,000	0.43
4	Suresh Gadaley [#]	160,226	0.69	0	0.00
5	Govind Das Damani*	141,200	0.61	140,000	0.51
6	Mona Damani*	137,000	0.59	137,000	0.50
7	Rachna Damani*	136,423	0.59	136,423	0.49
8	Anju Damani*	112,008	0.48	110,000	0.40
9	Vivek Prannath Talwar [#]	100,000	0.43	0	0.00
10	Shree Naman Developers Limited [#]	100,000	0.43	50,000	0.18
11	Hitesh Harakhchand Vora [§]	0	0.00	202,000	0.73
12	Goldmine Stocks Pvt. Ltd. [§]	0	0.00	154,422	0.56
13	Sangita Shah [§]	99,000	0.42	93,600	0.34
14	Anand Damani [§]	83,154	0.36	83,154	0.30

*Top 10 shareholders as on April 1, 2014 and March 31, 2015

[#] Top 10 Shareholders as on April 1, 2014 only

[§]Top 10 Shareholders as on March 31, 2015 only

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding			Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease	Cumulative Shareholding during the year (01-Apr-2014 to 31-Mar-2015)	
		Date [beginning of the year (01-Apr-2014)/ end of the year (31-Mar-2015)]	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
A.	Shareholding of Directors						
1	Ms. Pia Johnson [#] Executive Director	01-Apr-2014	0	0.00	-	0	0.00
		31-Mar-2015	0	0.00			
2	Mr. Mehul Johnson Non-Executive Director	01-Apr-2014	0	0.00	-	0	0.00
		31-Mar-2015	0	0.00			
3	Mr. Shamsheer Singh Ahlawat Independent Director	01-Apr-2014	0	0.00	-	0	0.00
		31-Mar-2015	0	0.00			

Annexure to the Directors' Report (contd.)

Sl. No.	Name	Shareholding			Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease	Cumulative Shareholding during the year (01-Apr-2014 to 31-Mar-2015)	
		Date [beginning of the year (01-Apr-2014)/ end of the year (31-Mar-2015)]	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
4	Mr. Prem Prakash Mirdha Independent Director	01-Apr-2014	0	0.00	-	0	0.00
		31-Mar-2015	0	0.00			
5	Mr. Aishwarya Katoch Independent Director	01-Apr-2014	0	0.00	-	0	0.00
		31-Mar-2015	0	0.00			
6	Mr. Abhimanyu Mehlawat* Executive Director	01-Apr-2014	0	0.00	-	0	0.00
		31-Mar-2015	0	0.00			
7	Mr. Karan Singh Kherra* Independent Director	01-Apr-2014	0	0.00	-	0	0.00
		31-Mar-2015	0	0.00			
B.	Shareholding of KMPs other than MD/ WTD/ Manager						
1	Mr. Vijay Agrawal Chief Financial Officer	01-Apr-2014	0	0.00	-	0	0.00
		31-Mar-2015	0	0.00			
2	Mr. Vikas Khandelwal Company Secretary	01-Apr-2014	0	0.00	-	0	0.00
		31-Mar-2015	0	0.00			

appointed as Director on the Board of the Company during the FY 2014-15

* ceased to be Directors of the Company during the FY 2014-15

V. INDEBTEDNESS

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

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	195,876,553	NIL	NIL	195,876,553
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	132,0029	NIL	NIL	1,320,029
Total (i+ii+iii)	197,196,582	NIL	NIL	197,196,582
Change in Indebtedness during the financial year				
Additions / (Reduction)				
i) Principal Amount	426,361,746	270,000,000	NIL	696,361,746
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	222,488	9,789,703	NIL	10,012,191
Net Change	426,584,234	279,789,703	NIL	706,373,937

Annexure to the Directors' Report (contd.)

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year				
i) Principal Amount	622,238,299	270,000,000	NIL	892,238,299
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	1,542,517	9,789,703	NIL	11,332,220
Total (i+ii+iii)	623,780,816	279,789,703	NIL	90,357,0519

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (In ₹)
		Mr. Abhimanyu Singh Mehlawat*	Ms. Pia Johnson [#]	
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) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission (as % of profit/others)	-	-	-
5	Others	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	₹ 1.19 crore (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)		

[#] appointed as Executive Director on the Board of the Company during the FY 2014-15

* ceased to be Executive Director of the Company during the FY 2014-15

B. Remuneration to other Directors:

Sl. No	Particulars of Remuneration	Name of Directors				Total Amount (In ₹)
		Mr. Shamsher Singh Ahlawat	Mr. Aishwarya Katoch	Mr. Prem Prakash Mirdha	Mr. Karan Singh Khara*	
1	Independent Directors					
	(a) Fee for attending board/committee meetings	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-

Annexure to the Directors' Report (contd.)

Sl. No	Particulars of Remuneration	Name of Directors	Total Amount (In ₹)
2	Other Non-Executive Director	Mr. Mehul Johnson	
	(a) Fee for attending board/committee meetings	-	-
	(b) Commission	-	-
	(c) Others, please specify	-	-
	Total (2)	-	-
	Total (B)=(1+2)	-	-
	Total Managerial Remuneration	-	-
	Overall ceiling as per the Act	₹ 2.62 Crores (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)	

* ceased to be Director of the Company during the FY 2014-15

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (In ₹)
		Mr. Vikas Khandelwal, Company Secretary*	Mr. Vijay Agrawal, CFO	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	2,178,760.00	2,274,621.00	4,453,381.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2	Stock option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission(as % of profit/others)	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00
	Total	2,178,760.00	2,274,621.00	4,453,381.00

*Remuneration drawn for part of the year, w.e.f. July 1, 2014

Annexure to the Directors' Report (contd.)

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

Annexure to the Directors' Report (contd.)

ANNEXURE 5

DISCLOSURES ON MANAGERIAL REMUNERATION

Details of remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under –

Ratio of the remuneration of each director to the median employees' remuneration, for FY 2014-15

Not applicable because no remuneration was paid to any of the Directors during the FY 2014-15.

Percentage increase in remuneration of each director and Key Managerial Personnel, in FY 2014-15

Designation	Increase in Remuneration (%)
Chief Financial Officer	18.23%
Company Secretary	#

Drawn remuneration for a part of the year and no increases in such period.

No remuneration was paid to any of the Directors and other KMPs, except as aforesaid, during the FY 2014-15.

The percentage increase in the median remuneration of employees in the FY 2014-15

The percentage increase in the median remuneration of all the employees (including KMPs), computed on the basis of median remuneration for FY 2013-14 and FY 2014-15 was 10.42%.

Number of permanent employees on the rolls of Company

The Company had 98 employees on its permanent rolls, as of March 31, 2015.

Explanation on the relationship between average increase in remuneration and Company performance.

The average increase in the remuneration of the employees of the Company, during FY 2014-15, based on the remuneration for FY 2013-14 and FY 2014-15 was 11.98%.

During the FY 2014-15, despite the challenging environment, the Company performed well with Profit after tax being Rs. 23.24 crores and to retain the talent the Company had given the said increase in the remuneration to the employees.

Comparison of remuneration of Key Managerial Personnel(s) against the performance of the Company.

During the FY 2014-15, despite the challenging environment, the Company performed well with Profit after tax being Rs. 23.24 crores. No remuneration was paid to any of the Director or any of the KMPs, except Chief Financial Officer and Company Secretary, as disclosed in this Annual Report.

The Company follows prudent remuneration practices under the guidance of the Board and Nomination & Remuneration Committee. The Company's approach to remuneration is intended to drive meritocracy and is linked to various parameters including its performance, growth, individual performance, peer comparison of other companies, within the framework of prudent Risk Management.

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The average percentile increase made in the salaries of total employees other than the key managerial personnel, for FY 2014-15 is around 8.99%, while the average increases in the remuneration of key managerial personnel is around 18.23%. This increment is in line with the factors outlined above.

The increase in remuneration of Chief Financial Officer, a Key Managerial Personnel is based on the Company's remuneration policy to retain the talent. No remuneration was paid to any of the Directors during the FY 2014-15.

Key parameters for any variable component of remuneration availed by the directors

No variable component of remuneration has been availed by any of the director.

Annexure to the Directors' Report (contd.)

Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.

Not applicable because no remuneration was paid to any of the Directors during the FY 2014-15.

Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.

The market capitalisation of the Company increased by 31%, from ₹ 59.62 crores as at March 31, 2014 to ₹ 78.11 crores as at March 31, 2015. The price to earnings ratio was 3.37 times as at March 31, 2015 (PY 1.71 times).

The market price of the shares of the Company as at March 31, 2015 was ₹ 28.30 at National Stock Exchange of India Limited and ₹ 27.70 at BSE Limited, representing a decrease of about 76% since last public offer, which was made in the year 2005, by the Company at a price of ₹ 120/- per equity share of ₹ 10/- each.

It is hereby confirmed that the aforesaid remuneration paid by the Company, is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company.

Note: Percentages have been computed after annualizing the remuneration of all the employees (including KMPs) on pro rata basis, if drawn for part of the year.

Corporate Governance Report

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Sound Corporate Governance practices and responsible corporate behavior contribute to long term performance of companies. Best practices on governance issues are an evolutionary and continuing process. There is no single template to define good governance. Broadly, however, Corporate Governance practices should aim at striking a balance between interests of various stakeholders on the one hand and the duties and responsibilities of the Board and senior management in overseeing the affairs of the Company on the other.

The Corporate Governance policy in Store One Retail India Limited ("SORIL" or "the Company") encompasses the simple tenets of integrity, transparency and fairness in whatever the Company does and what it basically aims at achieving is a complete adherence to the applicable statutes while at the same time ensuring a complete commitment to values and the highest ethical standards in every facet of its operations and in each of the functional areas. This in turn ensures that best in the class concept of Corporate Governance practices become a way of life in the Company.

In line with the nature and size of operations of the Company, the Corporate Governance framework in the Company is based on the following main principles:

- Constitution of a Board of Directors of appropriate composition, size, varied experience and commitment to discharge their responsibilities and duties.
- Transparency and independence in the functions of the Board.
- Ensuring timely flow of information to the Board and its Committees to enable them discharge their functions effectively.
- Independent verification and assured integrity of financial reporting.
- Timely and balanced disclosure of all material information concerning the Company to all stakeholders and protection of their rights and interests.
- A sound system of risk management and internal control, anti-bribery and anti-corruption business practices.
- Compliance with applicable laws, rules and regulation in letter and spirit.

2. BOARD OF DIRECTORS (BOARD)

(A) Composition and size of the Board

The Board of Directors in SORIL has been constituted in a manner which ensures appropriate mix of executive/non-executive and independent directors to ensure proper governance and management. The Board members have collective experience in diverse fields like finance, retail, real estate, facility management, banking, hoteling and technology etc.

The Board consists of five directors of whom one is woman executive director and the remaining four directors are non-executive directors. Of the four non-executive directors, three are independent directors.

The details of Directors, number of directorships held by them in other companies as also the number of their memberships and chairmanships on various board Committees, as on March 31, 2015 are depicted in the table given below:

Sl. No.	Name of the Director [^]	Category of Directorship	No. of Directorships in other companies*	No. of Memberships/Chairmanships in the Board Committees of various companies (including the Company)**	
				As Member [#]	As Chairman
1.	Ms. Pia Johnson	Executive Director	3	1	0
2.	Mr. Mehul Johnson	Non-Executive Director	8	5	1
3.	Mr. Aishwarya Katoch	Non-Executive Independent Director	8	10	3

Corporate Governance Report (contd.)

Sl. No.	Name of the Director [^]	Category of Directorship	No. of Directorships in other companies*	No. of Memberships/ Chairmanships in the Board Committees of various companies (including the Company)**	
				As Member [#]	As Chairman
4.	Mr. Shamsheer Singh Ahlawat	Non-Executive Independent Director	6	10	5
5.	Mr. Prem Prakash Mirdha	Non-Executive Independent Director	6	8	Nil

[^] During FY 2014-15, Mr. Abhimanyu Singh Mehlawat and Mr. Karan Singh Kherra resigned from the directorship of the Company. Accordingly, their directorships, memberships/ chairmanships on the board committees of the Company and those of other companies, are therefore not indicated in the above table.

* Does not include directorships held in foreign companies and private limited companies.

** Only memberships/ chairmanships of the Audit Committees and Stakeholders Relationship Committee in various public limited companies, considered.

[#] This includes the chairmanship in the Committees.

(B) Details of Board Meetings and the last Annual General Meeting (AGM) and attendance record of Directors thereat

During the financial year 2014-15, the Board met 7 (Seven) times. The dates of the meetings were April 23, 2014, April 28, 2014, July 25, 2014, August 26, 2014, September 27, 2014, October 27, 2014 and January 30, 2015.

The last Annual General Meeting (AGM) of the Company was held on September 26, 2014.

A table depicting the attendance of Directors at various Board Meetings and the Annual General Meeting held during FY 2014-15 is given below:

Sl. No.	Name of the Director	Meetings held during the tenure	No. of Board meetings attended	Attendance at the last AGM
1.	Ms. Pia Johnson [#] (DIN: 00722403)	1	1	N.A.
2.	Mr. Mehul Johnson (DIN: 00016075)	7	7	No
3.	Mr. Aishwarya Katoch (DIN: 00557488)	7	6	Yes
4.	Mr. Shamsheer Singh Ahlawat (DIN: 00017480)	7	7	Yes
5.	Mr. Prem Prakash Mirdha (DIN: 01352748)	7	3	No
6.	Mr. Karan Singh Kherra* (DIN: 00017236)	4	3	N.A.
7.	Mr. Abhimanyu Singh Mehlawat* (DIN: 02229285)	6	6	Yes

[#] appointed as Director on the Board of the Company during the FY 2014-15

* ceased to be Directors of the Company during the FY 2014-15

Corporate Governance Report (contd.)

3. COMMITTEES OF THE BOARD

The Board has constituted various Committees to take informed decisions in the best interest of the Company. These Committees monitor the activities falling within their terms of reference. The role and the composition of these Committees including number of meetings held during the financial year and participation of the members at the meetings of the committees, during the year are as under.

(A) Audit Committee

Composition

The Audit Committee currently comprises of three members namely Mr. Shamsher Singh Ahlawat as the Chairman, Mr. Aishwarya Katoch and Mr. Mehul Johnson, as other two members, all Non-Executive Directors. Two out of three members namely Mr. Shamsher Singh Ahlawat and Mr. Aishwarya Katoch are Independent directors. Mr. Vikas Khandelwal, Secretary of the Company also acts as the Secretary of the Audit Committee.

Terms of reference

The terms of reference of the Audit Committee, inter-alia, includes:

- To oversee the financial reporting process and disclosure of financial information;
- To review with management, quarterly and annual financial statements and ensure their accuracy and correctness before submission to the Board;
- To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans and reviewing the efficacy of their function, discussion and review of periodic audit reports including findings of internal investigations;
- To recommend the appointment of the internal and statutory auditors and fixing their remuneration;
- To hold discussions with the statutory and internal auditors;
- To review and monitor auditor's independence and performance, and effectiveness of audit process;
- To examine the auditors' report on financial statements of the Company (in addition to the financial statements) before submission to the Board;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also the reviewing with the management the utilization of the funds so raised, for purposes other than those stated in the relevant offer document, if any and making appropriate recommendations to the Board in this regard;
- Evaluation of the risk management systems (in addition to the internal control systems);
- Review and monitoring of the performance of the statutory auditors and effectiveness of the audit process;
- To hold post audit discussions with the auditors to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism;
- Approval to the appointment of the CFO after assessing the qualifications, experience and background etc. of the candidate.

Meetings and Attendance thereat during the year

During the FY 2014-15, the Audit Committee met four times. The dates of the meetings being April 23, 2014, July 25, 2014, October 27, 2014 and January 30, 2015.

The attendance record of committee members to the meetings so held is depicted in the table given below:

Name of the Member	Meetings held during the tenure	Meetings attended
Mr. Shamsher Singh Ahlawat	4	4
Mr. Aishwarya Katoch	4	4
Mr. Mehul Johnson	4	4

The Chief Financial Officer and Auditors attended the meetings by invitation.

Corporate Governance Report (contd.)

(B) Nomination & Remuneration Committee

Composition

The Nomination & Remuneration Committee (N&R Committee) of the Board comprises of three Independent Non-Executive Directors namely, Mr. Aishwarya Katoch as the Chairman and Mr. Shamsheer Singh Ahlawat and Mr. Prem Prakash Mirdha, as other two members.

Terms of reference

The terms of reference of N&R Committee, inter-alia, includes:

- To recommend to the Board, compensation terms of the Executive Directors;
- To assist the Board in determining and implementing the Company's Policy on the remuneration of Executive Directors;
- Identifying the persons who are qualified to become directors and those who may be appointed in senior management in accordance with the criteria laid down by it and recommending to the Board their appointment and removal and carrying out the evaluation of the performance of every director;
- Formulating the criteria for determining the qualifications, positive attributes and independence of a director.

Meetings and Attendance during the year

During the FY 2014-15, the Committee met two times on August 26, 2014 and January 30, 2015.

The attendance of Committee members in these meetings is as under:

Name of the Member	Meetings held during the tenure	Meetings attended
Mr. Aishwarya Katoch	2	2
Mr. Prem Prakash Mirdha	2	1
Mr. Shamsheer Singh Ahlawat	2	2

Policy for selection and appointment of Directors

The N&R Committee has adopted a charter which, inter alia, deals with the manner of selection of the Board of Directors, senior management and their compensation. This Policy is accordingly derived from the said Charter.

- a. The incumbent for the positions of Executive Directors and/or at senior management, shall be the persons of high integrity, possesses relevant expertise, experience and leadership qualities, required for the position.
- b. The Non-Executive Directors shall be of high integrity, with relevant expertise and experience so as to have the diverse Board with Directors having expertise in the fields of finance, banking, regulatory, real estate, retail, facility management, hospitality, taxation, law, governance and general management.
- c. In case of appointment of Independent Directors, the independent nature of the proposed appointee vis-a-vis the Company, shall be ensured.
- d. The N&R Committee shall consider qualification, experience, expertise of the incumbent, and shall also ensure that such other criteria with regard to age and other qualification etc., as laid down under the Companies Act, 2013 or other applicable laws are fulfilled, before recommending to the Board, for their appointment as Directors.
- e. In case of re-appointment, the Board shall take into consideration, the performance evaluation of the Director and his engagement level.

Remuneration Policy

Company's Remuneration Policy is market led, based on the fundamental principles of payment for performance, for potential and for growth. It also takes into account the competitive circumstances of the business, so as to attract and retain quality talent and leverage performance significantly. The N&R Committee recommends the remuneration payable to the Executive Directors and Key Managerial Personnel, for approval by Board of Directors of the Company, subject to the approval of its shareholders, wherever necessary.

Corporate Governance Report (contd.)

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the N&R Committee has laid down the criteria for performance evaluation of Independent Directors and Executive Directors, which inter-alia covers level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the Non-Independent Directors. The performance evaluation of the Chairman and the non-Independent Directors was carried out by the Independent Directors, who also reviewed the performance of the secretarial department of the Company. The Directors expressed their satisfaction with the evaluation process.

Policy on Board Diversity

The N&R Committee devises the policy to provide for having a broad experience and diversity on the Board.

Remuneration of Directors

(i) Remuneration of Executive Directors

Ms. Pia Johnson, Executive Director does not draw any remuneration from the Company.

(ii) Remuneration of Non-Executive Directors

Non-Executive Directors have not been paid any remuneration/ sitting fees during the FY 2014-15.

(C) Stakeholders Relationship Committee

Composition

The Stakeholders Relationship Committee comprises of three members namely Mr. Aishwarya Katoch, an Independent Non-Executive Director, as the Chairman and Mr. Mehul Johnson and Ms. Pia Johnson, as other two members.

Terms of Reference

The scope, terms of reference and functioning of the Committee is as prescribed under Clause 49 of the Listing Agreement. The primary functions carried out by the Committee are to approve requests for share transfers and transmissions, to approve the requests pertaining to remat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc. and for this purpose the required authority has been delegated to Ms. Pia Johnson.

The Committee oversees all matters encompassing the shareholders / investors related issues.

Meetings and Attendance thereat during the year

During the FY 2014-15, the Committee met four times. The dates of the meetings were April 7, 2014, July 7, 2014, October 6, 2014 and January 5, 2015.

The attendance record of committee members in respect of the meetings so held is depicted in the table given below:

Name of the Member	No. of meetings held during the tenure	No. of meetings attended
Mr. Aishwarya Katoch	4	3
Mr. Mehul Johnson	4	3
Ms. Pia Johnson [#]	Nil	N.A.
Mr. Abhimanyu Singh Mehlawat [*]	4	4

[#] appointed to the Committee during the FY 2014-15.

^{*} ceased to be the member / resigned from the Committee during the FY 2014-15.

Name and designation of Compliance Officer

Mr. Vikas Khandelwal, Company Secretary is the Compliance Officer pursuant to Clause 47(a) of the Listing Agreement with Stock Exchanges.

Corporate Governance Report (contd.)

Details of queries / complaints received and resolved during the FY 2014-15

During the FY 2014-15, fourteen complaints were received pertaining to non-receipt of Annual Report and the same were redressed to the satisfaction of the complainants.

(D) Corporate Social Responsibility (CSR) Committee

Composition

The Corporate Social Responsibility Committee comprises of three members namely Mr. Shamsher Singh Ahlawat, an Independent Non-Executive Director, as the Chairman and Mr. Mehul Johnson and Ms. Pia Johnson, as other two members.

Terms of Reference

The terms of reference of the CSR Committee, inter-alia, includes:

- To recommend to the Board, the CSR activity to be undertaken by the Company;
- To approve the expenditure to be incurred on the CSR activity;
- To oversee and review the effective implementation of the CSR activity;
- To ensure compliance of all related applicable regulatory requirements.

Meetings and Attendance during the year

During the FY 2014-15, the Committee met three times. The dates of the meetings being April 2, 2014, April 25, 2014 and March 31, 2015.

The attendance record of Committee members in respect of the meetings so held is depicted in the table given below:

Name of the Member	No. of meetings held during the tenure	No. of meetings attended
Mr. Shamsher Singh Ahlawat	3	3
Mr. Mehul Johnson	3	3
Mr. Abhimanyu Singh Mehlawat*	2	2
Ms. Pia Johnson [#]	1	1

* ceased to be the member / resigned from the Committee during the FY 2014-15.

[#] appointed to the Committee during the FY 2014-15.

4. GENERAL BODY MEETINGS

(A) Location and time of last three Annual General Meetings (AGMs)

Year	Location	Date	Time
2011-12	Centaur Hotel, IGI Airport, Delhi Gurgaon Road, New Delhi – 110 037	September 27, 2012	11.45 A.M.
2012-13	Centaur Hotel, IGI Airport, Delhi Gurgaon Road, New Delhi – 110 037	September 30, 2013	10.00 A.M.
2013-14	Centaur Hotel, IGI Airport, Delhi Gurgaon Road, New Delhi – 110 037	September 26, 2014	10.00 A.M.

(B) Details of special resolutions passed in the previous three AGMs

In the AGM for the year 2011-12 and 2012-13, no special resolution was passed.

In the AGM for the year 2013-14, special resolutions as per detail hereunder, were passed:

- Special Resolution seeking approval of the members pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, authorizing the Board for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the

Corporate Governance Report (contd.)

Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 500 crore.

- (ii) Special Resolution seeking approval of the members pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, authorizing the Board to the creation of mortgages, charges and hypothecations or creation of security, in any other form or manner, as may be necessary, on such of the assets of the Company, both present and future, in such manner as the Board may direct, in favour of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate (hereinafter referred to as the "Lending Agencies") and Trustees for the holders of debentures/ bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans/foreign currency loans, debentures, bonds and other instruments together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements / Loan Agreements / Debenture Trust Deeds entered / to be entered into by the Company in respect of the said borrowings.
- (iii) Special Resolution seeking approval of the members pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, to alter the Article 1 of the Articles of Association of the Company.

(C) Special resolution passed during FY 2014-15 through postal ballot

During the FY 2014-15, no resolution was passed by the Company through Postal Ballot.

(D) Procedure for postal ballot

For conducting a postal ballot, notice specifying the resolutions proposed to be passed through postal ballot as also the relevant explanatory statement and the postal ballot forms, are dispatched to all the shareholders along with self addressed postage pre paid envelope. The shareholders are requested to send back the postal ballot forms duly filled up and signed, in the postage pre paid envelopes provided to them by the Company, so as to reach the Scrutinizer (in whose name the envelopes are marked) on or before the 30th day from the date of issue of notice by the Company.

The Scrutinizer compiles the postal ballot result out of the postal ballot forms found valid and hands over the results to the Chairman. The Chairman thereupon declares the result of the postal ballot and the same is also displayed on a notice board at the Registered office of the Company.

5. DISCLOSURES

(i) Related Party Transactions

During the year, no materially significant related party transaction was entered by the Company with its Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. The Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company: www.storeone.in.

(ii) Executive Director / CFO Certification

The Executive Director and CFO have issued certificate pursuant to the provisions of Clause 49 of the Listing Agreement, certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

(iii) (a) Code of Conduct and Ethics

The Company has laid down a Code of Conduct and Ethics (the "Code") for the Board Members and Senior Management personnel of the Company. The Code is available on the website of the Company: www.storeone.in. All Board Members and Senior Management personnel have affirmed compliance

Corporate Governance Report (contd.)

with the Code. A declaration signed by the Executive Director to this effect is enclosed at the end of this Report.

The Code seeks to ensure that the Board Members and Senior Management personnel observe a total commitment to their duties and responsibilities while ensuring a complete adherence with the applicable statutes along with business values and ethics.

(b) Code of Conduct for Prevention of Insider Trading

The Company has laid down a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of the Securities and Exchange Board of India (Insider Trading) Regulations, 2015 and the Companies Act, 2013, with a view to regulate trading in Securities of the Company by its directors, designated persons and employees.

(iv) Whistle Blower Policy

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has implemented the Whistle Blower Policy ('the Policy'), to provide an avenue for employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy applies to all employees working for the Company. Pursuant to the Policy, the whistle blowers can raise concerns relating to matters such as breach of Company's Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, misappropriation of Company's funds/ assets etc. A whistle-blowing or reporting mechanism, as set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company and its subsidiaries. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices. The details of the Whistle Blower Policy are available on the website of the Company: www.storeone.in.

(v) Strictures and penalties

During the FY 2014-15, NSE & BSE levied fine of ₹ 8,000/- and ₹ 8,989/- respectively, on the Company, alleging delayed compliance of clause 31 of the Listing Agreement. The Company though clarified to Exchanges regarding due compliance of relevant clause, however, deposited fines with Exchanges under protest. Except as aforesaid, there has not been any other instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence, no penalty has been imposed on the Company or no strictures have been passed against it, by SEBI or Exchanges or any other statutory authorities on any such matters.

(vi) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of clause 49.

The Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement in letter as well as in spirit. The details of these compliances have been given in the relevant sections of this Report. The status on compliance with the Non mandatory requirements is given at the end of the Report.

6. MEANS OF COMMUNICATION

- (i) Publication of Results:** The quarterly / annual results of the Company are published in leading newspapers like Financial Express, Business Standard and Jansatta.
- (ii) News, Release, etc:** The Company has its own website: www.storeone.in and all vital information relating to the Company and its performance including financial results, press releases pertaining to important developments, performance updates and corporate presentations etc. is regularly posted on the website.
- (iii) Management Discussion and Analysis Report:** The same has been included in a separate section, which forms a part of this Annual Report.
- (iv) Investors' Relation:** The Company's website contains a separate dedicated section 'Investor Relations' and 'News & Media' where general information is available for shareholders.

Corporate Governance Report (contd.)

7. GENERAL SHAREHOLDERS' INFORMATION

(A) Company Registration Details

The Company is registered in the State of Delhi, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L52190DL2005PLC181536.

(B) Date, Time and Venue of Annual General Meeting (AGM)

The date, time and venue of the ensuing AGM has been indicated in the Notice convening the AGM, which is annexed to the Annual Report.

(C) Financial year

The financial year of the Company is a period of twelve months beginning on 1st April every calendar year and ending on 31st March the following calendar year.

(D) Date of Book Closure

Book Closure dates have been provided in the Notice convening the AGM forming part of this Annual Report.

(E) Dividend Payment date

No dividend has been recommended by the Board for the financial year 2014-15.

(F) Listing on Stock Exchanges

The Company's Equity Shares are listed on the following stock exchanges:

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

National Stock Exchange of India Limited

"Exchange Plaza", Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051

(G) Stock Code

BSE Limited	- 532679
National Stock Exchange of India Limited	- STOREONE
ISIN for Dematerialisation	- INE 034H01016

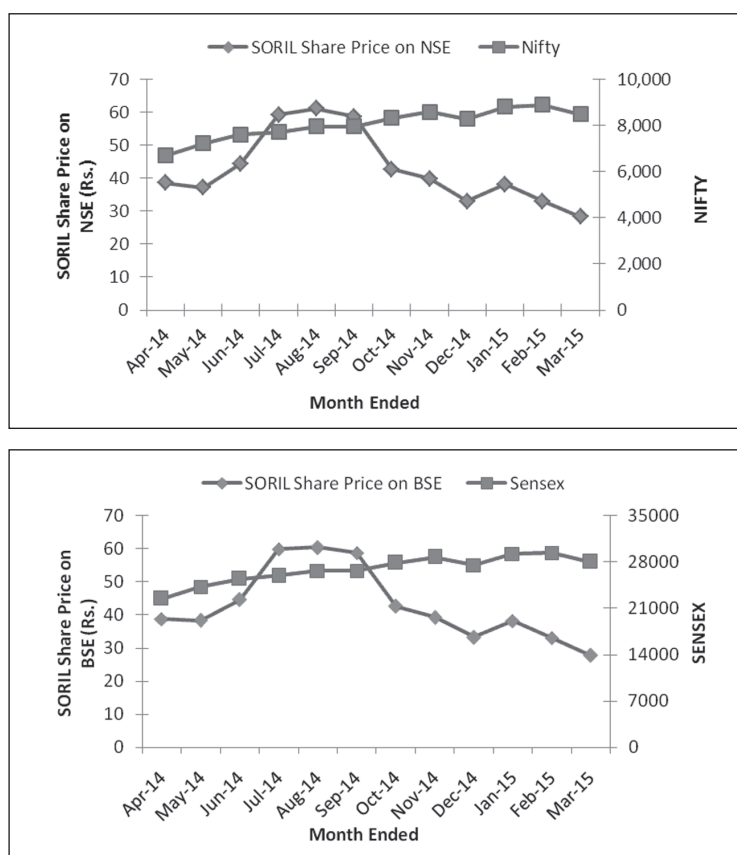
(H) Market Price Data

The monthly high and low market prices of shares at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year ended March 31, 2015 are as under:

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2014	41.15	25.05	41.00	25.10
May 2014	46.20	32.40	46.00	32.15
June 2014	46.40	33.00	46.10	33.25
July 2014	70.75	42.05	70.80	42.00
August 2014	73.15	56.00	73.70	56.90
September 2014	63.80	47.90	65.00	50.05
October 2014	60.00	38.30	60.00	38.55
November 2014	47.00	37.00	45.00	36.85
December 2014	44.50	31.45	42.80	31.20
January 2015	43.50	32.90	43.95	33.00
February 2015	39.80	31.00	39.95	32.20
March 2015	36.65	25.35	34.90	25.40

Corporate Governance Report (contd.)

(I) Comparison of Company's share price with the broad-based indices viz. NSE Nifty & BSE Sensex.



(J) Registrar and Transfer Agents

Karvy Computershare Private Limited are acting as the Registrar and Share Transfer Agents (RTA) of the Company for handling the share related matters, both in physical and the dematerialised mode.

The contact details are as under:

Karvy Computershare Private Limited

(Unit : Store One Retail India Limited)

Karvy Selenium, Tower B, Plot 31-32, Gachibowli,

Financial District, Nanakramguda,

Hyderabad - 500 032

Contact Person: Ms. Shobha Anand, AGM, Corporate Registry

Phone: 040-6716 2222

Fax: 040-23001153

E-mail: einward.ris@karvy.com

(K) Share Transfer System

The Board has delegated the authority for share transfers, transmissions, remat / demat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc. to the Board constituted Stakeholders Relationship Committee. For any such action request is to be made to the RTA, which after scrutinizing all such requests, forwards it for approval by Stakeholders Relationship Committee.

Corporate Governance Report (contd.)

(L) (i) Distribution of equity shareholding as on March 31, 2015

Sl.No.	Shareholding of nominal value (in ₹)	No. of holders	% to total no. of holders	Value in ₹	% to nominal value
	From To				
1.	1 - 5,000	10,314	88.33	11,003,740	3.99
2.	5,001 - 10,000	589	5.04	4,876,130	1.77
3.	10,001 - 20,000	333	2.85	5,158,640	1.87
4.	20,001 - 30,000	126	1.08	3,261,720	1.18
5.	30,001 - 40,000	59	0.51	2,142,470	0.78
6.	40,001 - 50,000	67	0.57	3,210,890	1.16
7.	50,001 - 100,000	92	0.79	7,124,440	2.58
8.	100,001 and above	97	0.83	239,221,970	86.67
	Total	11,677	100.00	276,000,000	100.00

(ii) Equity Shareholding pattern as on March 31, 2015

Sl.No.	Category	No. of Shares	% holding
1.	Promoters	20,383,310	73.85
2.	FIIIs	40,000	0.14
3.	Bodies Corporate	823,789	2.98
4.	Indian Public	6,218,551	22.53
5.	NRIs	96,824	0.35
6.	Clearing Members	37,526	0.14
	Total	27,600,000	100.00

(M) Dematerialisation of shares and liquidity

Equity Shares of the Company are compulsorily traded in dematerialised form and are available for trading under both the depositories i.e. NSDL and CDSL.

As on March 31, 2015, 99.998% Equity shares of the Company representing 27,599,504 out of a total of 27,600,000 Equity shares were held in dematerialised form and the balance 496 shares were held in physical form.

Further, as on March 31, 2015, 2,973,450 Preference shares of face value ₹ 10/- each of the Company were held in physical mode. Same are presently not listed on any Stock Exchange.

(N) Outstanding Convertible Instruments

There are no outstanding convertible instruments as on date in the Company.

(O) Address for Correspondence

(i) Registered Office:

M-62 & 63, First Floor,
Connaught Place,
New Delhi – 110 001

(ii) Corporate Offices:

“Indiabulls House”
448-451, Udyog Vihar, Phase V,
Gurgaon – 122 016
Haryana

Corporate Governance Report (contd.)

Indiabulls Finance Center,
Tower 1, Elphinstone Mills,
Senapati Bapat Marg,
Elphinstone Road, Mumbai - 400 013
Maharashtra

(P) Profile of Directors seeking appointment/ re-appointment

(i) Mr. Mehul Johnson, Director

Mr. Mehul Johnson has over 15 years of leadership experience in construction, real estate & hospitality industry. During his long association with Indiabulls Group, he has provided leadership & guidance in the areas of strategic planning, resource management, regulatory, hospitality, & projects execution etc. Prior to his joining Indiabulls, he had set up, owned and managed an infrastructure construction business where he successfully executed several prestigious projects by leading institutions, including the National Highway Authority of India, and the Prime Minister's Rural Road Development Scheme.

Mr. Johnson graduated from Punjab University with a degree in Economics.

Mr. Johnson does not hold any shares in the Company. Being spouse, he is related to Ms. Pia Johnson, Executive Director.

Mr. Johnson is also on the Board of Indiabulls Wholesale Services Limited, Indiabulls Buildcon Limited, Indiabulls Lands Limited, Indiabulls Estate Limited, Indiabulls Constructions Limited, Makala Infrastructure Limited, Indiabulls Industrial Infrastructure Limited and Airmid Aviation Services Limited. He is the member of the Audit Committee, Stakeholders Relationship Committee, Compensation Committee and Corporate Social Responsibility Committee of the Company, member of the Audit Committee, Compensation Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee of Indiabulls Wholesale Services Limited. He is also member of the Audit Committee and Nomination & Remuneration Committee of Airmid Aviation Services Limited and Chairman of Audit Committee and Nomination & Remuneration Committee of Makala Infrastructure Limited.

(ii) Ms. Pia Johnson, Executive Director

Ms. Pia Johnson has rich experience in providing and managing facilities management services business. During her association with the Group, she has provided leadership and guidance in the areas of strategic planning, resource management, hospitality and project execution etc.

Ms. Pia Johnson is law graduate from Mumbai University.

Ms. Pia Johnson does not hold any shares in the Company. Being spouse, she is related to Mr. Mehul Johnson, Director.

Ms. Pia Johnson is also on the Board of Indiabulls Wholesale Services Limited, Indiabulls Ventures Limited and Indiabulls Infraestate Limited. She is member of Stakeholders Relationship Committee and Corporate Social Responsibility Committee of the Company.

8. COMPLIANCE CERTIFICATE FROM A PRACTICING COMPANY SECRETARY

A certificate from a Practicing Company Secretary, certifying the Company's compliance with the provisions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to and forms a part of this report.

9. EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

The certificate referred to under Clause 49(V) of the Listing Agreement duly signed by the Executive Director and CFO has been given to the Board.

Corporate Governance Report (contd.)

10. NON-MANDATORY REQUIREMENTS

Status of compliance of Non-mandatory requirements stipulated under Clause 49 is as under:

(A) Nomination & Remuneration Committee

The Company has a duly constituted Nomination & Remuneration Committee in place. For details as to the constitution of the Committee and the functional responsibility vested in it, please refer to point no. 3(B) in the earlier part of this Report.

(B) Unqualified Financial Statements

The Auditors' Report on the audited annual accounts of the Company does not contain any qualification from the Statutory Auditors and it shall be the endeavor of the Company to continue the trend by building up accounting systems and controls which ensure complete adherence to the applicable accounting standards and practices obviating the possibility of the Auditors qualifying their report as to the audited accounts.

Except as defined above, the Company has not adopted any other non-mandatory requirements recommended under Annexure 1D to the Clause 49 of the Listing Agreements with the Stock Exchanges.

ANNUAL DECLARATION BY THE EXECUTIVE DIRECTOR PURSUANT TO CLAUSE 49(I)(D)(ii) OF THE LISTING AGREEMENT

As Executive Director of Store One Retail India Limited and as required by Clause 49(I)(D)(ii) of the Listing Agreement, I hereby declare that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Business Conduct and Ethics, for FY 2014-15.

Date : August 28, 2015
Place : New Delhi

Pia Johnson
Executive Director
(DIN: 00722403)

Corporate Governance Report (contd.)

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Store One Retail India Limited

I have examined the compliance of conditions of Corporate Governance by Store One Retail India Limited ("the Company"), for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion, and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

I state that there were no outstanding investor grievances as on March 31, 2015 as per the records maintained by the Company.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

B. D. TAPRIYA
Company Secretary
C.P. No. 2059

Date : August 28, 2015
Place: New Delhi

Independent Auditor's Report

To the Members of Store One Retail India Limited Report on the Financial Statements

We have audited the accompanying financial statements of **Store One Retail India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to

obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Other Matter

The financial statements of the Company for the year ended March 31, 2014, were audited by another auditor who expressed an unmodified opinion vide its report dated April 23, 2014. Our opinion is not modified in respect of this matter.

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 give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

Independent Auditor's Report (contd.)

2. As required under provisions of section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the aforesaid 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 March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - 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 are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For **Agarwal Prakash & Co.**
Chartered Accountants
Firm's Registration No.: 005975N

Vikas Aggarwal
Partner
Membership No.: 097848

Place: New Delhi
Date: May 04, 2015

Annexure to the Independent Auditor's Report

Annexure referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date on the financial statements for the year ended March 31, 2015

Based on the audit procedures performed of 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) In respect of its Fixed Assets :
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets on the basis of available information.
 - b. As explained to us, the fixed assets have been physically verified by the management during the year, which in our opinion is at reasonable intervals, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- ii) In respect of its Inventories :
 - a. As explained to us, the inventory has been physically verified by the management at reasonable intervals during the year.
 - b. As explained to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. On the basis of our examination of the records of the inventory, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and they were properly dealt with in the books of account.
- iii) The Company has not granted any loans, secured or unsecured to companies, firm or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the requirements of Clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weaknesses has been noticed in the in such internal control system.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions 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 to the Company.
- vi) To the best of our knowledge and as explained to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act, in respect of Company's products / services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- vii) In respect of Statutory dues :
 - a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable.
 - b. According to the information and explanations given to us, there are no amounts in respect of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess that have not been deposited with the appropriate authorities on account of any dispute except for the amounts mentioned below:

Annexure to the Independent Auditor's Report (contd.)

Name of the statute	Demand amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax	150,44,720/-	A.Y. 2012-13	Commissioner of Income Tax (Appeals)
Income Tax	82,80,195/-	A.Y. 2007-08	Commissioner of Income Tax (Appeals)

- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Accordingly, the provisions of clause 3(vii)(c) of the Order are not applicable.
- viii) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- ix) In our opinion, the Company has not defaulted in repayment of dues to a financial institutions or banks or debenture holders during the year.
- x) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year. Therefore, the provisions of clause 3(x) of the Order are not applicable to the Company.
- xi) In our opinion and to the best of our knowledge and belief, proceeds of term loans taken were, prima facie, applied for the purpose for which the loans were obtained.
- xii) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **Agarwal Prakash & Co.**
Chartered Accountants
Registration No : 005975N

Vikas Aggarwal
Partner
Membership No. : 097848

Place: New Delhi
Date: May 04, 2015

Balance Sheet

as at March 31, 2015

— STORE —
one

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	Note	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	4	305,734,500	261,734,500
(b) Reserves and Surplus	5	1,264,996,413	946,280,725
(c) Money received against share warrants	6	—	33,550,000
Total of Shareholders' funds		1,570,730,913	1,241,565,225
Non-Current Liabilities			
(a) Long-term borrowings	7	656,109,653	130,395,589
(b) Long- term provisions	8	6,966,227	3,451,675
Total of Non-Current Liabilities		663,075,880	133,847,264
Current Liabilities			
(a) Trade payables	9	260,111,471	295,726,707
(b) Other current liabilities	10	318,230,441	138,213,465
(c) Short-term provisions	11	3,408,068	3,199,557
Total of Current Liabilities		581,749,980	437,139,729
Total of Equity and Liabilities		2,815,556,773	1,812,552,218
II. ASSETS			
Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		1,636,270,757	1,317,765,408
(ii) Intangible assets		74,668	—
		1,636,345,425	1,317,765,408
(b) Long term loans and advances	13	431,853,074	15,293,155
(c) Other non-current assets	14	200,000	125,000
Total of Non-current assets		2,068,398,499	1,333,183,563
Current assets			
(a) Inventories	15	3,865,111	1,716,768
(b) Trade receivables	16	586,051,375	311,615,909
(c) Cash and bank balances	17	30,765,000	24,799,351
(d) Short-term loans and advances	18	126,414,121	141,145,336
(e) Other current assets	19	62,667	91,291
Total of Current assets		747,158,274	479,368,655
Total of Assets		2,815,556,773	1,812,552,218

Significant accounting policies 3

The accompanying notes are an integral part of financial statements

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

For Agarwal Prakash & Co.
Chartered Accountants

For and on behalf of board of directors

Vikas Aggarwal
Partner

Pia Johnson
Whole Time Director

Mehul Johnson
Director

Vijay Kumar Agrawal
Chief Financial Officer

Vikas Khandelwal
Company Secretary

Place: New Delhi
Date: May 4, 2015

Statement of Profit and Loss

for the year ended March 31, 2015

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	Note	For the year ended March 31, 2015	For the year ended March 31, 2014
I. REVENUE			
(a) Revenue from operations	20	1,343,682,613	1,178,295,778
(b) Other Income	21	2,763,156	44,508,137
Total of Revenue		1,346,445,769	1,222,803,915
II. EXPENSES			
Cost of materials consumed	22	—	6,973,475
Purchases of stock-in-trade	23	5,214,622	4,856,208
Change in inventories of finished goods, WIP and stock in trade		—	1,281,172
Employee benefits expense	24	91,978,234	78,076,873
Finance costs	25	62,390,626	23,960,639
Depreciation and Amortization expenses	12	126,842,205	77,785,008
Other expenses	26	827,388,913	677,724,014
Total of Expenses		1,113,814,600	870,657,389
III. Profit before tax (I - II)		232,631,169	352,146,526
IV. Tax expenses			
(a) Current tax	32	199,353	438,109
(b) Deferred tax		—	—
V. Profit for the year (III- IV)		232,431,816	351,708,417
Earnings per Equity Share	33		
(a) Basic		8.40	15.02
(b) Diluted		8.40	15.02
Face value per Equity Share		10.00	10.00
Significant accounting policies	3		
The accompanying notes are an integral part of financial statements			

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

For Agarwal Prakash & Co.
Chartered Accountants

For and on behalf of board of directors

Vikas Aggarwal
Partner

Pia Johnson
Whole Time Director

Mehul Johnson
Director

Vijay Kumar Agrawal
Chief Financial Officer

Vikas Khandelwal
Company Secretary

Place: New Delhi
Date: May 4, 2015

Cash Flow Statement

for the year ended March 31, 2015

— STORE —
One

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
A Cash flow from Operating Activities :		
Net Profit before tax	232,631,169	352,146,526
Adjustments for statement of Profit and Loss items:		
Provision for doubtful debts, advances and security deposits	—	74,672,131
Sundry balances written off	—	2,623,462
Liabilities written back	(61,540)	(38,764,328)
Provision for Gratuity / Compensated Absences	3,835,565	1,722,524
Loss on sale on fixed assets	5,741,574	42,150,696
Interest Income on fixed deposits	(170,883)	(872,980)
Dividend on units of mutual funds	(1,826,356)	(1,146,063)
Interest expenses on Term Loan	61,891,810	22,950,442
Unrealised foreign exchange gain	—	(574,559)
Depreciation and Amortization expenses	126,842,205	77,785,008
	<u>196,252,375</u>	<u>180,546,333</u>
Operating Profit before working capital changes	428,883,544	532,692,859
Adjustments for changes in working capital:		
(Increase)/ Decrease in Trade Receivables	(274,435,466)	(201,500,699)
(Increase)/ Decrease in loan and advances	(407,243,731)	(8,376,356)
(Increase)/ Decrease in Inventories	(2,148,343)	8,167,176
Increase/ (Decrease) in Trade Payables	(35,615,237)	57,377,899
Increase/ (Decrease) in Other Liabilities & Provisions	(1,639,376)	11,782,591
	<u>(721,082,153)</u>	<u>(132,549,389)</u>
Cash generated from/(used in) Operating Activities	(292,198,609)	400,143,470
Income tax (paid)/ Refund received, net	(5,492,408)	(8,603,482)
	<u>(5,492,408)</u>	<u>(8,603,482)</u>
Net cash generated from/ (used in) Operating Activities	(297,691,017)	391,539,988
B Cash flow from Investing Activities :		
Purchase of Fixed Assets (including Capital Work in Progress)	(450,412,340)	(523,317,841)
Proceeds from Sale of Fixed Assets	9,251,668	702,646
Interest received in Fixed Deposits Accounts	199,507	1,465,386
Dividend received from Mutual Funds	1,826,356	1,146,063
Redemption/ (Investments) made in Fixed Deposits Accounts	(75,000)	25,087,180
Net cash used in Investing Activities	(439,209,809)	(494,916,566)

Cash Flow Statement

for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
C Cash flow from Financing Activities :		
Proceeds from Issue of Equity Shares (including Securities Premium)	100,650,000	-
Proceeds from long-term borrowings	835,985,314	144,198,830
Repayment of long-term borrowings	(139,623,568)	(50,015,602)
Interest paid on Term Loan	(51,014,361)	(22,950,442)
Dividend paid on Preference Share Capital, including corporate dividend tax	(3,130,910)	(3,130,910)
Net cash generated from Financing Activities	742,866,476	68,101,876
D Net (Decrease)/ Increase in cash and cash equivalents (A+B+C)	5,965,649	(35,274,701)
E Cash and cash equivalents at the beginning of the year	23,261,031	58,535,733
F Cash and cash equivalents at the end of the year (D + E)	29,226,680	23,261,031

Notes:

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on 'Cash Flow Statements' as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

2. Cash and cash equivalents at the end of the year includes:

Cash and cash equivalents

(a) Cash on hand	270,239	49,601
(b) Bank Balances		
- in Current Accounts	28,956,441	20,161,430
- in Fixed Deposit Accounts	1,738,320	4,713,320
Total (a+b)	30,965,000	24,924,351
Less: balance with banks in fixed deposit accounts with original maturities of more than 3 months (Refer Note 27(a))	(1,738,320)	(1,663,320)
	29,226,680	23,261,031

3. Previous year figures have been regrouped and / or reclassified wherever necessary to conform to those of the current year grouping and / or classification.

This is the Cash Flow Statement referred to in our report of even date

For Agarwal Prakash & Co.
Chartered Accountants

For and on behalf of board of directors

Vikas Aggarwal
Partner

Pia Johnson
Whole Time Director

Mehul Johnson
Director

Vijay Kumar Agrawal
Chief Financial Officer

Vikas Khandelwal
Company Secretary

Place: New Delhi
Date: May 4, 2015

Notes to Financial Statements

for the year ended March 31, 2015



(1) Company Overview

- i) Store One Retail India Limited ("the Company") was incorporated as Pyramid Retail Limited on March 18, 2005. The name of the company was subsequently changed to Indiabulls Retail Services Limited on 22nd May, 2008 and further changed to Store One Retail India Limited on 30th September, 2009. The company received fresh certificate of incorporation consequent upon the change of name, from the Registrar of Companies, National Capital Territory of Delhi and Haryana on October 6, 2009.

Indiabulls Wholesale Services Limited (IBWSL) Holding Company of the Company, erstwhile Subsidiary of Indiabulls Real Estate Limited, completed the acquisition of 63.92% of the outstanding Equity Share Capital of the Company from the then existing promoters in terms of the Share Purchase Agreement dated December 08, 2007 and Public Announcement dated December 09, 2007. In the open offer, which concluded on April 10, 2008, IBWSL purchased 310 shares from the general public.

(2) Basis of Preparation of financial statement

i) Statement of compliance

The financial statements have been prepared on going concern basis under the historical cost basis, in accordance with the generally accepted accounting principles in India and in compliance with the applicable accounting standards as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). All assets and liabilities have been classified as current or non-current as per the normal operating cycle and other criteria set out in the Companies Act 2013.

ii) Use of estimates

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

(3) Summary of significant accounting policies:

i) Fixed Assets Recognition /measurement

(a) Tangible Assets:

Tangible assets are stated at cost, net of tax / duty credits availed, wherever applicable, less accumulated depreciation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

(b) Intangible Assets:

Intangible assets are stated at cost, net of tax / duty credits availed, wherever applicable, less any accumulated amortisation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

(c) Capital work in progress

Cost of fixed assets under construction are disclosed under capital work-in-progress. Advances paid towards acquisition or construction of fixed assets or intangible assets is included as capital advances under long term loans and advances.

ii) Depreciation / Amortisation

- a) Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV of Companies Act, 1956 were used for charging depreciation. From the current year, schedule XIV has been replaced by Schedule II of Companies Act, 2013. Schedule II of Companies Act, 2013 prescribed the useful lives of fixed asset which, in many cases, are different from lives prescribed under Schedule XIV.

Depreciation on fixed assets is provided on the straight-line method, computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013, on a pro-rata basis from the date the asset is ready to put to use subject to transitional provisions of Schedule II.

Notes to Financial Statements (contd.)

- b) Intangible assets are amortized over the expected useful life from the date the assets are available for use, as mentioned below:

Description of asset : Estimated life

Computer softwares 4 years

iii) Impairment of Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or 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 reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

iv) Investments

Investments are classified as non-current or current investments, based on management's intention. Investments that are readily realizable and intended to be held not more than a year are classified as current investments. All other investments are classified as non-current investments.

Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost less provision for diminution in their value, other than temporary, if made in the financial statements.

v) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized :

- a) Revenue from sale of goods/value added construction material is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. The company collects all relevant applicable taxes etc. on behalf of the Statutory Authorities and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.
- b) Revenue from equipment hiring services (including relevant manpower and supervision) is recognised when services is performed ,usually on a time proportion basis as per the terms of the contract. The Company collects applicable taxes on behalf of Statutory Authorities and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.
- c) Revenue from Facility Maintenance Services and other related activities are recognised pro-rata over the period of contract as and when services are rendered. The Company collects applicable taxes on behalf of Statutory Authorities and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.
- d) Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.
- e) Dividend income on equity shares is recognized when the right to receive the dividend is unconditionally established.
- f) Profit on sale of investments is recognized on the date of the transaction of sale and is computed as excess of sale proceeds over its carrying amount as at the date of sale.

vi) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Cost of inventories is determined using the weighted average cost method and includes purchase price, and all direct costs incurred in bringing the inventories to their present location and condition.

Notes to Financial Statements (contd.)

vii) Foreign Currency Transactions

a) Initial Recognition

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

b) Conversion

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

c) Exchange Rate Differences

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise except those arising from investments in non-integral operations.

Exchange differences arising on monetary items that in substance forms part of the Company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognized in the statement of profit and loss.

ix) Taxes on Income

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred tax resulting from timing differences between taxable income and accounting income is accounted for at the current rate of tax/substantively enacted tax rates as at reporting date, to the extent that the timing differences are expected to crystallize.

Deferred Tax Assets are recognised where realisation is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognised only if there is a virtual certainty of realisation backed by convincing evidence that such deferred tax assets will be realized. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each reporting date.

x) Deferred Employee Stock Compensation Cost

Stock based compensation expense are recognized in accordance with the guidance note on 'Accounting for employee share based payments' issued by the Institute of Chartered Accountants of India ('ICAI'), which establishes financial accounting and reporting principles for employee share based payment plans. Employee stock compensation costs are measured based on intrinsic value of the stock options on the grant date. The compensation expense is amortized over the vesting period of the options.

xi) Leases

Lease payments under operating leases are recognised as expense in the Statement of Profit and Loss over the lease term.

xii) Employee benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered. The Company's contribution to Employee Provident Fund and Employee State Insurance Schemes (defined contribution schemes) is charged to the Statement of Profit and Loss.

Notes to Financial Statements (contd.)

Post employment and other long term employee benefits for its eligible employees are recognized as an expense in the Statement of Profit and Loss, for the year in which the employee has rendered services. The Company has unfunded defined benefit plans, namely compensated absences and gratuity the liability for which is determined on the basis of actuarial valuation, conducted on annual basis, by an independent actuary, in accordance with Accounting Standard 15 (Revised 2005) – “Employee Benefits” the expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains or losses are recognized in the Statement of Profit and Loss as income or expenses.

xiii) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for:

- a) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or,
- b) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

xiv) Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets in accordance with notified Accounting Standard 16 “Borrowing costs”. A qualifying asset is one that necessarily takes 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.

xv) Earnings Per Equity Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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.

xvi) Share issue Expenses

Share issue expenses are adjusted against securities premium account to the extent of balance available and thereafter, the balance portion is charged off to the Statement of Profit and Loss, as incurred.

xvii) Segment Reporting

The company identifies primary based on the dominant sources, nature of risk & returns and internal organisation and management structure. The operating segments are the segments for which the separate financial information is available and for which operating profit /loss amount are evaluated regularly by the executive management in performance assessment and decision making with regard to resource allocation.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of Financial information as disclosed in Significant Accounting above.

xviii) Preliminary expenses

Preliminary expenses are adjusted against securities premium account (net of tax) to the extent of balance available and thereafter, the balance portion is charged off to the statement of profit and loss, as incurred.

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

(4) Share Capital	As at March 31, 2015		As at March 31, 2014	
	Number of Shares	Amount (₹)	Number of Shares	Amount (₹)
Authorised				
Equity Shares of face value ₹10 each	28,000,000	280,000,000	28,000,000	280,000,000
Preference Shares of face value ₹10 each	4,000,000	40,000,000	4,000,000	40,000,000
		320,000,000		320,000,000
Issued, subscribed and fully paid up shares				
Equity Shares of face value of ₹ 10 each fully paid up	27,600,000	276,000,000	23,200,000	232,000,000
9% Redeemable, Non-Cumulative, Non-Convertible Preference Shares of face value of ₹10 each fully paid up	2,973,450	29,734,500	2,973,450	29,734,500
Total Issued, subscribed and fully paid up share Capital		305,734,500		261,734,500

a. Reconciliation of the number of Shares and amount outstanding at the beginning and at the end of the year
Equity Shares

Particulars	Number of Shares	Amount (₹)	Number of Shares	Amount (₹)
At the beginning of the year	23,200,000	232,000,000	23,200,000	232,000,000
Issued during the year against payment received in cash	4,400,000	44,000,000	—	—
Outstanding at the end of the year	27,600,000	276,000,000	23,200,000	232,000,000

Preference Shares

Particulars	Number of Shares	Amount (₹)	Number of Shares	Amount (₹)
At the beginning of the year	2,973,450	29,734,500	2,973,450	29,734,500
Issued during the year	—	—	—	—
Redemption during the year	—	—	—	—
Outstanding at the end of the year	2,973,450	29,734,500	2,973,450	29,734,500

b. Equity Shares Issued during the year

During the current year, the Company has issued and allotted of 44,00,000 equity share of face value ₹10 each of the Company to Indiabulls Wholesale Services Limited, the Holding Company, on preferential allotment basis at an issue price of ₹30.50 per equity share.

c. Rights, preferences and restrictions attached to Equity/Preference Shares

The company has only one class of equity shares having a face value of ₹ 10 (Rupees Ten) per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to received remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. In the event of distributing dividends by the company and winding up, the preference shareholders will be preferred over the equity shareholders. The holders of preference shares are entitled to receive dividends, but they do not have any voting rights except for in the conditions mentioned in the Companies Act 2013 to the extent applicable. All shares rank equally with regard to the Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

d. Details of shareholder holding more than 5% share capital :

Name the of Shareholders	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	Amount (₹)	No. of Shares held	Amount (₹)
(i) Indiabulls Wholesale Services Limited, the Holding Company				
Equity Shares of face value ₹ 10 each	20,383,310	203,833,100	15,983,310	159,833,100
Preference Shares of face value ₹ 10 each	1,979,500	19,795,000	1,979,500	19,795,000
(ii) Albasta Wholesale Services Limited (formerly known as Albasta Power Limited), the Fellow Subsidiary Company				
Preference Shares of face value ₹ 10 each	993,950	9,939,500	993,950	9,939,500

(iii) Shares reserved for issue under options

There are no shares reserved under options as at 31st March, 2015 (Refer note-29)

	As at March 31, 2015 Amount (₹)	As at March 31, 2014 Amount (₹)
(5) Reserves and Surplus		
Securities Premium Account		
Balance at the beginning of the year	3,714,535,195	3,714,535,195
Add: Additions during the year	90,200,000	—
	<u>3,804,735,195</u>	<u>3,714,535,195</u>
Surplus/(Deficit) as per Statement of Profit and Loss		
Balance as at the beginning of the year	(2,768,254,470)	(3,116,831,977)
Add: Adjustment due to depreciation*	(704,959)	—
Add: Profit for the year	232,431,816	351,708,417
	<u>(2,536,527,613)</u>	<u>(2,765,123,560)</u>
* Impact of transitional provision provided in Note 7(b) of Schedule II of Companies Act 2013. (Refer note-12)		
Less: Appropriations		
Proposed dividend on preference shares	2,676,105	2,676,105
Corporate dividend tax thereon	535,064	3,211,169
	<u>3,211,169</u>	<u>454,805</u>
Balance as at the end of the year	<u>(2,539,738,782)</u>	<u>(2,768,254,470)</u>
Total of Reserves and Surplus	<u><u>1,264,996,413</u></u>	<u><u>946,280,725</u></u>

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

	As at March 31, 2015 Amount (₹)	As at March 31, 2014 Amount (₹)
(6) Money received against Share Warrants		
Share Warrants		
Balance at the beginning of the year	33,550,000	33,550,000
Less: converted into paid up equity shares	(33,550,000)	—
Total of Money received against share warrants	—	33,550,000

Exercise of Shares Warrants

During the year, the Company has issued and allotted 44,00,000 (Forty Four Lac) Equity Shares of face value ₹ 10/- each, upon exercise of equivalent number of warrants at an exercise price of ₹30.50 per share by Indiabulls Wholesale Services Limited (Holding Company). The 25% advance received towards subscription of Share warrants has been adjusted on exercise of the referred warrants.

(7) Long-term borrowings

Secured borrowings

Term Loans

From banks	386,999,447	157,660,363
Less- current maturities of long term borrowings	(139,699,678)	(44,074,708)
From others	235,238,852	38,216,190
Less- current maturities of long term borrowings	(96,428,968)	(21,406,256)
	386,109,653	130,395,589

Unsecured borrowings

Loans from related parties	270,000,000	—
Total of Long-term borrowings	656,109,653	130,395,589

Repayment terms (including current maturities) and security details of Secured borrowings:

Particulars	Loan outstanding	Rate of interest (PA)	Repayment terms	Nature of security
SREI Equipment Finance Private Limited	16,809,928 38,216,190*	12.00%	35 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed and corporate guarantee given by holding company Indiabulls Wholesale Services Limited
Kotak Mahindra Bank Limited	54,178,023 76,317,254*	12% to 12.91%	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed
ICICI Bank Limited	85,165,105 81,343,109*	10.92% to 12.23%	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed and corporate guarantee given by holding company Indiabulls Wholesale Services Limited
HDFC Bank Limited	155,202,624 Nil*	11.50%	35 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	Loan outstanding	Rate of interest (PA)	Repayment terms	Nature of security
Axis Bank Limited	92,453,695 <i>Nil*</i>	11.50%	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed and corporate guarantee given by holding company Indiabulls Wholesale Services Limited
Reliance Capital Limited	218,428,924 <i>Nil*</i>	12.75%	35 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets financed and corporate guarantee given by holding company Indiabulls Wholesale Services Limited
TOTAL	622,238,299 195,876,553*			

Repayment terms of unsecured borrowings:

Name of the lending company	Loan outstanding	Rate of interest(PA)	Repayment terms
Indiabulls Wholesale Services Limited	174,600,000 <i>Nil*</i>	9%	4 years from the date of first disbursement
Albasta Wholesale Services Limited	95,400,000 <i>Nil*</i>	9%	8 years from the date of first disbursement
TOTAL	270,000,000 Nil*		

* Figures in respect of previous year are stated in Italics.

	As at March 31, 2015 Amount (₹)	As at March 31, 2014 Amount (₹)
(8) Long- term provisions		
Provision for Gratuity (Refer note-28)	4,890,603	2,305,589
Provision for Compensated Absences (Refer note-28)	2,075,624	1,146,086
Total of Long-term provisions	6,966,227	3,451,675
(9) Trade payables		
Dues to Micro and Small Enterprises *	—	—
Dues to others	260,111,471	295,726,707
Total of Trade payables	260,111,471	295,726,707

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at March 31, 2015 and 2014:

Particulars	Amount (₹)
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil
iii) 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 this Act;	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil
v) 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.	Nil

The above information regarding micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at March 31, 2015 Amount (₹)	As at March 31, 2014 Amount (₹)
(10) Other current liabilities		
Current maturities of long -term borrowings - Secured		
– from banks	139,699,678	44,074,708
– from others	96,428,968	21,406,256
Interest accrued but not due on borrowings	11,332,220	1,320,029
Advance from Customers	4,619,317	3,480,961
Payable to Statutory Authorities	5,509,371	8,268,797
Expenses payable	43,720,517	50,241,216
Other liabilities	16,920,370	9,421,498
Total of Other current liabilities	318,230,441	138,213,465
(11) Short- term provisions		
Provision for Gratuity (Refer note-28)	112,612	32,631
Provision for Compensated Absences (Refer note-28)	84,287	36,016
Proposed dividend on Preference shares	2,676,105	2,676,105
Corporate dividend tax on proposed dividend on Preference shares	535,064	454,805
Total of Short-term provisions	3,408,068	3,199,557

Notes to Financial Statements (contd.)

(12) Fixed Assets

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION			NET BLOCK		
	As at April 1, 2014	Additions during the year	Adjustments/ Sales during the Year	As at March 31, 2015	As at April 1, 2014	Depreciation during the year	Sales/ write off during the year	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
A. Tangible Assets										
Land -Leasehold	–	6,176,000	–	6,176,000	–	129,211	–	129,211	6,046,789	–
Plant & Equipment	1,281,628,459	452,940,291	15,206,326	1,719,362,424	120,496,024	98,866,042	1,824,156	217,537,910	1,501,824,514	1,161,132,435
Furniture & Fixtures	204,422,519	255,600	–	204,678,119	91,154,035	20,148,902	–	111,302,937	93,375,182	113,268,484
Vehicles	55,094,317	45,262	2,030,739	53,108,840	15,609,285	5,938,254	419,668	21,127,871	31,980,969	39,485,032
Computers	68,413,822	212,625	–	68,626,447	66,657,440	1,154,197	–	67,811,637	814,810	1,756,382
Office Equipment	1,621,708	1,150,960	–	2,772,668	203,591	424,411	–	628,002	2,144,666	1,418,117
Temporary Building	–	251,483	–	251,483	–	167,656	–	167,656	83,827	–
TOTAL (A)	1,611,180,825	461,032,221	17,237,065	2,054,975,981	294,120,375	126,828,673	2,243,824	418,705,224	1,636,270,757	1,317,060,450
B. Intangible Assets										
Computer Softwares	96,113,521	88,200	–	96,201,721	96,113,521	13,532	–	96,127,053	74,668	–
TOTAL (B)	96,113,521	88,200	–	96,201,721	96,113,521	13,532	–	96,127,053	74,668	–
TOTAL (A+B)	1,707,294,346	461,120,421	17,237,065	2,151,177,702	390,233,896	126,842,205	2,243,824	514,832,277	1,636,345,425	1,317,060,450
Previous Year	1,045,398,910	754,779,160	92,883,724	1,707,294,346	361,774,312	77,785,008	50,030,382	389,528,938	1,317,765,408	

Notes:-

* Effective from April 01, 2014, the Company has started providing depreciation based on the revised useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013. Due to this, depreciation charge for the year ended March 31, 2015, is higher by ₹ 36,489,136. Further, based on transitional provision provided in Note 7 (b) of Schedule II of the Companies Act, 2013, the carrying value of assets amounting to ₹704,959 which has completed its useful life as on April 01, 2014 has been added to the opening balance of statement of profit and loss account as on that date.

	As at March 31, 2015 Amount (₹)	As at March 31, 2014 Amount (₹)
(13) Long- term loans and advances		
(Unsecured, considered good)		
(a) Capital Advances	2,386,549	13,094,630
(b) Security Deposits		
Considered Good	429,466,525	2,198,525
Considered Doubtful	155,530,001	155,530,001
Less: Provision for Doubtful Deposits	(155,530,001)	–
Total of Long- term loans and advances	431,853,074	15,293,155
(14) Other non-current assets		
Other Bank Balances		
In fixed deposit accounts with original maturity of more than 12 months (refer note-17*)	200,000	125,000
Total of Other non-current assets	200,000	125,000

*Bank Guarantees of ₹ 200,000 (Previous Year ₹ 125,000) issued in favour of VAT Authorities, Secured by way of pledge of Fixed Deposits for ₹ 200,000 (Previous Year ₹ 125,000).

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

	As at March 31, 2015 Amount (₹)	As at March 31, 2014 Amount (₹)
(15) Inventories		
(Valued at cost or net realizable value, whichever is lower)		
Store and spares	3,865,111	1,716,768
Total of Inventories	3,865,111	1,716,768

Details of Inventory

(Amount in ₹)

Particulars	Store and spares	Raw Materials	Others	Total
Opening Stock	1,716,768	—	—	1,716,768
	8,348,214*	254,558*	1,281,172*	8,602,772*
Purchases of stock in Trade/ Issued to Consumption (net of returns and applicable taxes)	9,040,461	—	5,214,622	9,040,461
	24,441,136*	6,718,917*	4,856,208*	31,160,053*
Cost of Sales/ Consumption / Written Off	6,892,118	—	5,214,622	6,892,118
	31,072,582*	6,973,475*	6,137,380*	38,046,057*
Closing Stock	3,865,111	—	—	3,865,111
	1,716,768*	—	—	1,716,768*

The Company purchased various types of consumables and materials. Inventory has been furnished only in respect of major items namely Store & Spares and Raw materials and Trading goods.

*Figures in respect of previous year are stated in Italics and have been regrouped wherever necessary.

	As at March 31, 2015 Amount (₹)	As at March 31, 2014 Amount (₹)
(16) Trade receivables		
(Considered good, unsecured)		
Receivables outstanding for a period exceeding six months	45,690,039	28,278,812
Other receivables	540,361,336	283,337,097
Total of Trade Receivables	586,051,375	311,615,909

(17) Cash and bank balances **Cash and cash equivalents**

Cash on hand	270,239	49,601
Balances with banks		
— in current accounts	28,956,441	20,161,430
	29,226,680	20,211,031

Other bank balances

— in fixed deposit accounts (Refer note-27)				
With maturity upto twelve months	1,538,320		4,588,320	
With maturity of more than twelve months	200,000	1,738,320	125,000	4,713,320
Less: non-current bank balances in fixed deposit accounts (Refer note-14)		(200,000)		(125,000)
Total of Cash and bank balances		30,765,000		24,799,351

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

	As at March 31, 2015 Amount (₹)	As at March 31, 2014 Amount (₹)
(18) Short- term loans and advances		
Security Deposits	—	2,500,000
Advances recoverable in cash or in kind or for value to be received		
Unsecured, considered good	59,438,213	76,962,483
Considered doubtful	136,928,150	136,928,150
Less: Provision for doubtful advances	136,928,150	—
Advance income tax/ tax deducted at source, net of provision for tax	66,975,908	61,682,853
Total of Short-term loans and advances	126,414,121	141,145,336
(19) Other current assets		
Interest accrued on fixed deposits accounts	62,667	91,291
Total of Other current assets	62,667	91,291
	For the year ended March 31, 2015 Amount (₹)	For the year ended March 31, 2014 Amount (₹)
(20) Revenue from Operations		
Income from Facility Maintenance Services and other related activities	736,973,019	670,320,461
Income from Equipment Hiring Services	532,979,187	423,140,622
Sale of Trading Goods	52,094,673	48,674,890
Sale of Construction Related Materials	—	3,182,694
Income from Tour and Travel Services	40,268	23,059,357
Income from Job works	21,595,466	9,917,754
Total of Revenue from Operations	1,343,682,613	1,178,295,778
(21) Other Income		
Dividend on Units of Mutual Funds	1,826,356	1,146,063
Liabilities written back	61,540	38,764,328
Interest Income		
— From fixed deposits accounts	170,883	872,980
— Others	—	1,673,773
— Income Tax Refund	170,883	1,417,831
Foreign Exchange Gain - Unrealized	—	574,559
Miscellaneous Income	704,377	58,603
Total of Other Income	2,763,156	44,508,137

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

	For the year ended March 31, 2015 Amount (₹)	For the year ended March 31, 2014 Amount (₹)
(22) Cost of Materials Consumed (Refer note-15)		
Opening Stock	—	254,558
Add- Purchase during the year	—	6,718,917
Less- Closing Stock	—	—
Total of Cost of Materials Consumed	—	6,973,475
(23) Purchases of Stock-in- trade (Refer note-15)		
Purchase of Trading Goods	5,214,622	4,856,208
Total of Purchases of Stock- in- trade	5,214,622	4,856,208
(24) Employee Benefit Expenses		
Salaries and Wages	87,073,243	75,133,837
Contribution to Provident Funds and Other Funds	233,852	237,065
Gratuity Expenses	2,837,851	1,067,363
Compensated Absences Benefits	997,714	655,161
Staff Welfare Expenses	835,574	983,447
Total of Employee Benefit Expenses	91,978,234	78,076,873
(25) Finance Costs		
Interest expenses on borrowings	61,891,810	22,950,442
Other borrowing costs	393,096	1,007,951
Interest expenses on taxation	105,720	2,246
Total of Finance Costs	62,390,626	23,960,639
(26) Other Expenses		
Consumables	16,455,766	23,967,974
Transportation Charges	5,511,899	3,887,047
Labour Charges	125,657,992	85,955,173
Tour and Travel Services	141,306	22,818,199
Repairs and Maintenance		
— Buildings	6,184,735	6,648,532
— Plant and Machinery	24,889,579	14,231,321
— Others	5,068,580	7,117,307
Façade Cleaning	6,225,571	11,222,908
Lift Operating & Management Charges	58,978,714	48,743,957
Gardening and Maintenance	2,899,275	3,699,904
Common Area Electricity & Water Charges	23,029,865	26,137,304
Security Charges	51,703,959	48,461,287

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

	For the year ended March 31, 2015 Amount (₹)	For the year ended March 31, 2014 Amount (₹)
Property Management and Assets		
Maintenance Expenses	420,388,100	212,587,133
Rent Expenses (Including Lease Rent) (Refer note-35)	13,421,677	6,908,923
Rates and Taxes	4,264,155	4,655,896
Insurance	4,085,295	3,741,621
Legal and Professional Charges	8,015,264	20,494,138
Sundry Balance written off	—	2,623,462
Communication Expenses	1,064,875	590,846
Travelling and Conveyance	32,800,598	1,611,085
Auditors' Remuneration	2,000,000	2,000,000
Printing and Stationery	804,943	1,161,743
Advertisement and Sales Promotion	250,454	129,197
Loss on Sale/Disposal of Fixed Assets	5,741,574	42,150,696
Provision for Debts and Advances	—	74,672,131
Office Expenses	1,026,158	1,133,675
Corporate Social Responsibility Expenses (Refer note-36)	5,975,391	—
Foreign Exchange Loss - Realized	576,513	193,406
Miscellaneous Expenses	226,675	179,149
Total of Other Expenses	827,388,913	677,724,014

(27) Contingent liabilities and Commitments:

Contingent liabilities:

- Bank Guarantees:
*Bank Guarantees of ₹ 200,000 (Previous Year ₹ 125,000) issued in favour of VAT Authorities, Secured by way of pledge of Fixed Deposits for ₹ 200,000 (Previous Year ₹ 125,000).
- Claims (Excluding interest) against the Company not acknowledged as debts: ₹ 5,353,400 (Previous Year: ₹ 4,515,200).
- Contingent liabilities in respect of income-tax demands for which appeals have been filed ₹ 23,324,915 (previous year : ₹ 8,280,195)
- There are legal cases against the Company in the ordinary course of business. Management has evaluated the same and depending upon the facts and after due evaluation of legal aspects of each case, adequate amounts have been provided in respect of the claims made against the Company under these cases. Company does not expect any further liability and these litigations /lawsuits and claims may, individually or in aggregate, will not have any material adverse effect on the financial position of the Company.

Commitments:

- Estimated amount of Contracts remaining to be executed on capital account (net of advances) ₹ 8,690,608 (Previous Year ₹ 27,197,289).

(28) Employee benefits (non funded)

Gratuity

In accordance with "The Payment of Gratuity Act, 1972", the Company provides for gratuity a defined benefit retirement plan (the "Gratuity Plan") covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment. The amount of payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation and this plan is unfunded. The Company had charged ₹ 2,837,851 (previous year Charge ₹ 1,067, 363) during the year ended March 31, 2015 and the amount outstanding as at March 31, 2015 is ₹ 5,003,216 (previous year ₹ 2,338,220).

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Compensated Absences

Eligible employees are entitled to accumulate compensated absences up to prescribed limits in accordance with the Company's policy and receive cash in lieu thereof. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date. Such measurement is based on actuarial valuation as at balance sheet date carried out by a qualified actuary. The Company had charged ₹ 997,714 (previous year charge ₹ 655,161) during the year ended March 31, 2015 and the amount outstanding as at March 31, 2015 is ₹ 2,159,911 (previous year ₹1,182,102).

The components of gratuity & compensated absences cost recognized, in accordance with AS-15 (Revised) on "Employee benefits", for the years ended March 31, 2015 and March 31, 2014 are enumerated as below:

Particulars	Gratuity		Compensated Absences	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Service cost	1,226,839	833,928	620,909	468,958
Interest cost	198,749	163,341	100,479	81,762
Benefits paid	—	—	—	—
Actuarial (gain)/loss, net	1,412,263	70,094	276,326	104,441
Cost recognized during the year	2,837,851	1,067,363	997,714	655,161

Details of the employee benefits obligation are provided below:

Particulars	Gratuity		Compensated Absences	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Obligation at the beginning of the year	2,338,220	2,041,762	1,182,102	1,022,023
Cost recognized during the year	2,837,851	1,067,363	997,714	655,161
Benefits paid during the year	(172,856)	(770,905)	(19,905)	(495,082)
Obligation at the end of the year	5,003,215	2,338,220	2,159,911	1,182,102

The assumptions used to determine cost include:

Particulars	For the year ended 31-Mar-15	For the year ended 31-Mar-14
Discount rate	7.75%	8.50%
Salary escalation rate	5.00%	5.00%
Mortality Table	IALM (2006-08)	IALM (2006-08)

(29) Employees Stock Options Schemes(ESOS):

Employees' Stock Option Schemes of the Company:

i. Store One Retail India Limited Employees Stock Option Scheme - 2009

The Shareholders vide postal ballot passed a special resolution on February 9, 2009 for issue of 1,500,000 (One Million five hundred thousands) shares towards issue of Employee Stock Option Scheme -2009 in supersession of Resolution passed on May 12, 2008 for ESOP -2008 .

The Compensation Committee, constituted by the Board of Directors of the Company, at its meeting held on June 05, 2009, granted, under the "Indiabulls Retail Services Limited Employees Stock Option Scheme – 2009", 1,500,000 (One Million five hundred thousands) stock options representing an equal number of Equity shares of face value ₹ 10 each in the Company, to the eligible employees, at an exercise price of ₹ 30.45 per option, being the latest available closing market price on the National Stock Exchange of India Limited, as on June 04, 2009. The stock options so granted, shall vest in the eligible employees within 10 years beginning from June 06, 2010, the first vesting date. The stock options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.

Pursuant to the shareholders' authorization dated September 30, 2009 and receipt of fresh certificate of

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

incorporation dated October 6, 2009, the name of the Company has been changed from Indiabulls Retail Services Limited to Store One Retail India Limited. Accordingly, the title of the Scheme stands changed from Indiabulls Retail Services Limited Employees Stock Option Scheme – 2009 to 'Store One Retail India Limited Employees Stock Option Scheme - 2009.

The Company follows the intrinsic value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share based Payments ("Guidance Note") issued by the Institute of Chartered Accountants of India. Since, on the date of grant, the intrinsic value of the options granted was equal to the exercise price, no compensation expense in respect of the options granted was recorded by the Company.

The Fair value of the options under the plan using the Black-Scholes model based on the following parameters is ₹ Nil per option, as calculated by an independent firm of Chartered Accountants:

Sr. No.	Particulars	ESOP – 2009
1	Expected volatility	206%
2	Expected forfeiture percentage on each vesting date	Nil
3	Option Life (Weighted Average)	10.5 Years
4	Expected Dividends yield	Nil
5	Risk Free Interest rate	6.50%

Had the company followed the fair value method, there would not have been any impact on profit after tax and on basic and diluted earning per share of the company.

Employee stock options details as on the balance sheet date are as follows:

Particulars	2014-15 No. of shares	2013-14 No. of shares
Total number of option under Scheme	1,500,000	1,500,000
Number of options outstanding as at beginning of the year	150,000	345,000
Number of options granted during the year	Nil	Nil
Number of options vested during the year	Nil	Nil
Number of options exercised during the year	Nil	Nil
Number of options forfeited/cancelled during the year	150,000	195,000
Number of options lapsed during the year	Nil	Nil
Number of options outstanding as at end of the year	–	150,000
Out of the outstanding option number of options exercisable as at end of the year	–	60,000
Number of options available for grant as at end of the year	1,500,000	1,500,000
Exercise Price (₹ per option)	30.45	30.45
Remaining Contractual Life for options outstanding as at end of the year (months)	–	74

iii. Store One Retail India Limited Employees' Stock Options Scheme – 2009 (II)

Members of the Company in their annual general meeting held on September 30, 2009 have approved by way of special resolution the "Indiabulls Retail Services Employees Stock Option Scheme - 2009 (II) ("IBRSL ESOS - 2009") covering 3,000,000 (Three Millions) equity settled options for eligible employees of the Company, its subsidiaries, its fellow subsidiaries and Holding Company.

The options to be granted, under the above scheme representing an equal number of Equity shares of face value ₹ 10 each in the Company, to the eligible employees, will be granted at an exercise price which will be equal to latest available closing market price on the National Stock Exchange of India Limited, on the date of grant . The stock options so granted, shall vest in the eligible employees within 10 years beginning from their respective dates of grants . The stock options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Pursuant to the shareholders' authorization dated September 30, 2009 and receipt of fresh certificate of incorporation dated October 6, 2009, the name of the Company has been changed from Indiabulls Retail Services Limited to Store One Retail India Limited. Accordingly, the title of the Scheme stands changed from Indiabulls Retail Services Limited Employees Stock Option Scheme – 2009(II) to 'Store One Retail India Limited Employees Stock Option Scheme - 2009(II).

The Company follows the intrinsic value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share based Payments ("Guidance Note") issued by the Institute of Chartered Accountants of India. Since no options have been granted therefore there is no compensation expense which need to be recognised by the Company.

Other disclosures as to proforma effect had the fair value method been followed and other related disclosure is not applicable as no options have been granted.

(30) Segment Reporting:

Segment information for the Year ended March 31, 2015; as per Accounting Standard AS-17, Segment Reporting.

(a) Primary segment information (by business segments)

Particulars	Facility Maintenance and other related activities		Equipment Hiring Services		Total	
	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2015	Year ended March 31, 2014
(i) Segment Revenue						
External Revenue	736,973,019	670,320,460	532,979,188	423,140,621	1,269,952,206	1,093,461,081
Unallocated Revenue (refer note b)					73,730,407	84,834,697
Inter-Segment Revenue	–	–	–	–	–	–
Total Revenue	736,973,019	670,320,460	532,979,188	423,140,621	1,343,682,613	1,178,295,778
(ii) Segment Result						
Segment -Profit/(Loss)	137,527,979	223,310,268	178,264,439	262,605,958	315,792,418	485,916,226
Less: Unallocated expenditure net of other unallocated income					(20,770,623)	(109,809,061)
Net Profit before Interest and Tax					295,021,794	376,107,166
Less: Interest expenditure					(62,390,624)	(23,960,639)
Less: Income taxes and Deferred tax					(199,353)	(438,109)
Total Net Profit After tax					232,431,816	351,708,417
(iii) Segment Assets						
Unallocated Corporate Assets	718,581,151	150,820,171	1,872,517,421	1,397,137,478	2,591,098,572	1,547,957,649
Total Assets					224,458,201	264,594,569
Segment Liabilities					2,815,556,772	1,812,552,218
Unallocated Corporate Liabilities	122,236,123	147,128,048	54,210,487	25,361,135	176,446,610	172,489,183
Total Liabilities					1,068,379,249	398,497,809
Capital Employed (Segment Assets-Segment Liabilities)					1,244,825,859	570,986,993
					1,570,730,913	1,241,565,225
(iv) Capital Expenditure						
Unallocated Capital Expenditure	1,418,167	658,691	459,696,054	753,912,585	461,114,221	754,571,276
Total Capital Expenditure					6,200	207,884
					461,120,421	754,779,160
(v) Depreciation and amortization expense						
Unallocated Depreciation	2,181,282	854,518	100,240,524	51,107,600	102,421,806	51,962,118
Total Depreciation and amortization expense					24,420,400	25,822,890
					126,842,205	77,785,008
(vi) Non-Cash expenditure other than depreciation						
Unallocated Non-Cash expenditure other than depreciation	–	–	–	–	–	–
Total Non-Cash Expenditure other than depreciation					9,577,139	121,168,813
					9,577,139	121,168,813

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

- b) The group's primary business segments are reflected based on principal business activities carried on by the Company. The Company operates in two reportable business segments i.e. Facility Maintenance Services and other related parties and Equipment Hiring Services. Other non-reportable segments including wholesale trading, construction related materials & services and tour & travel services have been shown under unallocated.
- c) The Company operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.
- d) Revenues and expenses directly attributable to segments are reported under each reportable segment. All other revenue and expenses which are not attributable or allocable to segments have been disclosed as unallocable revenue and expenses respectively. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

(31) Disclosures in respect of Related Parties as per Accounting Standard, AS-18, 'Related Parties Disclosures' as notified by the Companies (Accounting Standards) Rules, 2006, as amended:

a) Name and Nature of Relationship with related parties:

Relationship	Name of Related parties
i) Related Party where control exist	
Holding Company	Indiabulls Wholesale Services Limited
ii) Other related parties:	
Fellow Subsidiary Company*	Albasta Wholesale Services Limited (formerly known as Albasta Power Limited)
	Indiabulls Technology Solutions Limited (till July 18, 2014)
	Airmid Aviation Services Limited (from December 23, 2014)

* With whom transactions entered during the year

(b) Summary of significant transactions with related parties

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Issue of Equity Shares (Refer note-5 & 6)		
Holding Company:		
– Indiabulls Wholesale Services Limited		
Paid up value of shares allotted	44,000,000	–
Securities Premium	90,200,000	–
Proposed Dividend on Preference Shares		
Holding Company:		
– Indiabulls Wholesale Services Limited	1,781,550	1,781,550
Fellow Subsidiary Company:		
– Albasta Wholesale Services Limited (formerly known as Albasta Power Limited)	894,555	894,555
Inter corporate deposit Taken /(Repaid), Net		
Holding Company:		
– Indiabulls Wholesale Services Limited	174,600,000	–
Fellow Subsidiary Company:		
– Albasta Wholesale Services Limited (formerly known as Albasta Power Limited)	95,400,000	–
Interest accrued but not due on Secured long -term borrowings		
Holding Company:		
– Indiabulls Wholesale Services Limited	10,595,170	–
Fellow Subsidiary Company:		
– Albasta Wholesale Services Limited (formerly known as Albasta Power Limited)	282,279	–

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Income from Operation:		
Equipment Hiring Services		
<i>Holding Company:</i>		
— Indiabulls Wholesale Services Limited	—	20,400
<i>Fellow Subsidiary Company:</i>		
— Indiabulls Technology Solutions Limited	150,000	600,000
Tour & Travel Services		
<i>Holding Company:</i>		
— Indiabulls Wholesale Services Limited	—	397,818
<i>Fellow Subsidiary Company:</i>		
— Indiabulls Technology Solutions Limited	—	2,601,880
Other Expenses:		
Travelling Expenses		
<i>Fellow Subsidiary Company:</i>		
— Airmid Aviation Services Limited	30,934,000	—
Legal and Professional Charges		
<i>Holding Company:</i>		
— Indiabulls Wholesale Services Limited	—	5,000,000
<i>Fellow Subsidiary Company:</i>		
— Indiabulls Technology Solutions Limited	1,250,000	7,083,334

(c) **Statement of Maximum outstanding balance during the year:**

Particulars	Year ended 31-Mar-15	Year ended 31-Mar-14
Inter corporate deposit Taken		
<i>Holding Company:</i>		
— Indiabulls Wholesale Services Limited	276,400,000	—
<i>Fellow Subsidiary Company:</i>		
— Albasta Wholesale Services Limited (formerly known as Albasta Power Limited)	95,400,000	—
Short- Term Loan and Advance Given		
<i>Fellow Subsidiary Company:(Upto 18th July,2014)</i>		
— Indiabulls Technology Solutions Limited	2,500,000	2,500,000

(d) **Outstanding balances as on March 31, 2015:**

Particulars	As at 31-Mar-15	As at 31-Mar-14
Inter corporate deposit Taken		
<i>Holding Company:</i>		
— Indiabulls Wholesale Services Limited	174,600,000	—
<i>Fellow Subsidiary Company:</i>		
— Albasta Wholesale Services Limited (formerly known as Albasta Power Limited)	95,400,000	—
Total	270,000,000	—

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	As at 31-Mar-15	As at 31-Mar-14
Interest accrued but not due on Secured long -term borrowings		
<i>Holding Company:</i>		
– Indiabulls Wholesale Services Limited	9,535,653	–
<i>Fellow Subsidiary Company:</i>		
– Albasta Wholesale Services Limited (formerly known as Albasta Power Limited)	254,052	–
Total	9,789,704	–
Trade Payable		
<i>Fellow Subsidiary Company:</i>		
– Airmid Aviation Services Limited	34,138,763	–
Total	34,138,763	–
Short Term Loan and Advances Given		
<i>Fellow Subsidiary Company:</i>		
– Indiabulls Technology Solutions Limited	–	2,500,000
Total	–	2,500,000

(e) Corporate Gurantee

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Corporate Gurantee given by Holding Compnay for Secured borrowings		
– Indiabulls Wholesale Services Limited	615,000,000	250,000,000

(32) Income Tax

Current Tax

The current tax for the year ended March 31, 2015 includes current year tax charge of ₹ 199,353 (Previous year ₹ 438,109).

Deferred Tax Asset

In compliance with Accounting Standard 22 (AS 22) – ‘Accounting for taxes on income’, as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), the Deferred Tax Assets on brought forward losses and unabsorbed depreciation has not been recognized as there is no virtual certainty supported by convincing evidence of the subsequent realization of such deferred tax assets in future.

(33) Earnings Per Equity Share (EPS):

The basic earnings per equity share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of equity shares and potential diluted equity shares are adjusted for stock split, bonus shares, Convertible Preference Shares, Share Warrants and the potential dilutive effect of Employee Stock Option Plan as appropriate.

Notes to Financial Statements (contd.)

(All Amounts in Indian ₹, except share data and where otherwise stated)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Profit after tax	232,431,816	351,708,417
Less:- Preference dividend including dividend tax paid	3,211,169	3,130,910
Profit after tax available for Equity Shareholders (₹)	229,220,647	348,577,507
Weighted average number of Shares used in computing Basic earnings per Equity share	27,274,521	23,200,000
Weighted average number of Shares used in computing Diluted earnings per Equity share	27,274,521	23,200,000
Face Value of Equity Shares	10	10
Basic Earnings Per Equity Share	8.40	15.02
Diluted Earnings Per Equity Share	8.40	15.02

(34) Expenditure in foreign currency

Particulars	Year ended 31-Mar-15	Year ended 31-Mar-14
Purchase of fixed assets	337,674,060	390,801,462

(35) Operating lease

The Company has taken premises on operating leases and lease rent of ₹ 12,377,011 (Previous year ₹ 6,908,923) in respect of the same has been charged to statement of profit and loss for the year ended March 31, 2015. The minimum lease rentals payable in respect of such operating leases, are as under:

Minimum lease rentals payable	As at 31-Mar-15	As at 31-Mar-14
Within one year	12,376,996	11,883,878
Later than one year but not later than five years	28,171,074	39,828,070
Later than five years	—	—
Total	40,548,070	51,711,948

(36) Corporate social responsibility expenses

Gross amount required to be spent by the company during the year: ₹ 5,975,391.

Amount spent during the year on:

Description	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	—	—	—
(ii) On purposes other than (i) above	5,975,391	—	5,975,391

(37) In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2015 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet after appropriate provision. Certain balances shown under loans and advances, sundry creditors and balances with banks are subject to confirmation/reconciliation. In the opinion of the Board of Directors, no provision is required to be made against the recoverability of such balances, other than as already provided in the financial statements.

(38) The company has not entered into any foreign exchange derivative instruments during the year. There are no outstanding foreign currency exposures as at March 31, 2015.

Notes to Financial Statements (contd.)

(39) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For **Agarwal Prakash & Co.**
Chartered Accountants

For and on behalf of board of directors

Vikas Aggarwal
Partner

Pia Johnson
Whole Time Director

Mehul Johnson
Director

Vijay Kumar Agrawal
Chief Financial Officer

Vikas Khandelwal
Company Secretary

Place: New Delhi
Date: May 4, 2015



Store One Retail India Limited, Indiabulls House, 448-451,
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