Aadhaar Wholesale Trading and Distribution Limited

2016-17

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AADHAAR WHOLESALE TRADING AND DISTRIBUTION LIMITED.

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Aadhaar Wholesale Trading and Distribution Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), loss (financial performance including other Comprehensive Income), cash flows and the changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit.

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

We conducted our audit of Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including Ind AS, of the state of affairs (Financial position) of the Company as at March 31, 2017, and its Loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

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

a) We draw attention to Note 42, wherein the Ind AS financial statements have been prepared on a going concern basis notwithstanding substantial erosion in the net worth in view of further infusion of the additional funds from its promoters/shareholders.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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"**, a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;

e) On the basis of the written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. the Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note (26) to the Ind AS financial statements;

ii. The Company does not have any material foreseeable losses on long-term contracts including derivatives contracts requiring provision under the applicable law or Ind AS.

iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in the Ind AS Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. However, we are unable to obtain sufficient and appropriate audit evidence to report on whether the disclosures are in accordance with books of account maintained by the company and as produced to us by the management – Refer Note (27)

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W/W100166

Ermin K. Irani
Partner
M. No.: 35646
Place: Mumbai
Dated: May 18, 2017

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended March 31, 2017.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016:

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

(b) As explained to us, the Company has a programme for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of examination of the records of the company, the title deeds of immovable properties are held in the name of the Company, except:

Sr. No.	**Total No. of Cases**	**Type of Assets**	**Gross Block as at March 31, 2016 (Amt (Rs.))**	**Net Block as at March 31, 2016 (Amt (Rs.))**	**Remarks**
1	1	Free Hold Land	21,474,510	21,474,510	Title of Land, bearing CTS no.43, located at Sangli, Maharashtra, India, is in the name of Sangli, Miraj & Kupwad City- Corporation

ii. In our opinion and according to the information and explanation given to us, physical verification of inventory has been conducted at regular intervals by the management and no material discrepancies were noticed on physical verification.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of sub-clause (a), (b) and (c) of paragraph 3(iii) of the Order are not applicable.

iv. In our opinion and according to the information and explanation given to us and the records examined by us, the Company has not advanced any loans or made any investments or provided any guarantees or security to the parties covered under section 185 and 186. Therefore, the provisions of Clause 3(iv) of the Order are not applicable to the company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder are not applicable.

vi. In our opinion and according to the information and explanations given to us, the maintenance of cost records under sub section (1) of Section 148 of the Act is not applicable to the Company under the Companies (Cost Record and Audit) Rules, 2014.

vii. (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues in respect of above as on last day of financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records examined by us, there are no material dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value added tax outstanding on account of any dispute except:

Name of Statute	**Amount**	**Period to which the amount relates**	**From where dispute is pending**
Income Tax Act	95,012,780/-	A.Y. 2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act	295,612,260/-	A.Y. 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act	45,722,620/-	A.Y. 2012-13	Commissioner of Income Tax (Appeals)

viii. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks, government or dues to debentures holders.

ix. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Hence, the provisions of paragraph 3(ix) of the order are not applicable.

x. During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management, no material fraud by or on the Company by its officers or employees, has been noticed or reported during the year.

xi. According to the information and explanations given to us and based on the documents and records examined by us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.

xiv. According to the information and explanation given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanation given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Hence the provision of section 192 of the Act are not applicable.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, the provisions of paragraph 3 (xvi) of the Order is not applicable.

FOR KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W/W100166

Name: Ermin K. Irani
PARTNER
M. No. 35646

Place: Mumbai
Date: May 18, 2017

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Ind AS financial statements for the year ended March 31, 2017.

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

We have audited the internal financial controls over financial reporting of **Aadhaar Wholesale Trading and Distribution Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W/W100166

Ermin K. Irani
PARTNER
M. No. 35646

Place: Mumbai
Date: May 18, 2017

AADHAAR WHOLESALE TRADING AND DISTRIBUTION LIMITED
(FORMERLY KNOWN AS AADHAAR RETAILING LIMITED)
BALANCE SHEET AS AT MARCH 31, 2017 **(In Rupees)**

Particulars	Note	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
NON-CURRENT ASSETS				
Property, Plant & Equipment	2	**63,907,406**	49,558,439	56,650,138
Capital Work-in-Progress	2	**813,377**	-	4,000
Investment Property	3	**69,673,430**	88,876,200	89,693,329
Intangible assets	4	**288,517**	270,670	394,107
Intangible Asset under Development	4	**965,490**	-	-
		135,648,220	138,705,309	146,741,574
Financial assets				
Trade receivables	5	-	-	-
Loans	6	**2,335,894**	4,463,514	2,866,905
Others	7	**461,213**	1,798,644	1,664,489
Deferred tax assets (net)	8	**-**	-	-
Other non-current assets	9	**21,105,534**	8,467,524	4,543,382
Total non-current assets		**23,902,641**	14,729,682	9,074,776
CURRENT ASSETS				
Inventories	10	**229,173,099**	92,580,816	103,522,829
Financial assets				
Trade receivables	11	**458,355,688**	137,634,097	39,794,228
Cash and cash equivalents	12	**3,090,257**	12,112,061	4,602,205
Other Bank Balances	13	**1,472,309**	-	-
Others	14	**63,378,372**	451,698	302,571
Other current assets	15	**67,044,137**	77,474,060	49,859,264
Total current assets		**822,513,862**	320,252,732	198,081,097
TOTAL ASSETS		**982,064,723**	473,687,723	353,897,447
EQUITY AND LIABILITIES				
EQUITY				
Equity Share capital	16	**434,000,000**	404,000,000	404,000,000
Other Equity	17	**(336,051,471)**	(373,705,937)	(322,475,650)
Total Equity		**97,948,529**	30,294,063	81,524,350
LIABILITIES				
NON-CURRENT LIABILITIES				
Financial Liability				
Others	18	**209,700**	5,013,646	5,246,704
Provisions	19	**3,227,856**	806,239	803,857
Other Non-Current liabilities	20	**-**	587,891	791,685
Total non-current liabilities		**3,437,556**	6,407,776	6,842,246
CURRENT LIABILITIES				
Financial Liability				
Borrowings	21	**469,631,581**	212,327,301	46,500,000
Trade payables	22	**325,426,167**	186,460,183	194,378,868
Others	23	**73,459,322**	31,358,844	21,809,291
Other current liabilities	24	**12,032,105**	6,570,810	2,595,743
Provisions	25	**129,462**	268,746	246,949
Total current liabilities		**880,678,637**	436,985,884	265,530,851
TOTAL EQUITY AND LIABILITIES		**982,064,723**	473,687,723	353,897,447

The accompanying notes form an integral part of financial statements.

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration No. 104607W/W100166

For and on behalf of the Board

Narendra Baheti
Director
DIN 00057255

Reenah Joseph
Director
DIN 07590224

ERMIN K. IRANI
PARTNER
Membership No.: 35646
Place : Mumbai
Dated : May 18, 2017

Ashish A. Giniwala
Company Secretary
ICSI Membership No.A41408

Satish Sharma
Chief Financial Officer

AADHAAR WHOLESALE TRADING AND DISTRIBUTION LIMITED
(FORMERLY KNOWN AS AADHAAR RETAILING LIMITED)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Note	For the year ended March 31, 2017	For the year ended March 31, 2016
INCOME			
Revenue from Operations	28	**3,107,316,057**	1,912,548,955
Other Income	29	**22,437,434**	2,528,937
TOTAL INCOME		**3,129,753,491**	**1,915,077,892**
EXPENSES			
Purchases of Stock in Trade		**3,039,730,010**	1,762,996,407
Changes in inventory of Stock in Trade	30	**(136,592,283)**	10,942,013
Employee benefits expense	31	**92,959,505**	71,807,732
Finance costs	32	**45,525,106**	18,784,172
Depreciation and amortisation expense	2, 3 & 4	**19,932,982**	19,000,366
Other expenses	33	**153,610,032**	84,365,148
TOTAL EXPENSES		**3,215,165,352**	**1,967,895,837**
(Loss) Before Tax		**(85,411,861)**	**(52,817,945)**
Tax Expense:			
Current tax		**-**	-
Deferred tax		**-**	-
(Loss) For the Year		**(85,411,861)**	**(52,817,945)**
OTHER COMPREHENSIVE INCOME/(LOSS)			
A **(i) Items that will not be reclassified to the statement of profit or loss**			
(a) Remeasurement of defined employee benefit plans		(627,334)	(273,107)
(ii) Tax relating to items that will not be reclassified to the statement of profit and loss		-	-
B **(i) Items that will be reclassified to the statement of profit or loss**		-	-
(ii) Tax relating to items that will be reclassified to the statement of profit and loss		-	-
TOTAL OTHER COMPREHENSIVE INCOME(/LOSS) FOR THE YEAR		**(627,334)**	**(273,107)**
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		**(86,039,195)**	**(53,091,052)**
Earnings per equity share			
Basic and Diluted	39	**(2.11)**	(1.31)
(Face value of equity share of Rs.10 each)			

The accompanying notes form an integral part of financial statements.

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration No. 104607W/W100166

For and on behalf of the Board

ERMIN K. IRANI
PARTNER
Membership No.: 35646
Place : Mumbai
Dated : May 18, 2017

Narendra Baheti
Director
DIN 00057255

Reenah Joseph
Director
DIN 07590224

Ashish A. Giniwala
Company Secretary
ICSI Membership No.A41408

Satish Sharma
Chief Financial Officer

AADHAAR WHOLESALE TRADING AND DISTRIBUTION LIMITED
(FORMERLY KNOWN AS AADHAAR RETAILING LIMITED)
STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2017

Equity share capital

(In Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balance at the beginning of the year	**404,000,000.00**	**404,000,000.00**	**404,000,000.00**
Changes in Equity share capital during the year	30,000,000.00	-	
Balance at the end of the year	**434,000,000.00**	**404,000,000.00**	

(In Rupees)

Particulars	OTHER EQUITY			Total
	RESERVE & SURPLUS			
	Security premium	Retain Earnings	Employee Stock option Reserve	
Balance as of April 1, 2015	**1,546,000,000**	**(1,868,475,650)**	**-**	**(322,475,650)**
Changes in Equity for the year ended March 31, 2016				
Share based payment reserve	-	-	1,860,765	1,860,765
(Loss) for the period	-	(52,817,945)	-	(52,817,945)
Other comprehensive income for the year	-	(273,107)	-	
Balance as of March 31, 2016	**1,546,000,000**	**(1,921,566,702)**	**1,860,765**	**(373,705,937)**
Balance as of April 1, 2016	**1,546,000,000**	**(1,921,566,702)**	**1,860,765**	**(373,705,937)**
Changes in Equity for the year ended March 31, 2017				
Securities premium	120,000,000	-	-	120,000,000
Expense related to issue of share capital	(285,000)	-	-	(285,000)
Share based payment reserve	-	-	3,978,661	3,978,661
(Loss) for the period	-	(85,411,861)	-	(85,411,861)
Other comprehensive income for the year	-	(627,334)	-	(627,334)
Balance as of March 31, 2017	**1,665,715,000**	**(2,007,605,897)**	**5,839,426**	**(336,051,471)**

The accompanying notes form an integral part of financial statements.

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration No. 104607W/W100166

For and on behalf of the Board

ERMIN K. IRANI
PARTNER
Membership No.: 35646
Place : Mumbai
Dated : May 18, 2017

Narendra Baheti
Director
DIN 00057255

Reenah Joseph
Director
DIN 07590224

Ashish A. Giniwala
Company Secretary
ICSI Membership No.A41408

Satish Sharma
Chief Financial Officer

AADHAAR WHOLESALE TRADING AND DISTRIBUTION LIMITED
(FORMERLY KNOWN AS AADHAAR RETAILING LIMITED)
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017 **(In Rupees)**

Particulars		For the year ended March 31, 2017	For the year ended March 31, 2016
A. Cash Flow from Operating Activities :			
(Loss) Before Taxes		**(86,039,195)**	(53,091,052)
Adjustment for:			
Depreciation	19,932,982		19,000,366
Interest expenses	45,525,106		18,784,172
Bad Debt written off/allowance for doubtful debts	(50,000)		(133,673)
Interest income	(761,458)		(1,507,835)
Equity Share Option Plan	3,978,661		1,860,765
(Profit)/Loss on sale of Fixed Assets	(13,871,486)		100,989
		54,753,805	38,104,784
Operating (Loss) Before Working Capital Changes		**(31,285,390)**	(14,986,268)
Adjustments for (increase) / decrease in operating assets:			
Increase/(decrease) in Non-Current liability	(2,970,220)		(434,471)
Increase/(decrease) in Current liability	181,718,722		(942,876)
(Increase)/decrease in Current Assets.	(499,410,520)		(116,084,292)
		(320,662,017)	(117,461,638)
Cash Generated from Operations		**(351,947,408)**	(132,447,907)
Direct Taxes paid (net of refund received)		**(12,546,520)**	(4,098,720)
Net Cash Flow from Operating Activities		**(364,493,928)**	(136,546,627)
B. Cash Flow from Investing Activities :			
Acquisition of fixed assets	(35,258,309)		(11,876,161)
Proceeds from sale of fixed assets	25,277,357		811,071
Interest Received	761,458		1,507,835
Net Cash used in Investing Activities		**(9,219,493)**	(9,557,255)
C. Cash Flow from Financing Activities :			
Issue of Share Capital	150,000,000		-
Transaction costs on issue of shares	(285,000)		-
Repayment of Short-term Borrowings	(519,133,543)		(206,811,556)
Proceeds from Short-term Borrowings	776,437,823		372,638,857
Interest Paid	(40,855,355)		(12,213,563)
Net Cash used in Financing Activities		**366,163,925**	153,613,738
Net increase in Cash and Cash equivalents		**(7,549,496)**	7,509,856
Cash and Cash equivalents (Opening balance)		**12,112,061**	4,602,205
Cash and Cash equivalents (Closing balance)		**4,562,565**	12,112,061

The accompanying notes form an integral part of financial statements.

1 The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 on "Cash Flow Statements", and presents cash flows by operating, investing and financing activities.

2 Figures in brackets are outflows/deductions.

3 Figures for the previous year have been regrouped/restated wherever necessary to conform to this year's classification.

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration No. 104607W/W100166

For and on behalf of the Board

Narendra Baheti
Director
DIN 00057255

Reenah Joseph
Director
DIN 07590224

ERMIN K. IRANI
PARTNER
Membership No.: 35646
Place : Mumbai
Dated : May 18, 2017

Ashish A. Giniwala
Company Secretary
ICSI Membership No.A41408

Satish Sharma
Chief Financial Officer

AADHAAR WHOLESALE TRADING AND DISTRIBUTION LIMITED
(FORMERLY KNOWN AS AADHAAR RETAILING LIMITED)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS AS AT MARCH 31, 2017

1 COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES:

1.1 COMPANY OVERVIEW

Aadhaar Wholesale Trading and Distribution Limited ("the Company") is a limited company domiciled in India, incorporated on March 10, 2006 under Companies Act 1956 having its registered office at Mumbai. The Company is in the business of selling Fast Moving Consumer Goods, grocery and all daily consumables in rural and semi-rural areas. The first Aadhaar center commenced operations in December 2003 in Manchar, Pune district. Presently, the Company has 35 Master Franchisee stores and 18 Distribution Centers across Punjab, Gujarat and Rajasthan States. The Company is a subsidiary of Future Consumer Limited.

The financial statements of the Company for the year ended March 31, 2017 were authorized for issue in accordance with a resolution of the Board of Directors on May 18, 2017.

1.2 BASIS OF PREPARATION

(i) Compliance with Ind AS:

The financial statements comply in all material aspects with Indian Accounting Standards (“Ind AS”) notified under section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act as applicable.

The financial statements upto year ended March 31, 2016 were prepared in accordance with the Accounting Standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and other relevant provisions of the Act as applicable.

These financial statements are the Company's first Ind AS financial statements and are covered by Ind AS 101- First-time Adoption of Indian Accounting Standards. The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the 'Previous GAAP' for purposes of Ind AS 101. An explanation of how the transition to Ind AS has affected the Company's financial position, financial performance and cash flows is provided in Note No. 40.

(ii) Historical cost convention:

The financial statements have been prepared on a historical cost convention basis, except for the following:

a) certain financial assets and liabilities that are measured at fair value;
b) defined benefit plans - plan assets measured at fair value; and
c) share-based payments-measured at fair value.

(iii) Functional and presentation currency:

These financial statements are presented in Indian rupees, which is the Company’s functional currency. All amounts have been rounded off to the nearest decimals.

1.3 USE OF JUDGEMENTS, ESTIMATES & ASSUMPTIONS

While preparing financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on the management estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgment, estimates and assumptions are required in particular for:

a) Determination of the estimated useful lives of tangible assets

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers’ warranties and maintenance support.

b) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

c) Recognition of deferred tax assets

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

d) Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

e) Discounting of long-term financial assets / liabilities

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial assets / liabilities which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

f) Fair valuation of employee share options

The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model.

g) Determining whether an arrangement contains a lease

At inception of an arrangement, the Company determines whether the arrangement is or contains a lease.
At inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. And in case of operating lease, treat all payments under the arrangement as lease payments.

h) Rebates and sales incentives

Rebates are generally provided to distributors or customers as an incentive to sell the Company's products. Rebates are based on purchases made during the period by distributor / customer. The Company determines the estimates of rebate accruals primarily based on the contracts entered into with their distributors / customers and the information received for sales made by them.

i) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

j) Impairment of financial assets

The impairment provisions of financial assets are based on the assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

1.4 SIGNIFICANT ACCOUNTING POLICIES

a) Revenue Recognition

i) Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, cash discounts and volume rebates. Revenue is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contracts and no significant uncertainty exist regarding the amount of the consideration that will be derived from the sale of the goods. Revenues are recognized when collectability of the resulting receivable is reasonably assured.

ii) Franchisee Fees

Revenue from franchisee fees is recognized on an accrual basis in accordance with the substance of the relevant agreement provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Franchisee arrangements that are based on sales and other measures, are recognized by reference to the underlying agreement.

iii) Interest Income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit or Loss.

iv) Lease Income

Lease agreement where the risk and rewards incidental to the ownership of an asset substantially vest with lessor are recognized as operating lease. Lease rental are recognized on straight-line basis as per the terms of the agreements in the Statement of Profit and Loss.

b) Property, Plant and Equipment

i) Recognition and measurement:

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:
a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in the Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the Statement of Profit and Loss.

ii) Subsequent Expenditure:

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii) Depreciation/ Amortizations:

Depreciation on tangible fixed assets is provided in accordance with the provisions of Schedule II of the Companies Act 2013, on Straight Line Method. Depreciation on additions / deductions is calculated on pro rata basis from/upto the month of additions/deductions. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. In case of the following category of property, plant and equipment, the depreciation has been provided based on the technical specifications, external & internal assessment, requirement of refurbishments and past experience of the remaining useful life which is different from the useful life as specified in Schedule II to the Act:

Asset type	Period
Leasehold improvements and Fixed equipment's	Primary lease period
Signage's	3 years

c) Intangible Assets

i) Recognition and measurement:

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

The useful life of intangible assets are assessed as either finite or indefinite. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

An intangible asset having finite useful life are carried at its cost less any accumulated amortization and any accumulated impairment losses.

The cost of intangible assets as at April 01, 2015, the Company's date of transition to Ind AS, was determined with reference to its carrying value at that date.

ii) Amortization:

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in the Statement of Profit and Loss.

The intangible assets are amortised over the estimated useful lives as given below:

- Computer Software	4 years

d) Investment Property

Investment property comprises portion of freehold land and office buildings that are held for long-term rental yield and/or for capital appreciation. Investment properties are initially recognized at cost. Subsequently investment property comprising of building is carried at cost less accumulated depreciation and accumulated impairment losses.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant part of the Investment property are required to be replaced at intervals the Company depreciates them separately based on specific useful life. All other repair and maintenance cost are recognized in profit and loss as incurred.

Depreciation of building is provided over the estimated useful life as specified in Schedule II of the Companies Act 2013. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each financial year end. The effect of any revision are included in the statement of profit and loss when the changes arises.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The difference between net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss in the period of derecognition

e) Inventory

Inventory for trading goods are valued at lower of cost on weighted average basis and net realizable value.
The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Slow and non-moving material, obsolesces, defective inventories are duly provided for and valued at net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet.

f) Impairment

i) Financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

ii) Non-financial assets

The Company assesses whether there is an indication that an asset may be impaired at each Balance Sheet date and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount.

The recoverable amount is determined at the higher of the fair value less cost to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discount rates that reflects current market assessments of the time value of money and the risk specific to the asset.

If the assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss. When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

g) Employee Benefits:

i) Short-term employee benefits :

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on either Economic Value Added (EVA) or Profit before tax (PBT). The PLVR amount is related to actual improvement made in either EVA or PBT over the previous year when compared with expected improvements.

Short-term benefits such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognized in the period in which the employee renders the related service.

ii) Post-employment benefits:

Defined Contribution Plans: The Company's contributions paid/payable to provident Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognized as expense in the Statement of Profit & Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

Defined Benefit Plans: The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the Projected Unit Credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in other equity in the statement of changes in

iii) Other long term employee benefits:

Liability towards Long-term Compensated Absences are determined based on actuarial valuation by independent actuaries as at the date of the Balance Sheet using Projected Unit Credit method. Actuarial gains/losses comprising of experience adjustments and the effects of changes in actuarial assumptions are recognized in the Statement of Profit & Loss of the year.

iv) Terminal Benefits:

All terminal benefits are recognized as an expense in the period in which they are incurred.

h) Share Based payment

Employees are given stock option plans of the Ultimate Holding Company. The cost of stock option plans is calculated using Black & Scholes option pricing model. The cost calculated using this method is recognized as an employee benefit expense over the vesting period of the options, which is four years, with a corresponding credit to Other equity.

i) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j) Foreign currency transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency') The Indian Rupee (INR) is the functional and presentation currency of the Company.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

The gains or losses resulting from translations of monetary assets and liabilities are included in net profit in the Statement of Profit and Loss.

k) Taxes on Income:

Income Tax expense comprises of current and deferred tax. Income Tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

i) Current Tax

Current Tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date.
Current tax assets and liabilities are offset if, and only if, the Company:
a) has a legally enforceable right to set off the recognized amounts; and
b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax liability is not recognized for the following taxable temporary differences:
a) on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
b) initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if, and only if:
a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

l) Lease

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

i) Finance Lease

Agreements are classified as finance leases (including those for land), if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Finance leases are capitalized at the commencement of the lease at fair value of the lease property or at the present value of the minimum lease payments, whichever is lower. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Statement of Profit & Loss.

A leased asset is depreciated over the useful life of the asset.

ii) Operating Lease

Agreements (including those for land) which are not classified as finance leases are considered as operating lease (where a significant portion of the risk and rewards of ownership are retained by the lessor). Payments made under operating leases are recognized in Statement of Profit and Loss. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

m) Earnings per share

(i) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

(ii) 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 effect of all dilutive potential equity shares.

n) Provisions, Contingent Assets, Contingent Liabilities and Commitments

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

When the Company expects some or all of a provision to be reimbursed and the reimbursement is virtually certain only then the reimbursement will be recognized as an asset.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of :

1) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.

2) a present obligation arising from past events when no reliable estimate is possible.

3) a possible obligation arising from past events unless the probability of outflow of resource is remote.

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

o) Fair value measurement

The Company measures financial instruments such as derivatives and certain investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The fair value measurement for a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in the highest and best use.

For assets and liabilities that are recognized in the balance sheet on recurring basis, the Company determines whether transfers have occurred between level in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature characteristics and risk of the assets or liability and the level of the fair value hierarchy as explained above.

p) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

q) Financial instruments

I. Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent measurement

Where assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit or loss), or recognized in Other Comprehensive Income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

• **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
• **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

• **Business model test:** The objective of the Company's business model is achieved by both collecting contractual cash flows and selling financial assets.
• **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.
All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'. If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in the statement of profit and loss.

Derecognition
• The rights to receive cash flows from the asset have expired, or
• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either;
(a) the Company has transferred substantially all the risks and rewards of the asset, or
(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

II. Financial Liabilities

Initial recognition and measurement
All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

r) Recent accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7:
The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in
The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.
Amendment to Ind AS 102:
The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards
It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-
The Company is evaluating the requirements of the amendment and the impact on the financial statements is being evaluated

2 PROPERTY, PLANT AND EQUIPMENT **(In Rupees)**

Particulars	Building	Leasehold Improvement	Furniture & Fixtures	Office Equipment	Computers	Signages	Motor Vehicles	Total	Capital Work-in-Progress
Gross Block									
As at April 1, 2015	15,911,574	29,070,541	56,387,700	26,345,178	26,996,121	19,701,883	-	**174,412,997**	4,000
Addition during the year	-	3,009,853	2,761,467	3,510,078	2,433,483	-	165,280	**11,880,161**	-
Deletion/transfer during the year	-	1,149,679	599,754	236,939	548,468	-	-	**2,534,840**	4,000
As at March 31, 2016	**15,911,574**	**30,930,715**	**58,549,413**	**29,618,317**	**28,881,136**	**19,701,883**	**165,280**	**183,758,318**	**-**
Addition during the year	-	4,478,113	11,409,923	11,552,514	4,329,187	1,264,708	288,140	**33,322,584**	813,377
Deletion during the year	-	-	-	-	1,513,901	-	-	**1,513,901**	-
As at March 31, 2017	**15,911,574**	**35,408,827**	**69,959,335**	**41,170,831**	**31,696,422**	**20,966,591**	**453,420**	**215,567,000**	**813,377**
Accumulated Depreciation									
As at April 1, 2015	5,383,836	16,772,315	28,789,462	22,330,932	24,899,103	19,587,211	-	**117,762,859**	-
Depreciation charged for the year	879,762	1,821,158	12,756,062	1,420,540	1,124,066	56,375	1,837	**18,059,800**	-
Depreciation on deletions	-	671,344	239,109	224,308	488,016	-	-	**1,622,777**	-
As at March 31, 2016	**6,263,598**	**17,922,129**	**41,306,414**	**23,527,165**	**25,535,154**	**19,643,586**	**1,837**	**134,199,882**	**-**
Depreciation charged for the year	877,358	2,127,125	11,146,248	2,484,010	2,108,975	186,906	30,773	**18,961,395**	-
Depreciation on deletions	-	-	-	-	1,501,683	-	-	**1,501,683**	-
As at March 31, 2017	**7,140,956**	**20,049,253**	**52,452,662**	**26,011,175**	**26,142,447**	**19,830,492**	**32,609**	**151,659,594**	**-**
Net Book Value									
As at April 1, 2015	10,527,738	12,298,226	27,598,238	4,014,246	2,097,018	114,672	-	**56,650,138**	4,000
As at March 31, 2016	9,647,976	13,008,586	17,242,998	6,091,156	3,345,982	58,297	163,443	**49,558,439**	-
As at March 31, 2017	8,770,618	15,359,574	17,506,673	15,159,656	5,553,975	1,136,099	420,811	**63,907,406**	813,377

The aggregate depreciation has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

3 INVESTMENT PROPERTY

(In Rupees)

Particulars	Freehold Land	Building	Total
Gross Block			
As at April 1, 2015	53,274,510	36,418,819	89,693,329
Addition during the year	-	-	-
Deletion during the year	-	-	-
As at March 31, 2016	**53,274,510**	**36,418,819**	**89,693,329**
Addition during the year	-	33,023,458	33,023,458
Deletion during the year	31,800,000	20,425,591	52,225,591
As at March 31, 2017	**21,474,510**	**49,016,686**	**70,491,196**
Accumulated Depreciation			
As at April 1, 2015	-	-	-
Depreciation charged for the year	-	817,129	817,129
Depreciation on deletions	-	-	-
As at March 31, 2016	**-**	**817,129**	**817,129**
Depreciation charged for the year	-	832,576	832,576
Depreciation on deletions	-	831,940	831,940
As at March 31, 2017	**-**	**817,766**	**817,766**
Net Book Value			
As at April 1, 2015	53,274,510	36,418,819	89,693,329
As at March 31, 2016	53,274,510	35,601,690	88,876,200
As at March 31, 2017	21,474,510	48,198,920	69,673,430

Particulars	2016-17	2015-16
Rental income derived from investment	3,124,500	906,000
Direct operating expenses (including repair & maintenance) generating rental	-	-
Profit arising from investment	**3,124,500**	**906,000**

The Company's investment property consists of commercial property in India

As at 31st March, 2017, the fair values of the properties are Rs. 70,491,196 These valuation are based on valuation performed by an accredited independent valuer. Fair valuation is based on Market approach. The fair value measurement is categorised in Level 2 fair value hierarchy (Refer Note 1.3 (n) of significant accounting policy for definition of Level 2 fair value measurement)

4 INTANGIBLE ASSETS

(In Rupees)

Particulars	Intangible Asset under Development	Computer Software
Gross Block		
As at April 1, 2015	-	23,673,636
Addition during the year	-	-
Deletion during the year	-	-
As at March 31, 2016	**-**	23,673,636
Addition during the year	965,490	156,858
Deletion during the year	-	-
As at March 31, 2017	**965,490**	**23,830,494**
Accumulated Amortisation		
As at April 1, 2015	-	23,279,529
Amortisation Expense for the year	-	123,437
Amortisation on deletions	-	-
As at March 31, 2016	**-**	23,402,966
Amortisation Expense for the year	-	139,011
Amortisation on deletions	-	-
As at March 31, 2017	**-**	23,541,977
Net Book Value		
As at April 1, 2015	-	394,107
As at March 31, 2016	-	270,670
As at March 31, 2017	965,490	288,517

The existence and carrying amount of intangible assets whose title is restricted amounting to Rs.9,65,490.

(In Rupees)

Particulars	As At March 31, 2017	As At March 31, 2016	As At April 01, 2015
5 NON-CURRENT TRADE RECEIVABLES			
Unsecured			
considered doubtful	486,842	536,842	670,514
Less: Provision for doubtful debts	(486,842)	(536,842)	(670,514)
Total	-	-	-
6 NON-CURRENT LOANS			
Unsecured, Considered Good			
Security Deposits	2,335,894	4,463,514	2,866,905
Total	**2,335,894**	**4,463,514**	**2,866,905**
7 OTHER NON-CURRENT FINANCIAL ASSET			
Fixed Deposits with maturity more than 12 months	441,213	1,778,644	1,658,489
National Saving Certificates	20,000	20,000	6,000
Total	**461,213**	**1,798,644**	**1,664,489**
8 DEFERRED TAX			
Tax expense in the statement of profit & loss comprises:			
Current taxes	-	-	
Deferred Tax Charge/ (Credit)	-	-	
Income tax expense	-	-	
Income Tax expense in the statement of profit & loss comprises:			
Profit before income taxes	(85,411,861)	(52,817,945)	
Enacted tax rates in india	30.90%	30.90%	
Computed expected tax expense	-	-	
The applicable indian statutory tax rate for fiscal 2017 and fiscal 2016 is 30.9%			
The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:			
Deferred income tax assets			
Provision for doubtful debts	150,434	165,884	207,189
Investment property	4,474,181	10,248,817	9,146,586
Property,plant and equipment	21,888,344	1,975,865	-
Provision for employee benefit	1,037,411	332,170	324,699
Total deferred income tax assets	**27,550,371**	**12,722,736**	**9,678,473**
Deferred income tax liabilities			
Property,plant and equipment	-	-	5,770,769
Total deferred income tax liabilities	-	-	**5,770,769**
Deferred income tax assets after set off	**27,550,371**	**12,722,736**	**3,907,704**
Net Deferred Tax Assets	-	-	-

Note: 8(a) Since there is uncertainty of near future profits, the deferred tax asset is restricted to NIL.

9 OTHER NON-CURRENT ASSET			
Capital advances	688,533	-	-
Advances other than capital advances			
(a) Advance Tax & Tax Deducted at Source	19,820,039	7,273,519	3,174,799
Deferred lease expense	596,962	1,194,005	1,368,583
Total	**21,105,534**	**8,467,524**	**4,543,382**
10 INVENTORIES			
Stock-in-trade (in respect of goods acquired for trading)	229,173,099	92,580,816	103,522,829
Total	**229,173,099**	**92,580,816**	**103,522,829**
11 TRADE RECEIVABLES			
Unsecured			
considered good	458,355,688	137,634,097	39,794,228
Total	**458,355,688**	**137,634,097**	**39,794,228**
12 CASH AND CASH EQUIVALENTS			
Balances with banks	2,501,546	10,702,451	2,627,924
Cash on hand	588,711	1,409,610	1,974,281
Total	**3,090,257**	**12,112,061**	**4,602,205**

The deposits maintained by the Company with banks and financial institution comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

13 OTHER BANK BALANCES			
Fixed Deposits with maturity more than 3 months and less than 12 months	1,472,309	-	-
Total	**1,472,309**	-	-
14 OTHER FINANCIAL ASSET			
Claim Receivable	-	-	158,054
Employee Advances	1,211,486	451,698	144,517
Other Non-Trade Receivables	62,166,886	-	-
Total	**63,378,372**	**451,698**	**302,571**
15 OTHER CURRENT ASSETS			
Advances other than capital advances			
Advance to Suppliers	2,117,858	3,269,380	3,278,338
VAT Input Credit	62,951,558	57,973,212	45,810,768
Prepaid Expenses	924,706	847,418	517,767
Other Advances	1,050,014	15,384,050	235,919
	67,044,137	**77,474,060**	**49,859,264**

(In Rupees)

Particulars	As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
16 SHARE CAPITAL			
Authorised			
43,400,000 (Previous Year-40,400,000) Equity Shares of 10/- each at par value	**434,000,000**	404,000,000	404,000,000
Issued, Subscribed & Paid up			
43,400,000 (Previous Year-40,400,000) Equity Shares of 10/- each at par value	**434,000,000**	404,000,000	404,000,000
Total	**434,000,000**	404,000,000	404,000,000

a) Terms/right attached to Equity Share

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- at par value. Each holder of equity shares is entitled to one vote per share. All Equity Share holders are eligible to receive dividends in proportion to their share holdings. The dividends proposed by the Board of Directors are subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

b) Shares held by holding Company

Of the above 43,400,000 (Previous Year-40,400,000) Equity Shares are held by Future Consumer Limited., the Holding Company.

c) List of Shareholders holding more than 5% in the Company

Name of Shareholder	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding
Future Consumer Limited	43,400,000	100.00%	40,400,000	100.00%	40,400,000	100.00%

d) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

(In Rupees)

Particulars	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year	40,400,000	404,000,000	40,400,000	404,000,000	40,400,000	404,000,000
Shares issued during the year	3,000,000	30,000,000	-	-		
Shares outstanding at the end of the year	43,400,000	434,000,000	40,400,000	404,000,000		

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

17 OTHER EQUITY

Particulars	OTHER EQUITY		
	RESERVE & SURPLUS		Employee stock option Reserve
	Security premium	Retain Earnings	
Balance as of April 1, 2015	1,546,000,000	(1,868,475,650)	-
Changes in equity for the year ended March 31, 2016			
Employee stock option reserve	-	-	1,860,765
(Loss) for the period	-	(52,817,945)	-
Other comprehensive income for the year	-	(273,107)	-
Balance as of March 31, 2016	**1,546,000,000**	**(1,921,566,702)**	**1,860,765**
Balance as of April 1, 2016	**1,546,000,000**	**(1,921,566,702)**	**1,860,765**
Changes in equity for the year ended March 31, 2017			
Increase in security premium	120,000,000	-	-
Expense related to issue of share capital	(285,000)	-	-
Share based payment reserve	-	-	3,978,661
(Loss) for the period	-	(85,411,861)	-
Other comprehensive income for the year	-	(627,334)	-
Balance as of March 31, 2017	**1,665,715,000**	**(2,007,605,897)**	**5,839,426**

Nature and purpose of reserve

i) Security premium reserve

Security premium reserve is used to record premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

ii) Employee stock option reserve

The employee stock option reserve is created to recognise grant date fair value of options issued to certain eployees under Future consumer enterprise limited - employee stock option plan 2014

Particulars	As At March 31, 2017	As At March 31, 2016	As At April 01, 2015
18 NON-CURRENT OTHER FINANACIAL LIABILITIES			
Deposits from Customers	185,000	4,958,345	5,157,024
Other advances	24,700	55,301	89,680
	209,700	5,013,646	5,246,704
19 NON-CURRENT PROVISIONS			
Provision for employee benefits			
Unavailed Leave	2,146,001	806,239	803,857
Gratuity	1,081,855	-	-
Total	3,227,856	806,239	803,857
20 OTHER NON-CURRENT LIABILITIES			
Deferred lease income	-	587,891	791,685
Total	-	587,891	791,685
21 CURRENT FINANCIAL LIABILITIES- BORROWINGS			
Secured			
Short term facilities from financial institution (Refer Note 21(a)	33,750,975	70,515,522	-
Unsecured			
Inter-Corporate Deposit from related parties (Refer Note 21(b)	435,880,606	141,811,779	46,500,000
Total	469,631,581	212,327,301	46,500,000

Note 21(a) : The facility is secured by personal guarantee given by the director of holding company

Note 21(b) : The Inter-Corporate Deposit carries an interest rate of 12.5%

22 CURRENT FINANCIAL LIABILITIES- TRADE PAYABLES			
Trade Payables (Refer Note 22 (a) & (b)	325,426,167	186,460,183	139,521,416
Acceptances	-	-	54,857,452
Total	325,426,167	186,460,183	194,378,868

Note 22(a) : Under the Micro, Small & Medium Enterprises Development Act 2006, which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises. The Company is still in the process of compiling relevant information from its suppliers about their coverage under the Act. Since the relevant information is not readily available, no disclosures have been made in the accounts.

Note 22(b): Including dues to related party (refer note no.36).

23 CURRENT- OTHER FINANCIAL LIABILITIES			
Interest accrued but not due on borrowings	13,092,100	8,422,349	1,851,741
Other Payables			
Liability for Expenses	51,079,511	10,478,661	9,516,008
Employee Payables	2,088,830	900,924	784,728
Creditors for Capital Goods	68,340	-	419,460
Deposits from Customers	6,413,871	10,561,169	8,734,899
Other Payables	716,670	995,741	502,455
Total	73,459,322	31,358,844	21,809,291

Note 23(a) : There are no amounts due and outstanding to be credited to the investor education and protection fund as at March 31,2017.

24 OTHER CURRENT LIABILITIES			
Advance from Customers	6,633,327	4,237,782	900,316
Revenue received in advance	-	2,192	125,778
Statutory Dues	5,398,778	2,330,836	1,569,649
Total	12,032,105	6,570,810	2,595,743
25 SHORT TERM PROVISIONS			
Provision for employee benefits			
Unavailed Leave	88,249	268,746	246,949
Gratuity	41,213	-	
Total	129,462	268,746	246,949

(In Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016
26 CONTINGENT LIABILITY & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)		
Claims against the Company not acknowledged as debts:		
(i) **Income Tax**		
a) Demand from Income Tax Dep't. against Order passed u/s 143(3) for AY 2012-13. Appeal has been filed with CIT(Appeals) and the matter is yet to be heard	45,722,620	45,722,620
b) Demand from Income Tax Dep't. against Order passed u/s 143(3) read with Sec.147 for AY2010 11. Appeal has been filed with CIT(Appeals) and the matter is yet to be heard.	95,012,780	95,012,780
c) Demand from Income Tax Dep't. against Order passed u/s 143(3) read with Sec.147 for AY2011 12. Appeal has been filed with CIT(Appeals) and the matter is yet to be heard.	295,612,260	-
(ii) **Other Matters**		
a) Case has been filed by verdhman ger tex for recovery	336,975	336,975
b) Case has been filed by Richfield fertilizers Pvt. Ltd. for the recovery	178,489	178,489
c) Case was filed by Malook Singh in firozpur consumer forum. Award passed against us. We are in appeal at state commission Punjab.	-	25,000
Total	**436,863,124**	141,275,864

27 DISCLOSURE IN RESPECT OF SPECIFIED BANK NOTES

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Details of Specified Bank Notes (SBN)

Particulars	SBN*	Other Denomination Notes	TOTAL
Balance of cash in hand as on 08.11.2016	20,271,592	755,279	21,026,871
Add: Permitted receipt	-	44,076,499	44,076,499
Less: Permitted payments	-	9,839,702	9,839,702
Less: Amount deposited in Banks	20,271,592	32,725,957	52,997,549
Balance of cash in hand as on 30.12.2016	-	2,266,119	2,266,119

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
28 REVENUE FROM OPERATIONS		
Sale of products	**3,090,192,931**	1,908,963,435
Scrap Sales	**1,002,081**	872,435
Other Operating Revenue	**16,121,045**	2,713,085
Total	**3,107,316,057**	1,912,548,955
29 OTHER INCOME		
Interest Income		
On Bank Deposit	**138,942**	311,429
On Income Tax Refund	**-**	1,196,406
On VAT Refund	**622,516**	-
Rental Income	**3,124,500**	906,000
Creditor's written back	**4,340,097**	-
Profit on sale of Assets	**13,871,486**	-
Other non-operating income	**339,893**	115,102
Total	**22,437,434**	2,528,937
30 CHANGES IN INVENTORY OF STOCK-IN-TRADE		
Opening Stock of Traded Goods	**92,580,816**	103,522,829
Less: Closing Stock of Traded Goods	**229,173,099**	92,580,816
Total	**(136,592,283)**	10,942,013
31 EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	**80,541,177**	62,899,162
Contributions to Provident Fund & Other Funds	**5,700,298**	4,963,674
Share based payment	**3,978,661**	1,860,765
Staff welfare expenses	**2,739,369**	2,084,131
Total	**92,959,505**	71,807,732
32 FINANCE COST		
Interest on Borrowing	**38,076,795**	12,093,906
Interest on Bill Discounting	**7,448,311**	6,690,266
Total	**45,525,106**	18,784,172
33 OTHER EXPENSES		
Power and fuel	**1,111,223**	4,194,709
Rent	**11,813,413**	21,337,353
Repairs - Others	**1,937,710**	2,060,387
Insurance	**1,640,926**	1,346,417
Rates and taxes	**167,970**	1,000,010
Postage, Telephone and Stationery	**3,829,876**	2,782,323
Brokerage & Commission	**40,182,824**	598,786
Legal & Professional Fees	**2,138,571**	1,975,697
Auditors' Expenses (Refer Note 33(a))	**1,412,102**	1,355,776
Labour Charges	**11,718,782**	6,378,130
Freight and Transportation	**56,571,337**	17,923,567
Advertisement and Marketing	**8,238,767**	7,706,570
Travelling & Conveyance expenses	**7,146,602**	3,557,834
Security & Housekeeping expenses	**4,456,334**	8,855,796
Provision for Doubtful Debts / (Written back)	**(50,000)**	(133,673)
Loss on sale of Assets	**-**	100,989
Claims against the Damages	**-**	1,353,900
Miscellaneous expenses	**1,293,595**	1,970,577
Total	**153,610,032**	84,365,148
NOTE 33(a): AUDITORS' REMUNERATION		
Auditor - Statutory Audit	**603,750**	598,500
For Taxation Audit	**172,500**	171,000
For Other Services	**138,000**	136,800
For Reimbursement of Expenses	**497,853**	449,476
Total	**1,412,103**	1,355,776

34 DISCLOSURE IN RESPECT OF LEASES:

The Company's leasing arrangements are in respect of operating leases for premises occupied by the Company. These leasing arrangements are cancellable except during the lock in period, and are renewable on a periodic basis by mutual consent on mutually acceptable terms.

a. The total of future minimum lease payments during lock in period of operating leases for each of the following periods :

		As at March 31, 2017	As at March 31, 2016
i.	Not later than one year	5,574,448	2,094,048
ii.	Later than one year and not later than five years	3,733,608	2,534,336
iii.	Later than five years	-	-
b.	Lease payments recognised in the statement of Profit & Loss for this Year : Minimum lease payments	11,813,413	21,337,353

35 EMPLOYEE BENEFITS PROVISIONS:

I. Defined Contribution Plans:

Contribution to Defined Contribution Plan, recognised as expense for the year are as under:

	As at March 31, 2017	As at March 31, 2016
Employers' Contribution to Provident Fund	4,549,711	3,851,348

II. Defined Benefit Plans:
Contribution to Gratuity Fund:

The Company makes annual contributions to the Employees' Company Gratuity-cum-Life Assurance Scheme of the Future Generali India Life Insurance company Limited, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on superannuation, death or on separation/termination in terms of the provisions of the Payment of Gratuity Act or as per the Company's policy whichever is beneficial to the employees.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2017. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

(In Rupee)

	As at March 31, 2017	As at March 31, 2016
Amount recognised in the Balance Sheet		
Present value of obligation, as at March 31, 2017	3,285,160	1,863,292
Fair value of plan assets as at March 31, 2017	2,162,092	1,981,752
Net obligation as at March 31, 2017	**1,123,068**	(118,460)

(i) **Movement in net defined benefit (asset) liability:**

	As at March 31, 2017	As at March 31, 2016
Change in present value of obligation		
Present value of obligation as at April 1, 2016	1,863,292	1,739,333
Equitable into of employees transferred out to another company	-	(708,032)
Interest Cost	138,021	82,504
Service Cost	932,571	625,817
Benefits Paid	(276,058)	(149,437)
Remeasurement loss (gain):		
Financial assumptions	263,353	-
Experience adjustment	363,981	273,107
Present value of obligation, as at March 31, 2017	**3,285,160**	**1,863,292**
Change in plan assets		
Fair value of plan assets as at April 1, 2016	1,981,752	1,776,474
Interest cost (income)	148,631	205,278
Contributions	276,058	149,437
Benefits paid	(276,058)	(149,437)
Return on plan assets excluding interest income	31,709	-
Fair value of plan assets as at March 31, 2017	**2,162,092**	1,981,752
Funded status:		
Deficit of plan assets over obligation	**1,123,068**	**-**
Surplus of plan assets over obligation	**-**	**118,460**
Categories of assets:		
Insurer managed funds	**2,162,092**	**1,981,752**
Net gratuity cost for the year ended March 31, 2017		
Current Service Cost	932,571	625,817
Interest Cost	138,021	82,504
Expected return on plan assets	(148,631)	(205,278)
Net Actuarial (gain)/loss to be recognised	-	-
Net gratuity cost	**921,961**	503,043

(ii) **Assumptions used in accounting for the gratuity plan**

Financial Assumptions	**%**	**%**
Discount Rate	7.50	8.00
Salary escalation rate	5.00	5.00
Expected rate of return on plan assets	9.10	11.56
Demographic Assumptions	**%**	**%**
Mortality Rate (as % of IALM (2006-08) (Mod.) Ult. Mortality Table)	100.00	100.00
Disability Rate (as % of above mortality rate	5.00	5.00
Withdrawal Rate	1.00	1.00

(iii) **Sensitivity Analysis**

	Discount Rate (DR)		**Salary Escalation rate (ER)**	
	DR + 1%	DR - 1%	ER + 1%	ER - 1%
Present value of obligation at the end of the year	2,785,196	3,906,817	3,899,089	2,765,736

(iv) **Expected future cash flows**

The expected future cash flows in respect of gratuity as at March 31, 2017 were as follows

Expected contribution

Maturity Profile of Defined Benefit Obligations	
	Amount
Year 1	41,211
Year 2	110,109
Year 3	51,260
Year 4	60,821
Year 5	74,416
Year 6	133,724
Year 7	84,508
Year 8	118,955
Year 9	94,089
Year 10	194,866

The weighted average duration of the defined benefit obligation is 23.31

(v) **Best Estimate of Contribution during the next year**

The Best Estimate Contribution for the Company during the next year would be INR 5,61,534

III. Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 31 March 2017 based on actuarial valuation using the projected accrued benefit method is Rs. 15,20,103/- (Previous year : Rs. 11,95,457/-).

IV. Other long-term employee benefits:

All terminal benefits including voluntary retirement compensation are fully written off to the Statement of Profit & Loss.

36 RELATED PARTY DISCLOSURES:

Related party disclosures as required by Para 9 of Ind AS - 24, "Related Party Disclosures", are given below "

The following transactions were carried out with the related parties in the ordinary course of business :

(i) Details relating to Parent Company

	Nature of Transactions	**As at March 31, 2017** (Rs.)	**As at March 31, 2016** (Rs.)
Future Consumer Limited (Formerly Known As Future Consumer Enterprise Limited)			
1	Issue of Share Capital (incl. Premium)	150,000,000	-
2	Inter-Corporate deposits taken during the year	587,913,550	156,811,779
3	Inter-Corporate deposit paid during the year	293,844,723	61,500,000
4	Interest expense on Inter-Corporate deposits taken	38,076,794	12,093,912
5	Inter-Corporate deposit payable	435,880,605	141,811,779
6	Rent Paid	1,827,800	952,804
7	Sales	1,005,000	57,053,316
8	Purchases	838,740,406	332,016,634
9	Interest Accrued	13,092,098	8,422,349
10	Payable Outstanding	191,502,381	84,479,869
11	Receivable Outstanding	-	-

(ii) Compensation to key managerial person is as follows:

	Nature of Transactions	As at March 31, 2017	As at March 31, 2016
Mr. Satish Sharma			
1	Remuneration	2,450,580	1,924,692
2	Gratuity	270,260	120,515
3	Leave Encashment	171,743	55,706
4	Share based payment	1,457,674	1,860,765
Mr. Ashish Giniwala			
1	Remuneration	373,927	16,871
2	Gratuity	3,817	-
3	Leave Encashment	4,384	315

37 SHARE BASED PAYMENTS

(a) Details of the employee share based plan of the Group

The ESOP scheme titled "Future Consumer Enterprise Limited - Employee Stock Option Plan 2014" was approved by the Shareholders of Holding Company "Future Consumer Limited" vide resolution passed at the Extra Ordinary General Meeting held on 12th January, 2015 and through postal ballot on May 12, 2015 in respect of grant of 3,19,50,000 options under primary route (ESOP 2014-Primary)and 7,98,00,000 options under secondary market route (ESOP 2014-Secondary). ESOP 2014 has been implemented through a trust route whereby Vistra ITCL India Limited (Formerly IL&FS Trust Company Limited) has been appointed as the Trustee who monitors and administers the operations of the Trust.
In the previous year, the Nomination and Remuneration / Compensation Committee of Future Consumer Limited, at its meeting held on 15th May 2015, has granted 6,00,000 options under the ESOP 2014-Secondary to certain employees of the Company under the secondary market route. During the current year, the Nomination and Remuneration / Compensation Committee, at its meeting held on 12th August, 2016 has granted 7,00,000 options under the ESOP 2014-Primary to certain employees of the Company under the primary route. The exercise price per Option for shares granted under the secondary market route shall not exceed market price of the Equity Share of the Company as on date of grant of Option or the cost of acquisition of such equity shares to the Trust applying FIFO basis, whichever is higher. The options granted vest over a period of 3 years from the date of the grant in proportions specified in the Scheme. Options may be exercised within 3 years from date of vesting.

(b) The following share-based payment arrangements were in existence during the current and prior years:

Option scheme	Number of Options Granted	Grant date	Expiry date
ESOP 2014-Primary	700000	15.05.2015	Note-1 below
ESOP 2014-Secondary	600000	12.08.2016	

Option scheme	Number of Options Granted	Exercise price (Rs.)	Share Price at Grant dat	Fair value at grant date
ESOP 2014-Primary	700000	21.4	21.5	11
ESOP 2014-Secondary	600000	Note-2 below	11.2	7

Note-1 The options granted vest over a period of 3 years from the date of the grant in proportions specified in the Scheme. Options may be exercised within 3 years from date of vesting.

Note-2 Market price of the Equity Share of the Company as on date of grant of Option or the cost of acquisition of such shares to the Company applying FIFO basis, whichever is higher

(c) Options were priced using a Black Scholes option pricing model. Expected volatility is based on the historical share price volatility over the past 1 year.

Inputs into the model	**ESOP 2014-Secondary**	**ESOP 2014-Primary**
Expected volatility (%)	0.6418	0.4888
Option life (Years)	4-6	4-6
Dividend yield (%)	0	0
Risk-free interest rate (Average)	7.55% - 7.91%	7.12%-7.25%

(d) Movement in share options during the year

The following reconciles the share options outstanding at the beginning and end of the period:

Particulars	**Year ended March 31, 2017**		**Year ended March 31, 2016**	
	Number of options	**Weighted average exercise price (Rs.)**	**Number of options**	**Weighted average exercise price (Rs.)**
Balance at beginning of period				
- ESOP 2014-Secondary	600,000	Refer Note-2 above	-	
- ESOP 2014-Primary	-		-	
Granted during the period				
- ESOP 2014-Secondary	-		600,000	Refer Note-2 above
- ESOP 2014-Primary	700,000	21.40		
Forfeited during the period				
- ESOP 2014-Secondary				
- ESOP 2014-Primary				
Exercised during the period				
- ESOP 2014-Secondary	120,000	13.16		
- ESOP 2014-Primary	-	-		
Expired during the period				
- ESOP 2014-Secondary				
- ESOP 2014-Primary				
Balance at end of period				
- ESOP 2014-Secondary	480,000	Refer Note-2 above	600,000	Refer Note-2 above
- ESOP 2014-Primary	700,000	21.40	-	

(e) Share options exercised during the year

The following share options were exercised during the year:

Options scheme	Number exercised	Exercise date	Share price at exercise date (Rs.)
ESOP 2014-Secondary	120000	11.07.2016	22.85

(f) Share options outstanding at the end of the year

The share options outstanding at the end of the year had a weighted average remaining contractual life of 1568 days (31.03.2016: 1615 days).

38 SEGEMENTAL REPORTING

The Company has only one business segment, wholesale trading & distribution. Hence no separate disclosure as per Ind AS-108 has been made.

39 EARNINGS PER SHARE	**As at March 31, 2017**	**As at March 31, 2016**
Loss after taxation	(85,411,861)	(52,817,945)
Weighted average number of equity shares outstanding	40,416,438	40,400,000
Basic Earnings Per Share	(2.11)	(1.31)
Diluted Earning Per Share	(2.11)	(1.31)
Nominal Value of Shares	**10**	**10**

AADHAAR WHOLESALE TRADING AND DISTRIBUTION LIMITED
(FORMERLY KNOWN AS AADHAAR RETAILING LIMITED)

40 Disclosure as required by Ind AS 101 first time adoption of Indian Accounting Standards

40.1 First time adoption of Ind-AS

These financial statements of Aadhaar Wholesale Trading & Distribution Limited for the year ended March 31, 2017 have been prepared in accordance with Ind-AS. This is company's first set of financial statements in accordance with Ind-AS. For the purpose of transition to Ind-AS, the company has followed the guidance prescribed in Ind-AS 101- First Time adoption of Indian Accounting Standard, with April 01, 2015 as the transition date & Indian GAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in note 1 have been applied in preparing the Ind AS financial statements for the year ended March 31, 2017 and the comparative information. An explanation of how the transition from Indian GAAP to Ind AS has affected the Company's Balance sheet , Statement of profit and loss, is set out in note 40.2.

40.2 The following reconciliations provides the effect of transition to Ind AS from Indian GAAP in accordance with Ind AS 101

A. Equity as at April 1, 2015 and March 31, 2016

B. Net profit for the year ended March 31, 2016

C. Net Worth as at April 1, 2015 and March 31, 2016

D. Reconciliation of Profit and loss for the year ended March 31, 2016

A. Reconciliation of equity as previously reported under IGAAP to Ind AS **(In Rupees)**

Particulars	Note No	Opening Balance sheet as at April 01, 2015			Balance sheet as at March 31, 2016		
		Indian GAAP	Effect of transition of Ind AS	Ind AS	Indian GAAP	Effect of transition of Ind AS	Ind AS
ASSETS							
NON-CURRENT ASSETS							
Fixed assets							
Property Plant & Equipment		146,343,467	(89,693,329)	56,650,138	138,434,639	(88,876,200)	49,558,439
Capital Work-in-Progress		4,000	-	4,000	-	-	-
Investment Property	2	-	89,693,329	89,693,329	-	88,876,200	88,876,200
Goodwill	3	106,809,205	(106,809,205)	-	70,088,576	(70,088,576)	-
Other Intangible assets		394,107	-	394,107	270,670	-	270,670
		253,550,779	(106,809,205)	146,741,574	208,793,885	(70,088,576)	138,705,309
Financial assets							
Trade receivables		-	-	-	-	-	-
Loans	4	4,273,309	(1,406,404)	2,866,905	5,725,001	(1,261,487)	4,463,514
Others		1,664,489	-	1,664,489	1,798,644	-	1,798,644
Deferred tax assets (net)		-	-	-	-	-	-
Other Non-Current Assets	4	3,174,799	1,368,583	4,543,382	7,273,519	1,194,005	8,467,524
		9,112,597	(37,821)	9,074,776	14,797,164	(67,482)	14,729,682
CURRENT ASSETS							
Inventories		103,522,829	-	103,522,829	92,580,816	-	92,580,816
Financial assets							
Trade receivables		39,794,228	-	39,794,228	137,634,097	-	137,634,097
Cash and cash equivalents		4,602,205	-	4,602,205	12,112,061	-	12,112,061
Other Bank Balances		-	-	-	-	-	-
Others		302,571	-	302,571	451,698	-	451,698
Other Current Assets	5	51,094,602	(1,235,338)	49,859,264	79,418,095	(1,944,036)	77,474,060
		199,316,435	(1,235,338)	198,081,097	322,196,767	(1,944,036)	320,252,732
TOTAL		461,979,811	(108,082,364)	353,897,447	545,787,816	(72,100,094)	473,687,723
EQUITY AND LIABILITIES							
SHAREHOLDERS' FUNDS							
Equity Share capital		404,000,000	-	404,000,000	404,000,000	-	404,000,000
Other Equity	6	(215,658,414)	(106,817,236)	(322,475,650)	(303,582,141)	(70,123,796)	(373,705,937)
		188,341,586	(106,817,236)	81,524,350	100,417,859	(70,123,796)	30,294,063
NON-CURRENT LIABILITIES							
Financial Liability							
Others	4	6,068,180	(821,476)	5,246,704	5,633,800	(620,155)	5,013,646
Provisions		803,857	-	803,857	806,239	-	806,239
Other Non-Current liabilities	4	-	791,685	791,685	-	587,891	587,891
		6,872,037	(29,791)	6,842,246	6,440,039	(32,264)	6,407,776
CURRENT LIABILITIES							
Financials Liability							
Short term borrowings	5	46,500,000	-	46,500,000	141,811,779	70,515,522	212,327,301
Trade payables		195,614,205	(1,235,337)	194,378,868	186,460,183	-	186,460,183
Others		21,809,292	-	21,809,292	31,358,844	-	31,358,844
Other current liabilities	5	2,595,742	-	2,595,742	79,030,366	(72,459,556)	6,570,810
Provisions		246,949	-	246,949	268,746	-	268,746
		266,766,188	(1,235,337)	265,530,851	438,929,918	(1,944,034)	436,985,884
TOTAL		461,979,811	(108,082,364)	353,897,447	545,787,816	(72,100,094)	473,687,723

Explanations for Reconciliation of Balance Sheet as previously reported under IGAAP to IND-AS

1. Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with Indian GAAP.

2. Investment Property"

The investment properties are reclassified from PP&E and presented separately amounting to Rs.8,96,93,329 as on date of transition to Ind AS.

3. Goodwill"

Goodwill has been impaired at Nil value based on condition existing at the date of transition to Ind AS.

4. Security Deposit Received/Placed"

The security deposits received /placed for leased premises have been fair valued and the difference between the fair value and the face value have been recognised over the lock in period of the deposits

5. Loans & Borrowings"

Under Indian GAAP, transaction costs incurred in connection with loans and borrowings are recognised upfront and charged to profit or loss for the period. Under Ind-AS, transaction costs are included in the initial recognition of financial liability and charged to profit or loss using the effective interest method. As per Ind As 109 upon payment to the creditors by way of bill discounting arrangement, trade payable is derecognised and same is classified as short term borrowings.

6. Other Equity"

a) Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.

B. Reconciliation Statement of Profit and loss as previously reported under IGAAP to Ind AS **(In Rupees)**

Particulars	Note No	Year ended March 31, 2016		
		Indian GAAP	Effect of transition of Ind AS	Ind AS
INCOME				
Revenue from operations	7	1,914,871,714	(2,322,759)	1,912,548,955
Other income		2,528,937	-	2,528,937
Total Income		1,917,400,651	(2,322,759)	1,915,077,892
EXPENSES				
Purchases of Stock-in-Trade	7	1,765,319,166	(2,322,759)	1,762,996,407
Changes in inventory of Stock-in-Trade		10,942,013	-	10,942,013
Employee benefits expense	8 & 9	70,220,074	1,587,658	71,807,732
Finance cost		18,784,172	-	18,784,172
Depreciation and amortization expense	10	55,720,995	(36,720,629)	19,000,366
Other expenses	4	84,337,961	27,187	84,365,148
Total expenses		2,005,324,381	(37,428,544)	1,967,895,837
(Loss) Before Tax		(87,923,730)	35,105,785	(52,817,945)
Tax Expense:				
Current tax		-	-	-
Deferred tax		-	-	-
(Loss) For the year		(87,923,730)	35,105,785	(52,817,945)
Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss	8	-	(273,107)	(273,107)
(ii)Tax relating to items that will not be reclassified to profit		-	-	-
Total Comprehensive Income for the period		-	(273,107)	(273,107)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		(87,923,730)	34,832,678	(53,091,052)

Explanations for reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS

7. Revenue from Operations"
Under Indian GAAP, cash discount received was recognised as part of other operating income which has been adjusted against the purchases of Stock in trade under Ind AS.

8. Employee benefit expenses
Under Indian GAAP actuarial gain and loss was recognised in statement of profit and loss account but as per Ind-AS 19- Employee Benefits , actuarial gains and losses on defined benefit plan are recognized in other comprehensive income and not reclassified to profit and loss in a subsequent period.

9. share based payments

Under the Indian GAAP, the cost of equity-settled employee share-based plan were recognised using the intrinsic value method. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date.

10. Depreciation and amortization expense
Goodwill has been impaired at Nil value based on condition existing at the date of transition to Ind AS. Hence amortisation expense of goodwill is reversed on March 31, 2016.

C. Reconciliation of Net Worth as previously reported under IGAAP to Ind AS **(In Rupees)**

Particulars	As At April 1, 2015	As At March 31, 2016
Net Worth as per IGAAP	188,341,586	100,417,859
Summary of Ind AS adjustments		
Adjustment for Lease security Received	29,791	32,264
Adjustment for Lease security given	(37,821)	(67,482)
Less: Goodwill impairment	(106,809,205)	(106,809,205)
Add: Amortisation of Goodwill for the year	-	36,720,627
Net Worth as per Ind AS	81,524,351	30,294,063

D. Reconciliation of Profit & Loss as previously reported under IGAAP to Ind AS **(In Rupees)**

Particulars	For the year ended 31.Mar.16
Profit/ (Loss) as per IGAAP	(87,923,730)
Summary of Ind AS adjustments	
Add: Adjustment for Lease security Received	2,474
Less: Adjustment for Lease security given	(29,660)
Add: Amortisation of Goodwill for the year Written Back	36,720,629
Less: Employee Stock Option Plan	(1,860,765)
Profit/ (Loss) as per Ind AS	(53,091,052)

E. Cash flow statement

There were no significant reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS.

41 Financial instruments-Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(In Rupees)

	Carrying amount				Fair value			
As at 31/03/2017	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Non-current								
Loans	-	-	2,335,894	2,335,894	-	-	-	-
Others								
Fixed Deposit	-	-	441,213	441,213	-	-	-	-
National Saving Certificates	-	-	20,000	20,000	-	-	-	-
Current								
Trade receivables	-	-	458,355,688	458,355,688	-	-	-	-
Cash and cash equivalents	-	-	3,090,257	3,090,257	-	-	-	-
Other Bank Balances	-	-	1,472,309	1,472,309	-	-	-	-
Others					-	-	-	-
Employee Advances	-	-	1,211,486	1,211,486	-	-	-	-
Other Non-Trade Receivables	-	-	62,166,886	62,166,886	-	-	-	-
	-	-	529,093,734	529,093,734	-	-	-	-
Financial liabilities								
Non-current								
Others	-	-	209,700	209,700	-	-	-	-
Current								
Borrowings	-	-	469,631,581	469,631,581	-	-	-	-
Trade payables	-	-	325,426,167	325,426,167	-	-	-	-
Others	-	-	73,459,322	73,459,322	-	-	-	-
	-	-	868,726,771	868,726,771	-	-	-	-

(In Rupees)

	Carrying amount				Fair value			
As at 31/03/2016	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Non-current								
Loans		-	4,463,514	4,463,514	-	-	-	-
Others								
Fixed Deposit	-	-	1,778,644	1,778,644	-	-	-	-
National Saving Certificates	-	-	20,000	20,000	-	-	-	-
Current								
Trade receivables	-	-	137,634,097	137,634,097	-	-	-	-
Cash and cash equivalents			12,112,061	12,112,061				-
Other Bank Balances	-	-	-	-	-	-	-	-
Others								
Employee Advances	-	-	451,698	451,698	-	-	-	-
	-	-	156,460,014	156,460,014	-	-	-	-
Financial liabilities								
Non-current								
Deposits		-	5,546,236	5,546,236	-	-	-	-
Others	-	-	55,301	55,301	-	-	-	-
Current								
Borrowings	-	-	212,327,301	212,327,301	-	-	-	-
Trade payables	-	-	186,460,183	186,460,183	-	-	-	-
Others	-	-	31,358,844	31,358,844	-	-	-	-
	-	-	435,747,865	435,747,865	-	-	-	-

(In Rupees)

As at 01/04/2015	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current								
Loans	-	-	2,866,905	2,866,905	-	-	-	-
Others								
Fixed Deposit	-	-	1,658,489	1,658,489	-	-	-	-
National Saving Certificates	-	-	6,000	6,000	-	-	-	-
Current								
Trade receivables	-	-	39,794,228	39,794,228	-	-	-	-
Cash and cash equivalents	-	-	4,602,205	4,602,205	-	-	-	-
Other Bank Balances	-	-	-	-	-	-	-	-
Others								
Claim Receivable	-	-	158,054	158,054	-	-	-	-
Employee Advances	-	-	144,517	144,517	-	-	-	-
	-	-	49,230,398	49,230,398	-	-	-	-
Financial liabilities								
Non-current								
Deposits		-	5,157,024	5,157,024	-	-	-	-
Others	-	-	89,680	89,680	-	-	-	-
Current								
Borrowings	-	-	46,500,000	46,500,000	-	-	-	-
Trade payables	-	-	194,378,868	194,378,868	-	-	-	-
Others	-	-	21,809,291	21,809,291	-	-	-	-
	-	-	267,934,863	267,934,863	-	-	-	-

FVTPL - Fair Value Through Profit and Loss
FVTOCI - Fair Value Through Other Comprehensive Income

A one percentage point change in the unobservable inputs used in fair valuation of the Deposits / loans does not have a significant impact in its value.

C.Financial risk management and policies

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks identified are credit risk, and liquidity risk.

The following sections provide details regarding the Company's exposure to the above mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit Risk

Credit risk is the risk of loss that counter party may not be able to settle their obligations as agreed. The Company's exposure to credit risk arises primarily from bank balances, security deposit and other receivables which the Company minimises such risk by dealing exclusively with high credit rating counterparties.

Financial instruments that are subject to concentrations of credit risk principally consists of trade receivables, security deposits, cash and cash equivalents, bank deposits and other financial assets. Bank deposits consists of Rs. 1,913,522 for the year ended March 31, 2017 are held with an Indian Bank having high quality credit rating. None of the other financial instrument of the company result in the material concentration of credit risk.

Exposure to credit risk:

The Carrying amount of financial assets represents maximum exposure to credit risk. The maximum exposure to credit risk was Rs. 529,093,734, Rs. 156,460,014 and Rs. 49,230,398 as at March 2017, March 2016 and April 1, 2015 respectively, being the total of the carrying amount of balances with banks, security deposits, bank deposits, trade receivables and other financial assets.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward- looking information. The expected credit loss allowance is based on ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

Age of receivables — Rs. in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
-less than 30 days	3,027.63	1,296.83	234.11
-31 to60 days	906.75	59.22	91.22
-61 to90 days	486.33	10.74	19.97
-more than 90 days	162.85	9.55	52.63