INDO COUNT RETAIL VENTURES PVT LTD
BALANCE SHEET AS AT 31 MARCH , 2017

Particulars	Note No.	As at 31.03.2017
ASSETS		
(1) **Non-Current Assets**		
(i) Deferred Tax Assets (Net)	**5**	7,32,192
(2) **Current assets**		
(a) Inventories	**6**	74,38,791
(b) Financial assets		
(i) Trade receivables	**7**	1,00,49,340
(ii) Cash and cash equivalents	**8**	23,15,642
(c) Other Current Assets	**9**	12,50,215
Total Assets		**2,17,86,179**
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital		1,00,000
(b) Other Equity		(27,05,916)
LIABILITIES		
(1) **Current Liabilities**		
(a) Financial Liabilities		
(i) Trade Payables	**11**	2,32,78,115
(b) Other Current Liabilities	**12**	11,13,980
Total Equity and Liabilities		**2,17,86,179**

CONTINGENT LAIBILITIES AND COMMITMENTS	**19**	
SIGNIFICANT ACCOUNTING POLICIES	**3**	

The accompanying notes from an internal part of financial statements

As Per our report of even date attached

For B.K. Shroff & Co.,
Chartered Accountants
Firm Regd. No.: 302166E

	Anil Kumar Jain	**Asim Dalal**
Partner	**Chairman**	**Managing Director**
Membership No.:	**DIN No. 00086106**	**DIN No.00062734**

Place: Mumbai
Date: 11th May, 2017

INDO COUNT RETAIL VENTURES PVT LTD
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD FROM 26TH FEBRUARY, 2016 TO 31ST MARCH, 2017

		Note No.	For the period 26.02.2016 to 31.03.2017
	CONTINUING OPERATIONS		
I	**INCOME**		
	Revenue from operations	**13**	3,87,21,405
	Total Income		**3,87,21,405**
II	**EXPENSES**		
	Purchase of stock-in-trade	**14**	3,72,81,608
	Changes in inventories of finished goods, work in progress and stock-in-trade	**15**	(74,38,791)
	Emloyee benefit expense	**16**	47,15,584
	Finance cost	**17**	8,546
	Other expense	**18**	73,30,140
	Total Expenses		**4,18,97,087**
III	**Profit/ (loss) before tax (I-II)**		**(31,75,682)**
IV	**Tax expense**		
	a) Current tax		-
	b) Deferred tax		(7,32,192)
V	**Profit/ (loss) for the period (III-IV)**		**(24,43,491)**
VI	**Other comprehensive income**		-
VII	**Total comprehensive income for the period (XIII+XIV)**		**(24,43,491)**
VIII	**Earnings per equity share**	**21**	
	a) Basic		(244.35)
	b) Diluted		(244.35)
	SIGNIFICANT ACCOUNTING POLICIES	**3**	
	The accompanying notes from an internal part of financial statements		

For B.K. Shroff & Co.,
Chartered Accountants
Firm Regd. No.: 302166E

	Anil Kumar Jain	**Asim Dalal**
Partner	**Chairman**	**Managing Director**
Membership No.:	**DIN No. 00086106**	**DIN No.00062734**
Place: Mumbai		
Date: 11th May, 2017		

INDO COUNT RETAIL VENTURES PVT LTD
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2017

A. Equity Share Capital

Particulars	Changes in Equity Share Capital during the year	Balance as at 31.03.2017
Paid up capital in fully paid up Equity Shares of Rs. 10 each	1,00,000	1,00,000
TOTAL	**1,00,000**	**1,00,000**

B. Other Equity

	Reserves & Surplus		
	Retained Earnings	**Preliminary expenses**	**Total**
Created during the year		(2,62,425)	
-Amortisation of 1/5th portion	(52,485)	52,485	-
Total Comprehensive Income for the year	(24,43,491)	-	**(24,43,491)**
Balance as at 31.03.2017	**(24,95,976)**	**(2,09,940)**	**(27,05,916)**

The accompanying notes from an internal part of financial statements

For B.K. Shroff & Co.,
Chartered Accountants
Firm Regd. No.: 302166E

Anil Kumar Jain
Chairman
DIN No. 00086106

Asim Dalal
Managing Director
DIN No.00062734

Partner
Membership No.:
Place: Mumbai
Date: 11th May, 2017

INDO COUNT RETAIL VENTURES PVT LTD

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31-03-2017

	Particulars	Fot the period ended 31st March ,2017
		Rs
A.	**CASH FLOW FROM OPERATING ACTIVITIES**	
	Net Profit/(Loss) before extraordinary item and tax	**(31,75,682)**
	Adjustments for:-	
	Finance Cost	8,546
	Operationg profit /(loss) before working capital changes	**(31,67,137)**
	Changes in working capital :	
	Adjustment for (increase)/decrease in operating assets	
	Inventories	(74,38,791)
	Trade Receivables	(1,00,49,340)
	Other current assets	(12,50,214)
		(1,87,38,345)
	Adjustment for increase/(decrease) in operating liabilities	
	Trade payable	2,32,78,115
	Other current liabilities	11,13,980
		2,43,92,095
	Net income tax(paid)/refunds	-
	Net Cash flow from /(used in) operating activities(A)	**24,86,613**
B	**CASH FLOW FROM INVESTING ACTIVITIES**	
	Net Cash flow from/(used in) investing activities(B)	**-**
C	**Cash Flow from financing activities**	
	Proceeds from issue of equity shares	1,00,000
	Company formation expenses	(2,62,425)
	Finance Cost	(8,546)
	Net Cash flow from /(used in) financing activities (C)	**(1,70,971)**
	Net Increase /(decreae) in cash and cash equivalents (A+B+C)	23,15,642
	Cash and cash equivalents at the beginning of the year	-
	Cash and cash equivalents at the end of the year	23,15,642
	Reconciliatin of cash and cash equivalents with the balance sheet :	
	Cash and cash equivalents as per Balance sheet	23,15,642
	Cash and cash equivalents at the end of the year	
	Comprises of:	
	(a) cash on hand	-
	(b) In Current accounts	23,15,642
	Notes: Figures in bracket represents cash outflow.	

The accompanying notes from an internal part of financial statements

For B.K. Shroff & Co.,	**Anil Kumar Jain**	**Asim Dalal**
Chartered Accountants	**Chairman**	**Managing Director**
Firm Regd. No.: 302166E	**DIN No. 00086106**	**DIN No.00062734**

Partner

Membership No.:

Place: Mumbai

Date: 11th May, 2017

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Indo Count Retail Ventures Private Limited (the ‘Company’) is a private limited company incorporated and domiciled in India. The registered office is located atOffice No.2, Plot No.266, Village Alte, Kumbhoj Road, Taluka Hatkanagale, Dist. Kolhapur-416109, Maharashtra, India.

The Company is a trading in textile products.

2. BASIS OF PREPARATION

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards (‘Ind AS’) notified under the Companies (Indian Accounting Standards) Rules,2015 as amended by the Companies (Indian Accounting Standards)(Amendment)Rules, 2016. As per the said roadmap, the company is required to apply Ind AS starting from financial year beginning on or after 1st April,2016.Accordingly,the financial statements of the Company have been prepared in accordance with the Ind AS.

The Company was incorporated on 26th February,2016 and commercial activities started from September 2016. Financial statements are company’s first financials covering period from 26th February 2016 to 31st March 2017.These financial statements for the year ended 31st March,2017 are the first the company has prepared in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statement are presented in Indian Rupees (‘INR’) and all values are rounded to the nearest rupee, except otherwise indicated.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment:

The company has opted to follow cost model for accounting of its entire property, plant and equipments.

Property, plant and equipment are stated at original cost inclusive of incidental expenses related to acquisition net of tax / duty credit availed, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Capital work-in-progress includes cost of property,plant and equipment under installation /under development as at the balance sheet date.

Depreciation on the property,plant and equipment is provided over the useful life of assets as specified in schedule II to the Companies Act,2013. Property, plant and equipment which are added /disposed off during the year,depreciation is provided on pro-rata basis with reference to the date of addition/deletion.

3.2 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation 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 amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Research and Development Cost:

Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss.

During the period of development, the asset is tested for impairment annually.

3.3 Borrowing costs

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.

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

3.4 Impairment of non-financial assets:

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exits or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of the cash generating unit's 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 a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.Indetermining fair value less cost of disposal, recent market transaction are taken into account.If no such transactions can be identified, an appropriate valuation model is used. These calculation are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations,which are prepared separately for each of the Company‘s CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations,including impairment on inventories, are recognized in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to other Comprehensive Income (the OCI) For Such properties,the impairment is recognized in OCI up to the amount of any previous revaluation.

3.5 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

a) Traded goods:
   Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
b) Wastage and rejections are valued at estimated realizable value.

Slow and non-moving inventories, obsolesces, defective inventories are duly provided for and valued at net realisable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

3.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term,highly liquidinvestments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.7 Foreign currency transactions

The Company’s financial statements are presented in INR,which is also the Company‘s functional currency.

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 or expenses in the period in which they are arise.Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on transaction of non-monetary items is recognized in line with the gain or losses of the item that gave arise to the translation difference (i.e. translation differences on items whose gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

3.8 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.9 Fair value measurement

The Company measures financial instruments, such as, derivatives 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 principal or the most advantageous market must be accessible by the Company.

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.

A fair value measurement of 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 its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (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 risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.10 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. 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 and volume rebates.

Rendering of Services:

Revenue from sale of service is recongised as per terms of the contract with customers when the outcome of the transactions involving rendering of services can be estimated reliably.

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 exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Dividends:
Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

3.11 Earnings per share

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

3.12 Taxes

Current Income Tax:

- Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.
- Current income tax relating to items recognized directly in equity and not in the statement of profit and loss. Management periodically evaluates position taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax:
Deferred Tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss.Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred Tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

3.13 Segment accounting

The Chief Operational Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.
The operating segments have been identified on the basis of the nature of products / services.

a) Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.
b) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
c) Income which relates to the Company as a whole and allocable to segments is included in unallocable income.
d) Segment result includes margins on inter-segment and sales which are reduced in arriving at the profit before tax to the Company.
e) Segment assets and liabilities include those directly identifiable with respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

Inter-Segment transfer pricing

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

3.14 Leases

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

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. 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 and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainly that the Company will obtain ownership by the end of the lease term, the asset is depreciated over shorter of the estimated useful life of the asset and the lease term.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charges to the statement of profit and loss on straight line basis.

3.15 Employee benefits

i) Short-term employee benefits

All employee benefits payable only within twelve months of rendering the service are classified as shortterm employee benefits. Benefits such as salaries,wages,etc. and the excepted cost of bonus,ex-gratia, and incentives are recognized in the period during which the employee renders the related service.

ii) Post-employment benefits

a) Defined contribution plans

State Government Provident Scheme is a defined contribution plan.The contribution paid /payable under the scheme is recognized in the statement of profit and loss during the period in which the employee renders the related services.

b) Defined Benefit Plans

The employee Gratuity Fund scheme and Leave Encashment scheme managed by different trusts are defined benefit plans.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date,which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gain and losses, the effect of the asset ceiling,excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.Remeasurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment.

Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs,past-service costs,gains and losses on curtailments and non-routine settlements.
- Net interest expense or income.

Long-term employee benefit

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits
Termination benefits are recognized as an expenses in the period in which they are incurred.

3.16 Provision, Contingent liabilities, Contingent assets and Commitments

General
Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event,it is probable that an outflow of resourcesembodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.When the company expects some or all of a provision to be reimbursed, for example,under an insurance contract,the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material,provisionsare 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:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

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

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

Liquidated damages
Provision for liquidated damages are recognized on contracts for which delivery dates are exceeded and computed in reasonable manner.

Other Litigation claims
Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

Onerous contracts
A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the assets with the contract.

3.17 Exceptional Items
Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activates of the Company is such that its disclosure improves the understanding of the

performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

3.18 Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Assets and liabilities classified as held for distribution are presented separately from other assets and liabilities in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of the Company that either has been disposed of, or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations,
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations,
  Or
- is a subsidiary acquired exclusively with a view to resale.

An entity shall not depreciate (or amortise) a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

3.19 Financial Instruments

i) Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financial asset at fair value
- Financial assets at amortised cost

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 amortised 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 Financial asset is held within a business model whose objective 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 amortised 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 basis.

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

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position)when:

- 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 undera "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 recognises 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.

Investment in associates, joint venture and subsidiaries

The Company has accounted for its investment in associates, joint venture, and subsidiaries at cost.

Impairment of financial assets

The Company assesses impairment based on expected credit losses(ECL) model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12- months expected credit losses(expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses(expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk.Rather,it recognizes impairment loss allowance based on lifetime ECLs at each reporting date,right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure,the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly,lifetime ECL is used.If,in a subsequent period,credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognize impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increase in credit risk to be identified on a timely basis.

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 at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as 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 borrowing are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized 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.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value,adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms of an existing liability are substantially modified,such as 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.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

iv) Derivative financial instruments and hedge accounting

The company enters into derivative contracts to hedge foreign currency /price risk on unexecuted firm commitments and highly probable forecast transactions.Such derivative financial instruments are initially recognized at fair value on the date on which a derivate contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss,expect for the effective portion of cash flow hedges,which is recognized in other comprehensive income and presented as a separate component of equity which is later reclassified to statement of profit and loss when the hedge item affects profit or loss.

3.20 Business combination under common control

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The financial information in the financial statements in respects of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferoris transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the separate financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made judgements, which have the most significant effect on the amounts recognised in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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 DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement 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.

5. Income Tax

Major components of income tax expenses for the period ended 31 March 2017 are

Statement of profit & loss

Profit or loss section

Particulars	Amount in Rs.
	As at 31.03.2017
Current income tax:	
Current income tax charge	-
Deferred tax:	
Relating to origination and reversal of temporary differences	(7,32,192)
Income tax expense reported in the statement of profit or loss	**(7,32,192)**

OCI section

Deferred tax related to items recognised in OCI during the period

Particulars	Amount in Rs.
	As at 31.03.2017
Net loss/(gain) on remeasurements of defined benefit plans	-
Income tax charged to OCI	

DEFERRED TAX

	Amount in Rs	
	Balance Sheet	**Profit & Loss**
Deferred tax relates to the following:	**31-Mar-2017**	**31-Mar-2017**
Unused tax losses / depreciation	7,32,192	(7,32,192)
	7,32,192	**(7,32,192)**
Defered tax expenses /(income)		
- Recognised in Profit & loss	-	(7,32,192)
Defered tax assets/ (liabilities)	7,32,192	-
	7,32,192	**(7,32,192)**

Deferred tax expense/(income)

Net deferred tax assets/(liabilities)

Reflected in the balance sheet as follows:

Particulars	31-Mar-2017
Deferred tax assets	7,32,192
Deferred tax liabilities	-
Continuing operations	7,32,192
Deferred tax assets, net	**7,32,192**

Reconciliation of deferred tax assets, net	31-Mar-2017
Opening balance as of 1 April	-
Tax income/(expense) during the period recognised in profit or loss	7,32,192
Tax income/(expense) during the period recognised in OCI	-
Closing balance as at 31 March	**7,32,192**

6. INVENTORIES

Particulars	Amount in Rs.
	As at 31.03.2017
Finished Goods	74,38,791
TOTAL	**74,38,791**

7. CURRENT TRADE RECEIVABLES
(Unsecured-considered good)

Particulars	Amount in Rs.
	As at 31.03.2017
Exceeding Six Months	-
Others	1,00,49,340
TOTAL	**1,00,49,340**

8. CASH AND CASH EQUIVALENTS

Particulars	Amount in Rs.
	As at 31.03.2017
Cash in hand	-
Balances with Banks	
In Current Acounts	23,15,642
TOTAL	**23,15,642**

9. OTHER CURRENT ASSETS
(Unsecured-considered good)

Particulars	Amount in Rs.
	As at 31.03.2017
Balances with VAT Authorities	12,50,215
TOTAL	**12,50,215**

10 SHARE CAPITAL

Particulars	As at 31.03.2017
Authorised	
Equity Shares	
10,00,000 Shares of Rs. 10 each	1,00,00,000
Issued:	
10,000 Equity Shares of Rs. 10 each	1,00,000
TOTAL	1,00,000
Subscribed and paid-up:	
10,000 Equity Shares of Rs. 10 each	1,00,000
TOTAL	1,00,000

Notes:

(a) Reconciliation of the number of the shares outstanding at the beginning and at the end of the year:

Particulars	As at 31-03-2017	
	No. of Shares	**Amount in Rs.**
Authorised		
Equity Shares of Rs. 10 each		
Balance at the beginning of the period	-	-
Issued during period	10,00,000	1,00,00,000
Balance at the end of the period	**10,00,000**	**1,00,00,000**
Issued		
Equity Shares of Rs. 10 each		
Balance at the beginning of the period	-	-
Issued during period	10,000	1,00,000
Balance at the end of the period	**10,000**	**1,00,000**
Subscribed and paid-up		
Equity Shares of Rs. 10 each fully paid up		
Balance at the beginning of the period	-	-
Issued during period	10,000	1,00,000
Balance at the end of the period	**10,000**	**1,00,000**

(b) Terms / rights attached to equity shares

(i) The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share, The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

C) Details of equity shares in the company held by each shareholder holding more than

Name of the Shareholder	No. of Shares	
	As at 31-03-2017	**Percentage**
Indo Count Industries Limited (Holding company)	8,250	82.50%
Mr. Asim Dalal	1,750	17.50%
	10,000	**100.00%**

d) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

Reserves: NIL

11. TRADE PAYABLES

Particulars	Amount in Rs. As at 31.03.2017
Total outstanding dues of Micro Enterprises and Small Enterprises (a)	-
Others (b)	2,32,78,115
TOTAL	**2,32,78,115**

(a) The company has not received any intimation from other suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

(b) Payable to Holding Company Rs 1,56,43,086.

12. OTHER CURRENT LIABILITIES

Particulars	Amount in Rs. As at 31.03.2017
Other Payables *	11,13,980
TOTAL	**11,13,980**

* There are no amounts due and outstanding to be credited to Investor Education & Protection Fund.

13. REVENUE FROM OPERATIONS

Particulars	Amount in Rs. For the period 26.02.2016 to 31.03.2017
Sales of Products	3,87,21,405
Revenue from Operations	**3,87,21,405**

14. Purchase of traded goods including purchases from holding company Rs 3,72,81,608.

15. CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars		Amount in Rs. For the period 26.02.2016 to 31.03.2017
Closing Stock		
Finished Goods		74,38,791
SUB-TOTAL	A	**74,38,791**
Less : Opening Stock		
Finished Goods		-
Sub - total	B	-
(Increase)/ Decrease in Stock	B-A	**(74,38,791)**

16 EMPLOYEE BENEFITS EXPENSE

Particulars	Amount in Rs. For the period 26.02.2016 to 31.03.2017
Salaries & Wages	36,96,774
Director's Remuneration	10,00,000
Staff Welfare Expenses	18,810
Total	**47,15,584**

17 FINANCE COST

Particulars	Amount in Rs. For the period 26.02.2016 to 31.03.2017
Bank Charges	8,546
Total	**8,546**

18 OTHER EXPENSES

Particulars	Amount in Rs. For the period 26.02.2016 to 31.03.2017
Power & Fuel	1,25,380
Rent	19,53,525
Rates, Taxes & Fees	6,02,253
Freight Outward	3,32,641
Miscellaneous expenses (a)	43,16,341
Total	**73,30,140**

(a) Includes payment to auditors
Details of Auditors remuneration

Particulars	Amount in Rs. For the period 26.02.2016 to 31.03.2017
As Statutory Audit Fees	10,000
Total	**10,000**

19 CONTINGENT LIABILITIES AND COMMITMENTS
(to the extent not provided for)
A. Contingent Liabilities :- NIL

B. Commitments :- NIL

20 Related Party Disclosure:

Related party disclosures as required by AS - 18 "Realted Party Disclosures" are given below:-
Relationship
i) Key management personnel
1. Shri Asim Bhupendra Dalal - Managing Director (w.e.f. 01.02.2017)
2. Shri Asim Bhupendra Dalal - Director (Up to 31.01.2017)
3. Shri Anil Kumar Jain - Chairman (w.e.f. 24.08.2016)

ii) Parties where control exists
Holding
Indo Count Industries Limited (w.e.f 24.08.2016)

Amount in Rs.

Particulars	Holding	Key Management Personnel	Total
Remuneration paid	-	10,00,000	10,00,000
Purchase of Goods	3,72,81,608	-	3,72,81,608
Reimbursement of Expenses	78,64,231	-	78,64,231
Balance outstanding at the end of year			
a) Sundry Creditors			
:- For Goods	2,26,45,033	-	2,26,45,033

Related parties enlisted above are those having transactions with the company.

21 EARNING PER SHARE

Particulars		**2016-17**
Face value of equity share	Rs	10
Weighted average number of equity shares outstanding	Nos.	10,000
Profit / (loss) for the year	Rs.	(24,43,491)
Weighted average earnings per share (basic and diluted)	Rs.	(244.35)

22 DETAILS OF SPECIFIED BANK NOTES (SBN'S) HELD AND TRANSACTED DURING 08.11.2016 TO 30.12.2016
NIL

23 Other Information:
NIL

24 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS

Note :-

Employee cost includes expenses charged by holding company on allocation basis. During the year ended 31.03.2017, no expense for defined benifit plans defined contribution plans incurred seperately by the company.

25 FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair calues of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutionsapproximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected lossess of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
Leval 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

	Carrying amount
	As at 31.03.2017
Financial assets at amortised cost:	
Trade receivables	1,00,49,340
Cash and bank balances	23,15,642
Total	1,23,64,982
Financial assets at fair value through profit or loss:	-
Total	-
Financial liabilities at amortised cost:	
Trade and other payables	2,32,78,115
Total	2,32,78,115

26 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to
The Company is not exposed to significant interest rate risk as at the respective reporting dates.

Foreign currency risk :- NIL

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of histrocial bad debts and ageing of accounts receivables. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recoginition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

Actual or expected significant adverse changes in business,
Actual or expected significant changes in the operationg results of the counterparty,
Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
Significant increases in credit risk on other financial instruments of the same counterparty,
Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, there are recognised in profit or loss.

Exposure to credit risk	**As at 31-03-2017**
Financial assets for which loss allowance is measured using 12 months Expected Credit losses (ECL)	
Cash and bank balances	23,15,642
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)	
Trade receivables	1,00,49,340

Balance with banks is subject to low credit risks due to good credit ratings assigned to these banks.

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due.

	Amount in Rs.
As at 31-03-2017	
Up to 3 months	1,00,49,340
3 to 6 months	-
More than 6 months	-
	1,00,49,340

During the period the Company has recognised loss allowance of Rs. NIL Under 12 months expected credit loss model.
No significant changes in estimation techniques or assumptions were made during the reporting period.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or met its obligations on time or at a resonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilties at the reporting date based on contractual undiscounted

As at 31-03-2017	Less than 1 year	1 to 5 years	Total
Trade payables	2,32,78,115	-	2,32,78,115

Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The company monitors capital using pearing ratio, which is total debt divided by total capital plus debt.

	As at 31-03-2017
Total debt	-
Equity	1,00,000
Capital and net debt	**1,00,000**
Gearing ratio	0%

27 DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED UNDER SECTION 186(4) OF THE COMPANIES

Loans given and investments made are given under the respective heads.

Corporate guarantees given by the Company in respect of loans as at 31st March, 2017 :- NIL