Independent Auditors' Report

To the Members of
FUTURE SUPPLY CHAIN SOLUTIONS LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standaloneInd AS financial statements of **FUTURE SUPPLY CHAIN SOLUTIONS LIMITED** ("the Company"), which comprisethe Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows 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 reffered to as "standalone Ind AS financial statements).

Management's Responsibility for the Standalone 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribedunder Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 standalone 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 provision of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone 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 standalone Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 accounting policies used and the reasonableness of the accounting estimates made by the Company Directors, as well as evaluating the overall presentation of the standalone 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 standalone Ind AS financial statements.

Opinion

In our opinion and to the best of information and according to the explanation given to us, the aforesaidstandalone Ind AS financial statements give the information required by the Act in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the company as at March 31, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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 paragraph 3 and 4 of the Order.

2. As required by section 143(3) of the Act, wereport that:

   a. We have sought and obtained all the information and explanations which to the best of ourknowledge and belief were necessary for the purpose of ouraudit;

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

   c. The Balance Sheet,the Statement of Profit and Loss and 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. Inouropinion, the aforesaid standaloneInd AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;

e. On the basis of 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 theAct.

f. With respect to the adequacy of Internal financial controls over financial reporting of the company and the operating effectiveness of such control, 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 explanation given to us:

   i. The Company does not have any pending litigations which would impact its financial position;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

   iv. The Company has provided requisite disclosures in its standalone 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 and these are in accordance with the books of accounts maintained by the company. Refer Note 42 to the standalone Ind AS financial statements.

For **NGS& CO. LLP.**
Chartered Accountants
Firm Registration No. : 119850W

Sd/-
Ashok A. Trivedi
Partner
Membership No. 042472
Mumbai
May 10, 2017

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the **FUTURE SUPPLY CHAIN SOLUTIONS LIMITED** on the standaloneInd AS financial statements for the year ended March 31, 2017, we report that:

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

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

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

(ii) The Company is a service company, primarily rendering logistic services. Accordingly, it does not hold any physical inventories. Therefore, paragraph 3 (ii) of the Order is not applicable.

(iii) According to the information and explanations given to us, 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 Companies Act, 2013. Therefore, the of clause 3(iii) (a), (b) and (c) of the Order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits from the public.

(vi) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the product of the Company.

(vii)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including, Provident Fund, Employees' State Insurance,Income-tax, Sales-tax, Service-tax, Custom duty, Value Added Tax, cess and other material statutory dues, as applicable, have been regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts in respect of Provident Fund, Employees' State Insurance,Income-tax, Sales-tax, Service-tax, Custom duty, Value Added Tax, cess and other material statutory dues were in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, VAT, service tax which have not been deposited with the appropriate authorities on account of any dispute.

(viii) Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowings from banks and debenture holders. The company has not taken any loans from Government or any Financial Institution.

(ix) Based on our audit procedure and on the basis of information and explanation given by the management, we are of the opinion that money raised by company by way of term loan have been applied for the purpose for which they were raised. The company did not raised any money by way of Initial Public offer or further public offer.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the company and hence reporting under clause 3(xi) are not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Therefore, clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **NGS& CO. LLP.**
Chartered Accountants
Firm Registration No. : 119850W

Sd/-
Ashok A. Trivedi
Partner
Membership No. 042472
Mumbai
May 10, 2017

Annexure - B to the Auditors' Report

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 **FUTURE SUPPLY CHAIN SOLUTIONS LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone 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 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 Companies Act, 2013.

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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 **NGS& CO. LLP.**
Chartered Accountants
Firm Registration No. : 119850W

Sd/-
Ashok A. Trivedi
Partner
Membership No. 042472
Mumbai
May 10, 2017

FUTURE SUPPLY CHAIN SOLUTIONS LIMITED

BALANCE SHEET AS AT MARCH 31, 2017

(Rs. In Lakhs)

Particulars	Note	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
Non-Current Assets				
Property, Plant And Equipment	3	12,877.72	13,708.17	14,617.14
Capital Work In Progress		6,981.14	182.58	129.39
Intangible Assets	3	96.75	133.89	278.87
Financial Assets				
Investments	4	-	0.70	0.70
Other Financial Assets	5	2,272.50	2,509.17	1,517.49
Other Non Current Assets	6	-	1.00	1.00
Income Tax Assets(Net)	7	85.90	894.65	789.97
Total Non-Current Assets		**22,314.01**	**17,430.16**	**17,334.56**
Current Assets				
Financial Assets				
Investments	8	0.70	-	-
Trade Receivables	9	21,670.73	22,112.13	18,191.38
Cash and Cash Equivalent	10	4,667.51	147.71	207.77
Bank Balances other than Cash and Cash Equivalent	11	33.20	47.09	42.09
Other Financial Assets	12	607.28	7,891.37	2,223.63
Other Current Assets	13	1,657.04	741.84	735.97
Total Current Assets		**28,636.46**	**30,940.14**	**21,400.84**
Total Assets		**50,950.47**	**48,370.30**	**38,735.40**
EQUITY & LIABILITIES				
Equity				
Equity Share Capital	14	3,913.83	3,913.83	3,913.83
Other Equity	15	25,367.11	20,810.19	17,863.89
Total Equity		**29,280.94**	**24,724.02**	**21,777.72**
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Non Current Borrowings	16	7,353.68	4,428.00	1,367.64
Other Non Current Financial Liabilities	17	195.65	196.09	156.79
Provisions	18	264.59	191.03	161.47
Deferred Tax Liabilities (Net)	19	1,009.34	1,118.18	889.30
Total Non-Current Liabilities		**8,823.26**	**5,933.30**	**2,575.20**
Current Liabilities				
Financial Liabilities				
Borrowings	20	-	3,601.56	3,829.08
Trade Payables	21	9,778.72	10,825.68	8,141.57
Other Current Financial Liabilities	22	1,990.54	1,691.71	2,121.79
Other Current Liabilities	23	1,066.26	1,560.48	261.15
Provisions	24	10.75	33.55	28.89
Total Current Liabilities		**12,846.27**	**17,712.98**	**14,382.48**
Total Equity And Liabilities		**50,950.47**	**48,370.30**	**38,735.40**

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For NGS & Co. LLP
Chartered Accountants

Sd/-
Ashok A.Trivedi
Partner
Membership No.: 042472
Mumbai
Date : May 10, 2017

For and on behalf of the Board of Directors
Future Supply Chain Solutions Ltd.

Sd/-
C P Toshniwal
(Director)
DIN : 00036303

Sd/-
Vivek Biyani
(Director)
DIN : 01977838

Sd/-
Kailash Sharma
(Chief Financial Officer)

Sd/-
Vimal Dhruve
(Company Secretary)

FUTURE SUPPLY CHAIN SOLUTIONS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(Rs. In Lakhs)

Particulars	Note	Year Ended March 31, 2017	Year Ended March 31, 2016
Income			
Revenue From Operations	25	56,118.34	51,987.04
Other Income	26	1,580.90	859.99
Total Income		**57,699.24**	**52,847.03**
Expenses			
Cost of Logistics Services		37,527.96	33,874.71
Employee Benefits Expense	27	5,654.70	5,437.72
Depreciation and Amortization Expense	3	1,914.02	2,068.66
Finance Costs	28	1,275.87	1,326.07
Other Expenses	29	5,507.51	5,680.62
Total Expense		**51,880.06**	**48,387.78**
Profit Before Tax		**5,819.18**	**4,459.25**
Income Tax Expense			
(1) Current Tax		1,352.61	1,287.63
(2) Deferred Tax (Assets)/Liabilities		(108.85)	228.89
		1,243.76	**1,516.52**
Profit for the year		**4,575.42**	**2,942.73**
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
(i) Remeasurement of the defined benefit Plan		28.30	(10.13)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(9.80)	3.51
Total other comprehensive income, net of tax		18.50	(6.62)
Total Comprehensive Income for the period		**4,556.92**	**2,949.35**
Earnings Per Equity Share (Face Value Rs. 10/- each)			
Basic		11.64	7.54
Diluted		11.19	7.36

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For NGS & Co. LLP
Chartered Accountants

Sd/-
Ashok A.Trivedi
Partner
Membership No.: 042472
Mumbai
May 10, 2017

For and on behalf of the Board of Directors
Future Supply Chain Solutions Ltd.

Sd/-
C P Toshniwal
(Director)
DIN : 00036303

Sd/-
Vivek Biyani
(Director)
DIN : 01977838

Sd/-
Kailash Sharma
(Chief Financial Officer)

Sd/-
Vimal Dhruve
(Company Secretary)

FUTURE SUPPLY CHAIN SOLUTIONS LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2017

(Rs. In Lakhs)

	Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit Before Tax	**5,819.18**	**4,459.25**
	Adjusted For:		
	Depreciation And Amortization Expense	1,914.02	2,068.66
	Finance Costs	1,275.87	1,326.07
	Provision for Doubftful Debts	56.89	143.78
	Profit on sale of Fixed Assets	(10.87)	-
	Excess Provision Written Back	(75.17)	-
	Interest Income	(1,444.41)	(814.59)
	Operating Profit Before Working Capital Changes	**7,535.51**	**7,183.17**
	Adjusted For:		
	Trade Receivable	384.52	(4,064.53)
	Loans & Advances and Other Assets	7,429.20	(6,774.94)
	Trade Payables, Other Liabilities and Provisions	(4,746.72)	3,406.42
	Cash Generated From Operations	**10,602.51**	**(249.88)**
	Taxes Paid (Net)	(1,342.81)	(1,291.14)
	Net Cash From Operating Activities	**9,259.70**	**(1,541.02)**
B	**Cash Flow From Investing Activities**		
	Purchase Of Property, Plant & Equipment and Intangible Assets	(7,881.82)	(3,777.25)
	Sale Of Property, Plant & Equipment and Intangible Assets	47.70	2,709.33
	Interest Received	1,444.41	814.59
	Net Cash Used In Investing Activities	**(6,389.71)**	**(253.33)**
C	**Cash Flow From Financing Activities**		
	Proceeds From Long Term Loan	2,925.68	3,060.36
	Interest Paid	(1,275.87)	(1,326.07)
	Net Cash Provided By Financing Activities	**1,649.81**	**1,734.29**
	Net (Decrease)/Increase In Cash And Cash Equivalents (A+B+C)	**4,519.80**	**(60.06)**
	Cash and Cash Equivalents (Opening Balance)	**147.71**	**207.77**
	Cash and Cash Equivalents (Closing Balance)	**4,667.51**	**147.71**

The accompanying notes are an integral part of these financial statements.
As per our report of even date attached

For NGS & Co. LLP
Chartered Accountants

Sd/-
Ashok A.Trivedi
Partner
Membership No.: 042472
Mumbai
Date : May 10, 2017

For and on behalf of the Board of Directors
Future Supply Chain Solutions Ltd.

Sd/-
C P Toshniwal
(Director)
DIN : 00036303

Sd/-
Vivek Biyani
(Director)
DIN : 01977838

Sd/-
Kailash Sharma
(Chief Financial Officer)

Sd/-
Vimal Dhruve
(Company Secretary)

FUTURE SUPPLY CHAIN SOLUTIONS LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

(Rs. In Lakhs)

Note	Particulars	As at March 31, 2017	As at March 31, 2016
(A)	**EQUITY SHARE CAPITAL**		
	Opening Balance	3,913.83	3,913.83
	Change during the year	-	-
	Closing Balance	**3,913.83**	**3,913.83**
(B)	**OTHER EQUITY** **Retained Earnings**		
	Opening Balance	4,815.07	1,865.72
	Profit for the Year	4,575.42	2,942.73
	Other Comprehensive (Income)/Loss for the year(net of tax)	18.50	(6.62)
	Closing Balance	**9,371.99**	**4,815.07**
	Securities Premium Reserve		
	Opening Balance	15,995.12	15,995.12
	Change during the year	-	-
	Closing Balance	**15,995.12**	**15,995.12**
	Total Other Equity	**25,367.11**	**20,810.19**

The accompanying notes are an integral part of these financial statements.
As per our report of even date attached

For NGS & Co. LLP
Chartered Accountants

Sd/-
Ashok A.Trivedi
Partner
Membership No.: 042472
Mumbai
Date : May 10, 2017

For and on behalf of the Board of Directors
Future Supply Chain Solutions Ltd.

Sd/-
C P Toshniwal
(Director)
DIN : 00036303

Sd/-
Vivek Biyani
(Director)
DIN : 01977838

Sd/-
Kailash Sharma
(Chief Financial Officer)

Sd/-
Vimal Dhruve
(Company Secretary)

Reconciliation

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

1. Equity as at April 1, 2015 and March 31, 2016
2. Net profit for Year ended March 31, 2016

Reconciliation of Equity as previously reported under IGAAP to Ind AS (Rs. In Lakhs)

Particulars	Note	Opening Balance Sheet as at April 1, 2015			Balance Sheet as at March 31, 2016		
		IGAAP	Effects of transition to Ind-AS	Ind AS	IGAAP	Effects of transition to Ind-AS	Ind AS
ASSETS							
Non-Current Assets							
Property, Plant and Equipment	3	14,617.14	-	14,617.14	13,708.17	-	13,708.17
Capital Work In Progress		129.39	-	129.39	182.58	-	182.58
Intangible Assets	3	278.87	-	278.87	133.89	-	133.89
Financial Assets							
Investments	4	0.70	-	0.70	0.70	-	0.70
Other Financial Assets	5	1,478.80	38.70	1,517.49	2,416.85	92.32	2,509.17
Other Non Current Assets	6	1.00	-	1.00	1.00	-	1.00
Income Tax Assets (Net)	7	789.97	-	789.97	894.65	-	894.65
Total Non-Current Assets		17,295.87	38.70	17,334.56	17,337.84	92.32	17,430.16
Current Assets							
Financial Assets							
Investments	8	-		-	-		-
Trade Receivables	9	18,191.38	-	18,191.38	22,112.13	-	22,112.13
Cash and Cash Equivalent	10	207.77	-	207.77	147.71	-	147.71
Bank Balances other than Cash and Cash Equivalent	11	42.09	-	42.09	47.09	-	47.09
Other Financial Assets	12	2,223.63	-	2,223.63	7,891.38	-	7,891.37
Other Current Assets	13	735.97	-	735.97	741.84	-	741.84
Total Current Assets		21,400.84	-	21,400.84	30,940.15	-	30,940.14
Total Assets		38,696.71	38.70	38,735.40	48,277.99	92.32	48,370.30
Equity & Liabilities							
Equity							
Equity Share Capital	14	3,913.83	-	3,913.83	3,913.83	-	3,913.83
Other Equity	15	17,863.72	0.18	17,863.89	20,819.66	(9.46)	20,810.19
Total Equity		21,777.55	0.18	21,777.72	24,733.49	(9.46)	24,724.02
Liabilities							
Non-Current Liabilities							
Financial Liabilities							
Non Current Borrowings	16	1,377.82	(10.18)	1,367.64	5,500.00	(1,072.00)	4,428.00
Other Non Current Financial Liabilities	17	156.79	-	156.79	196.09	-	196.09
Provisions	18	161.47	-	161.47	191.03	-	191.03
Deferred Tax Liability(Net)	19	886.24	3.06	889.30	1,118.18	-	1,118.18
Total Non-Current Liabilities		2,582.32	(7.12)	2,575.20	7,005.30	(1,072.00)	5,933.30
Current Liabilities							
Financial Liabilities							
Borrowings	20	3,829.08	-	3,829.08	3,601.56	-	3,601.56
Trade Payables	21	8,147.71	(6.14)	8,141.57	10,827.48	(1.80)	10,825.68
Other Current Financial Liabilities	22	2,115.66	6.14	2,121.79	1,689.91	1.80	1,691.71
Other Current Liabilities	23	215.50	45.65	261.15	386.70	1,173.77	1,560.48
Provisions	24	28.89	-	28.89	33.55	-	33.55
Total Current Liabilities		14,336.84	45.64	14,382.48	16,539.20	1,173.78	17,712.98
Total Equity And Liabilities		38,696.71	38.70	38,735.40	48,277.99	92.32	48,370.30

Reconciliation Statement of Profit and Loss as previously reported under IGAAP to Ind AS

(Rs. In Lakhs)

Particulars	Note	Year ended March 31, 2016		
		IGAAP	Effects of transition to Ind-AS	Ind AS
Income				
Revenue from operations	25	51,987.04	-	51,987.04
Other Income	26	400.37	459.62	859.99
Total Income		52,387.41	459.62	52,847.03
Expenses				
Cost of Logistics Services		33,874.71	-	33,874.71
Employee Benefits Expense	27	5,427.59	10.13	5,437.72
Depreciation and Amortization Expense	3	2,068.66	-	2,068.66
Finance costs	28	856.82	469.25	1,326.07
Other Expenses	29	5,680.61	0.01	5,680.62
Total Expense		47,908.39	479.39	48,387.78
Profit/(loss)before Tax		4,479.02	(19.77)	4,459.25
Income Tax Expense:				
Current tax		1,291.14	3.51	1,287.63
Less: MAT Credit Utilisation		295.86	-	295.86
		995.28	3.51	991.78
Deferred Tax		231.94	3.06	228.89
Profit/(loss) for the Year		2,955.94	(13.21)	2,942.73

FUTURE SUPPLY CHAIN SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. Company Overview

Future Supply Chain Solutions Limited (the Company) is a public Company domiciled in India and incorporated on March 8, 2006.

The Company is India's first fully integrated and IT enabled end-to-end Supply Chain and Logistic Company with capabilities in handling Modern Warehousing, Express Logistics, Cold Chain Logistics. The Company caters to corporates in Food & Beverages, Lifestyle, Consumer Electronics & High Tech, Automotive & Engineering, Home & Furniture, Healthcare, General Merchandise and E-Commerce. Each category has a distinct supply chain with its own distinct requirements that need customized solutions. The Company has been pioneer and leader in modernising logistics and supply chain in India by having implemented cutting-edge and contemporary supply chain management practices through implementation of global best practices, indigenized and best adapted for Indian conditions.

The Company has its registered office at Mumbai, Maharashtra, India.

The financial statements were authorized for issue in accordance with a resolution of the Board of Directors on May 10, 2017.

2. Summary of Significant Accounting Policies

2.1. Basis of Preparation of Financials Statement

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition have been summarized in note.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standard requires a change in accounting policy hitherto in use.

2.2. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as on April 1, 2015 measured as per previous GAAP as it deemed cost on the date of transition.

The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Plant and Equipments	: 15 years
Office Equipments	: 5 years
Furniture and Fixtures	: 10 years
Electrical Installations	: 10 Years
Vehicle	: 6 year
Computers	: 3 Years
Leasehold improvements	: As per Agreement period

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

2.4. Intangible Assets

Intangible assets are stated at acquisition cost and other cost incurred, which is attributable to preparing the asset for its intended use, less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on straight line basis over their estimated useful economic life not exceeding ten years.

An item of Intangible Asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognized.

The residual values, useful lives and methods of amortization of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Assets recognised as on April 1, 2015 measured as per previous GAAP as it deemed cost on the date of transition.

2.5. Leases

Leases where significant portion of risk and reward of ownership are retained by the Lessor are classified as operating leases and lease rental thereof is charged to the Profit and Loss as per the terms of agreement which is representative of the time pattern of the user's benefit.

2.6. Financial instruments

2.6.(i) Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.6.(ii)Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and 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.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and 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.

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

b. Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

2.6.(iii) Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset.

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.7. Foreign Currency

Functional currency

The functional currency of the company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to Lakhs).

Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

2.8. 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, are capitalized as part of the cost of the respective asset. All other borrowing costs are charged in the period they occur in the statement of profit and loss.

2.9. Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Rendering of Services

Revenue from services are recognised as they are rendered based on agreements/arrangements with the concerned parties and recognised net of service tax (If applicable).

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.

2.10. Current versus Non-Current Classification

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- 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 considered as current when it is:

- Expected to be settled in normal operating cycle
- 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.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.11. Measurement of Fair Value

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 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** —Input for the asset or liability that are not based on observable market data (unobservable inputs).

2.12. Employee Benefit

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the period in which the related service is rendered.

Post-employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

2.13. Income Taxes

Income tax expense comprises current and deferred income 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. 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 rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent there is reasonable certainty that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.14. Earnings Per Share

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

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

2.15. Provisions

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

2.16. Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

b. Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

2.17. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.18. First-time adoption of Ind-AS

These financial statements, for the year ended March 31, 2017 have been prepared in accordance with Ind AS. For the year ended up to March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

For the purposes 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 1, 2015 as the transition date and IGAAP 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 above note have been applied in preparing the financial statements for the year ended March 31, 2017 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, Statement of Profit and Loss, is set out in below note. Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in note 2.19.

2.19. Exemptions availed on first time adoption of Ind-AS 101

Ind-AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions.

(i). Business Combination

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date. The Company elected to apply Ind AS 103 prospectively.

(ii). Deemed Cost

The Company has elected to continue with the carrying value of all of its property, plant & Equipment and intangible assets recognised as of transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3 : PROPERTY, PLANT AND EQUIPMENT

(Rs. In Lakhs)

Particulars	Land	Leasehold Improvement	Plant and Equipment	Office Equipment	Computers	Furniture & Fittings	Electrical Installations	Vehicles	Total	Capital Work in Progress
Cost										
As at April 01, 2015	-	1,106.09	10,187.18	171.60	303.81	1,190.82	1,599.29	58.35	14,617.14	129.39
Additions	559.82	3.28	1,696.89	122.57	469.98	224.09	646.37	-	3,723.00	53.19
Deductions	-	-	1,729.03	64.82	193.34	185.42	536.72	-	2,709.33	-
As at March 31, 2016	559.82	1,109.37	10,155.04	229.35	580.45	1,229.49	1,708.94	58.35	15,630.81	182.58
Additions	28.43	14.69	113.06	69.83	108.30	97.58	142.44	504.91	1,079.24	6,798.56
Deductions	-	-	6.46	0.24	-	0.64	-	42.91	50.25	-
As at March 31, 2017	588.25	1,124.06	10,261.64	298.94	688.75	1,326.43	1,851.38	520.35	16,659.80	6,981.14
Accumulated Depreciation									-	
As at April 01, 2015	-	-	-	-	-	-	-	-	-	
Depreciation charge for the year	-	238.06	930.54	82.30	191.00	203.67	268.36	8.71	1,922.64	
Deductions/Adjustmets	-	-	-	-	-	-	-	-	-	
As at March 31, 2016	-	238.06	930.54	82.30	191.00	203.67	268.36	8.71	1,922.64	
Depreciation charge for the year	-	226.48	904.59	57.01	149.32	201.25	248.10	86.12	1,872.87	
Deductions/Adjustmets	-	-	3.65	-	0.51	0.15	-	9.12	13.43	
As at March 31, 2017	-	464.54	1,831.48	139.31	339.81	404.77	516.46	85.71	3,782.08	
Net Book Value									-	
									-	
As at March 31, 2017	588.25	659.52	8,430.16	159.63	348.94	921.66	1,334.92	434.64	12,877.72	
As at March 31, 2016	559.82	871.31	9,224.50	147.05	389.45	1,025.82	1,440.58	49.64	13,708.17	
As at April 01, 2015	-	1,106.09	10,187.18	171.60	303.81	1,190.82	1,599.29	58.35	14,617.14	

(Rs. In Lakhs)

Intangible assets	Computer Software	Exclusive Business Rights	Total
Cost			
As at April 01, 2015	249.40	29.47	278.87
Additions	1.04	-	1.04
Deductions	-	-	-
As at March 31, 2016	250.44	29.47	279.91
Additions	4.01	-	4.01
Deductions	-	-	-
As at March 31, 2017	254.45	29.47	283.92
Accumulated Amortisation			
As At April 01, 2015			
Amortisation for the year	136.02	10.00	146.02
Deductions/Adjustmets	-	-	-
As at March 31, 2016	136.02	10.00	146.02
Amortisation for the year	31.15	10.00	41.15
Deductions/Adjustmets	-	-	-
As at March 31, 2017	167.17	20.00	187.17
Net Book Value			
As at March 31, 2017	87.28	9.47	96.75
As at March 31, 2016	114.42	19.47	133.89
As at April 01, 2015	249.40	29.47	278.87

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. In Lakhs)

Note	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
4	**Investments**			
	Non-Current Investments			
	Non - Trade Investment (at cost)			
	Unquoted			
	National Saving Certificate*	-	0.70	0.70
	Aggregate cost of unquoted investments			
	*Under lien with Sales Tax Department			
	* Financial Assets Carried at amortised cost	-	0.70	0.70
5	**Other Financial Assets**			
	Non-Current Financial Assets - Others			
	Unsecured Considered Good			
	Security Deposits	2,272.50	2,509.17	1,517.49
	* Financial Assets Carried at amortised cost			
		2,272.50	2,509.17	1,517.49
6	**Other Non Current Assets**			
	Bank Deposit	-	1.00	1.00
	*Under lien with Sales Tax Department	-	1.00	1.00
7	**Income Tax Assets (Net)**			
	Deduction of Income Tax (Net of provisions)	85.90	894.65	494.11
	MAT Credit Entitlement	-	-	295.86
		85.90	894.65	789.97
8	**Investments**			
	Current Investment			
	Non - Trade Investment (at cost)			
	Unquoted			
	National Saving Certificate*	0.70	-	-
	Aggregate cost of unquoted investments			
	*Under lien with Sales Tax Department			
	* Financial Assets Carried at amortised cost	0.70	-	-
9	**Trade Receivables**			
	Outstanding for a period more than six months from the date they are due for payment			
	Unsecured, Considered Good	1,578.14	1,318.18	757.29
	Considered Doubtful	419.33*	254.72	118.02
	*(Includes Rs. 107.72 Lakhs related to slump sale)			
	Less : Allowance for Expected Credit Loss	419.33	254.72	118.02
		1,578.14	1,318.18	757.29
	Other Receivables			
	Unsecured, Considered Good	20,092.59	20,793.95	17,434.09
		21,670.73	22,112.13	18,191.38
10	**Cash and Cash Equivalent**			
	Balances with Banks			
	In Current Accounts	4,656.49	137.99	197.79
	Cash on Hand	11.02	9.72	9.98
		4,667.51	147.71	207.77
11	**Bank Balances other than Cash and Cash Equivalent**			
	Bank Deposit*	33.20	47.09	42.09
	*(Under Lien)			
		33.20	47.09	42.09
12	**Other Financial Assets**			
	Other Current Financial Assets			
	Inter Corporate Deposit	-	7,500.00	1,500.00
	Security Deposits	607.28	391.37	723.63
	Unsecured, Considered Good			
	Doubtful	7.08	7.08	1.48
	Less: Provision for Doubtful Security Deposits	7.08	7.08	1.48
		607.28	7,891.37	2,223.63
13	**Other Current Assets**			
	Insurance Claim Receivables	12.62	37.18	15.00
	Others*	1,644.42	704.66	720.97
	*(Include Receivable from Government Autorities, Prepaid Expenses, Advance to suppliers and Advance Salary			
		1,657.04	741.84	735.97

Note 14 — Share Capital

Particular	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Number	(Rs. in Lakhs)	Number	(Rs. in Lakhs)	Number	(Rs. in Lakhs)
Authorised						
40,000,000 Equity Shares of Rs. 10 Each.	40,000,000	4,000.00	40,000,000	4,000.00	40,000,000	4,000.00
	40,000,000	**4,000.00**	**40,000,000**	**4,000.00**	**40,000,000**	**4,000.00**
Issued and Paid up						
39,138,283 Equity Shares of Rs. 10 Each fully paid up	39,138,283	3,913.83	39,138,283	3,913.83	39,138,283	3,913.83
	39,138,283	**3,913.83**	**39,138,283**	**3,913.83**	**39,138,283**	**3,913.83**

(i) Reconciliation of Number of Shares

Equity Shares of Rs.10/- Each

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
	Number of Shares	Number of Shares	Number of Shares
Opening Balance	39,138,283	39,138,283	39,138,283
Changes During the year	-	-	-
	39,138,283	**39,138,283**	**39,138,283**

(ii) Terms/Rights Attached to Equity Shares

The company has only one class of equity shares having a par value of Rs. 10/- per Share. Each holder of equity share is entitled for one vote per share.

In the event of liquidation, the equity sharesholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholdings.

(iii) More than 5 percent Shareholding in the Company

Shareholders holding more than 5 percent of the equity shares in the company are as under :

Name of Shareholder	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares						
Future Enterprises Limited (Formerly known as Future Retail Limited)	22,472,831	57.4%	27,462,962	70.2%	27,462,962	70.2%
SKC 1 Limited	-	-	10,175,321	26.0%	10,175,321	26.0%
Griffin Partners Limited	15,654,681	40.0%	-	-	-	-
	38,127,512	**97.4%**	**37,638,283**	**96.2%**	**37,638,283**	**96.2%**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. In Lakhs)

Note	Particulars	As at March 31, 2017	As at March 31, 2016
15	OTHER EQUITY		
	Retained Earnings		
	Opening Balance	4,815.07	1,865.72
	Profit for the Year	4,575.42	2,942.73
	Other Comprehensive (Income)/Loss for the year(net of tax)	18.50	(6.62)
	Closing Balance	**9,371.99**	**4,815.07**
	Securities Premium Reserve		
	Opening Balance	15,995.12	15,995.12
	Change during the year	-	-
	Closing Balance	**15,995.12**	**15,995.12**
	Total Other Equity	**25,367.11**	**20,810.19**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. In Lakhs)

Note	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
16	**Non Current Borrowings**			
	Zero Coupon Fully Convertible Debentures @ Rs. 10000 Each	4,914.00	4,428.00	-
	Term Loan			
	Rupee Term Loan from Banks*	2,433.74	-	1,367.64
	Rupee Term Loan from Financial Institution	5.94	-	-
	* Financial Liabilities Carried at Amortised Cost			
	Refer Note No.41			
		7,353.68	4,428.00	1,367.64
17	**Other Non Current Financial Liabilities**			
	Non Current Financial Liabilities			
	Security Deposits*	195.65	196.09	156.79
	* Financial Liabilities Carried at Amortised Cost			
		195.65	196.09	156.79
18	**Non-current - Provisions**			
	Provision for Employee Benefits	264.59	191.03	161.47
		264.59	191.03	161.47
19	**Deferred tax Liabilities (net)**			
	Major components of the Deferred tax balances consist of the following:			
	Deferred Tax Liability			
	Related to Fixed Assets	1,138.51	1,302.56	1,005.54
		1,138.51	1,302.56	1,005.54
	Deferred Tax Assets			
	Disallowances under the Income Tax Act, 1961	129.17	184.38	116.24
		129.17	184.38	116.24
	Deferred Tax Liability (Net)	1,009.34	1,118.18	889.30
20	**Borrowings**			
	Secured			
	Working Capital Loans from Banks *	-	3,601.56	3,829.08
	* Refer Note No. 41			
		-	3,601.56	3,829.08
21	**Trade Payables**			
	Current Financial Liabilities - Trade Payable			
	Trade Payables (Refer Note No. 34)	9,778.72	10,825.68	8,141.57
		9,778.72	10,825.68	8,141.57
22	**Other Current Financial Liabilities**			
	Current Maturities of Long Term Borrowings	717.15	7.82	1,108.35
	Security Deposits	4.85	54.60	4.56
	Other Payable*	1,268.54	1,629.29	1,008.88
	* Include Capital Creditors			
		1,990.54	1,691.71	2,121.79
23	**Other Current Liabilities**			
	Deferred Interest	586.00	1,072.00	-
	Other Payables *	480.26	488.48	261.15
	* Includes Statutory Dues, Advance from Customers,etc.			
		1,066.26	1,560.48	261.15
24	**Provisions**			
	Current Provisions			
	Provision for Employee Benefits	10.75	33.55	28.89
		10.75	33.55	28.89

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. In Lakhs)

Note	Particulars	2016-17	2015-16
25	**Revenue from Operations**		
	Logistic Services	56,015.76	51,893.45
	Other Operating Revenue	102.58	93.59
		56,118.34	**51,987.04**
26	**Other Income**		
	Interest Income	1,444.41	814.59
	Profit on Sale of Fixed Assets	10.87	14.13
	Excess Provisions/Liabilities Written Back	75.17	1.06
	Miscellaneous Income	50.45	30.21
		1,580.90	**859.99**
27	**Employee Benefits Expense**		
	Salaries, Wages and Bonus	5,178.11	4,916.55
	Contribution to Provident and Other Funds	166.94	192.09
	Staff Welfare Expenses	309.65	329.08
		5,654.70	**5,437.72**
28	**Finance Costs**		
	Interest Expense	1,275.87	1,307.98
	Other Borrowing Costs	-	18.09
		1,275.87	**1,326.07**
29	**Other Expenses**		
	Consumable Stores		
	Power and Fuel	932.23	850.40
	Repairs and Maintenance		
	Building	115.00	74.57
	Machinery	280.77	402.55
	Others	409.06	445.19
	Insurance	111.09	166.94
	Rates and Taxes	51.46	20.99
	Rent Including Lease Rentals	247.38	201.44
	Travelling and Conveyance Expenses	837.81	910.39
	Auditors' Remuneration(Refer Note No. 40)		
	Statutory Audit Fees	13.00	8.00
	Tax Audit Fees	0.25	0.25
	Other Services	2.00	-
	Security Expenses	1,100.54	1,047.16
	Allowance for Expected Credit Loss	56.89	143.78
	Exchange Fluctuation Loss (Net)	0.40	0.38
	Donations	1.44	1.32
	Miscellaneous Expenses	1,348.19	1,407.26
		5,507.51	**5,680.62**

Notes to the Financial Statements

30. Financial Risk Management

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 policy is set by the managing board.

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 a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including loans and borrowings, foreign currency receivables and payables.

The Company manages market risk through treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and borrowing strategies.

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.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

Foreign Currency Risk

The company is exposed to exchange fluctuation risk for its purchase from overseas suppliers in various foreign currencies.

The following table analyzes foreign currency risk from financial instruments as of:

Trade Payable	**2016-17**	**2015-16**
In GBP	GBP 5217.00	GBP 5382.00
In US $	US $ 5789.09	NIL
In INR	5.43	5.31

Credit Risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 21670.73 Lakhs and Rs. 22112.13 Lakhs as of March 31, 2017 and March 31, 2016 respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the company's historical experience for customers.

Credit Risk Exposure

Movement in Expected credit loss.

(Rs. in Lakhs)

	2016-17	2015-16
Beginning of the year	254.72	118.02
Movement in Expected Credit Loss	164.61	136.70
Balances at the end	419.33	254.72

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Liquidity Risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

As of 31st March 2017, The Company had a working capital of Rs. 15790.20 Lakhs including cash and cash equivalent of Rs. 4700.72 Lakhs and current investment of Rs. 0.70 Lakhs.

As of 31st March 2016, The Company had a working capital of Rs. 13227.17 Lakhs including cash and cash equivalent of Rs. 194.80 Lakhs.

(Rs. in Lakhs)

	2016-17	2015-16
Short-Term Borrowings	NIL	3601.56
Trade Payables	9778.72	10825.68
Other Current Financial Liabilities	1990.54	1691.71
Outstanding Compensated Expenses	2.23	18.02

31. Contingent Liabilites not provided for:
    Bank Guarantees outstanding Rs. 15.00 Lakhs (2016: Rs.47.09 Lakhs)

32. Estimated amounts of contracts remaining to be executed on capital account and not provided for, (net of advances) Rs. 349.46 Lakhs. (2016: Rs. 207.57 Lakhs)

33. Cost of Services includes Rent paid Rs. 6238.64 Lakhs (2016 : Rs. 4904.75 Lakhs)

34. There are no Micro, Small and Medium Enterprises, to whom the Company owes dues which are outstanding for more than 45 days during the period. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and relied by the auditors.

35. Related Party disclosures

The management has identified the following related parties for disclosures under AS 18:

Holding Company - Future Enterprises Limited

An Associate or Joint venture of memberof a group of which the other entity is a member

- Apolo Design Apparel Park Ltd

- Future Generali India Life Insurance Co. Ltd.

- Work Store Limited (formerly known as Staples Future Office Products Ltd)

Key Management Personnel - Anshuman Singh (Managing Director and CEO) Up to 31st May 2016.

During the year, following transactions were carried out with the related parties in the ordinary course of business

(Rs. in Lakhs)

Nature of Transactions	**Holding Company**	**Fellow Subsidiary Company**	**Key Management Personnel**
Purchase of Fixed Assets	- (7.17)	- (-)	- (-)
Income from operation	152.10 (11,104.78)	18.14 (-)	- (-)
Reimbursement of Expenses	- (40.94)	- (-)	- (-)
Rent paid	- (21.52)	- (-)	- (-)
Expenses	- (0.77)	18.57 (-)	- (-)
Remuneration	- (-)	- (-)	80.18 (242.48)
Advances given	- (-)	- (-)	- (-)
As on March 31, 2017			
Receivable	167.76 (43.45)	19.84 (-)	- (-)

Break up of Related Party Transaction other than Hodling Company.

(Rs. In Lakhs)

Nature of Transactions	**2016-17**	**2015-16**
Income from operation		
Fellow Subsidiary Company		
Work Store Ltd	15.94	-
Appolo Design & Apparel Park Ltd	2.20	-
Expenses		
Fellow Subsidiary Company		
Work Store Ltd	0.53	-
Future Generali India Life Insurance Co Ltd.	18.04	-
Remuneration		
Key Management Personnel		
Anshuman Singh	80.18	242.48

Notes :

The shareholders of the Company had passed the special resolution at the extra ordinary general meeting held on 16 April 2013 to waive the recovery of excess remuneration paid to the Managing Director and accordingly, applied to the Central Government. The Central Government has, however, rejected the application and directed the Company to recover the remuneration so paid to the Managing Director.

The shareholders of the Company had also passed the special resolution at the extra ordinary general meeting held on 16 April 2013 for the re-appointment of the Managing Director and accordingly, filed requisite application with the Central Government. The said application is also rejected by the Central Government.

Based on the legal advice, the Company is representing these matters before the Ministry of Corporate Affairs and depending on its outcome, seek recovery of any amount.

36. Earnings Per Share

Particulars	**2016-17**	**2015-16**
Profit for the year (Rs. In Lakhs)	4556.92	2949.35
Weighted average number of equity shares outstanding during the period - Basic	3,91,38,283	3,91,38,283
Weighted average number of equity shares outstanding during the period - Diluted	4,07,09,712	4,00,76,639
Earnings per share of Rs.10/- each		
- Basic	11.64	7.54
- Diluted	11.19	7.36

37. Lease

The Company's significant leasing arrangements are in respect of operating leases for premises (office warehouses etc) These leasing arrangements which are non-cancellable range between 3 months and 12 years generally or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rents payable are charged as "Rent" under Cost of Logistic Service and Note no.29. Lease Rent payable not later than one year is Rs. 2,421.52 Lakhs (2016: Rs. 2,074.22 Lakhs), payable later than one year but not later than five year is Rs. 6,904.22 Lakhs (2016: Rs. 4,785.22 Lakhs) and payable later than five years is Rs. 2,733.59 Lakhs (2016: Rs. 2,054.81 Lakhs)

38. Value of Imports (during the year on CIF basis)

(Rs. in Lakhs)

Particulars	**2016-17**	**2015-16**
Capital Goods (CWIP)	43.92	NIL

39. Expenditure in Foreign Currency (On Accrual Basis)

(Rs. In Lakhs)

Particulars	**2016-17**	**2015-16**
Travelling Expenses	3.14	2.88
Freight forwarding	32.25	73.70
Software Licences	8.07	14.17
Spare Parts	-	11.91
Professional Fees	62.14	54.16

40. Payment to the Auditor (Excluding of Service Tax)

(Rs. In Lakhs)

	2016-17	2015-16
Statutory Audit Fees	13.00	8.00
Tax Audit Fees	0.25	0.25
Other Expenses	2.00	-
Total	**15.25**	**8.25**

41. Security clause in respect to Secured Borrowings includes Working Capital Loans from Banks

A. Short Term Borrowing

Rs. NIL (2016: Rs. 3601.56 Lakhs) is secured by (a) First Pari-Passu Charge on Current Assets of the Company (b) Second Pari-Passu Charge on Fixed Assets (c) Secured by personal Guarantee of Shri Rakesh Biyani.

B. Long Term Borrowing

Rs. 3044. 96 Lakhs (Including current maturity) (2016: NIL) is secured by First Pari-Passu Charge on entire Fixed Assets (Including immovable properties but excluding land)- Present and future of the Company and personal Guarantee by one of the Directors' and Rs. 138.09 lakhs (Including current maturity) is secured by vehicle.

Amount repayable Rs. 717.15 lakhs in 2017-18, Rs. 785.94 lakhs in 2018-19, Rs. 780.00 lakhs in 2019-20, Rs. 780.00 lakhs in 2020-21, Rs. 119.96 lakhs in 2021-22. Rate of interest ranging from 9.85% to 14.54%.

Installments falling due in respect of all the above Term loan upto 31.03.2018 aggregating Rs. 717.15 Lakhs have been grouped under current maturities of Long-Term Borrowings.

C. Compulsory Convertible Debenture

Rs. 5,500 lakhs, Zero Coupon Compulsory Debtures (CCDs) are convertible in to equity shares of the company after the expiry of lock in period as stipulated in the Securities subscription cum shareholders agreement dated April 30, 2015.

42. Disclosure on Specified Bank Notes (SBNs)

As per the amendments notified on 30th March, 2017 to Ind AS Schedule III, Clause K is inserted in Note 6 to General Instructions for Preparation of Balance Sheet stating that every company shall disclose the details of SBNs held and transacted during the period November 8, 2016 to December 30, 2016 as provided in the following table:

(Rs. In Lakhs)

	SBNs*	Other Denomination	Total
Closing Cash in Hand as on November 8, 2016	2.84	8.65	11.49
(+) Permitted receipts	-	-	-
(+) Other receipts	-	2.16	2.16
(-) Permitted payments	0.91	-	0.91
(-) Amounts deposited in Banks	1.93	-	1.93
Closing Cash in Hand as on December 30, 2016	-	10.81	10.81

*It is further stated that 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 November 8, 2016.

43. Disclosure pursuant to Accounting Standard 15 – Employee Benefits

Defined Contribution Plan

Amount recognised as an expenses and included in Schedule 22 under the "Contribution to Provident and Other Funds" of Statement of Profit and Loss account Rs. 166.94 Lakhs (2016: Rs. 192.09 Lakhs).

Employee Benefits - Gratuity

As per Ind AS 19 the disclosures as defined in the Accounting Standard are given below:

Change in Present Value of Defined Benefit Obligation

(Rs. in Lakhs)

Particulars	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2016-17	**2015-16**	**2016-17**	**2015-16**
Present value of obligation at the beginning of the year	155.28	128.61	72.06	64.11
Current service cost	35.27	44.00	19.70	29.80
Interest cost	12.41	10.28	5.76	5.13
Remeasurement-Acturial (gain)/Loss	28.28	(10.09)	27.41	(8.95)
Benefits paid by company	(41.94)	(17.53)	(36.11)	(18.02)
Benefit paid by the Insurance Co.	-	-	-	-
Bank Balance	-	-		
Present value of obligation at the year end	189.30	155.28	88.82	72.06

Change in Fair Value of Plan Assets

(Rs. in Lakhs)

	Gratuity (Funded)	
	2016-17	2015-16
Fair value of plan assets at the beginning of the year	2.78	2.27
Remeasurement-Return on plan assets excluding amounts included in interest income	(0.02)	0.04
Acturial gain/(loss)	0.22	0.18
Benefits paid	-	-
Contributions	-	0.29
Fair value of plan assets at the end the year	2.98	2.78

Net Defined Benefit Liability/ (Assets)

(Rs. in Lakhs)

	2016-17	2015-16
Defined Benefit Obligation	189.30	155.28
Fair Value of Plan Assets	(2.98)	(2.78)
Surplus /(Deficit)	186.32	152.50
Effect of Assets Ceiling	-	-
Net Defined Benefit Liability/ (Assets)	**186.32**	**152.50**

Expenses recognised in Statement of Profit and Loss

(Rs. in Lakhs)

	Gratuity (Unfunded)		Leave Encashment	
	2016-17	2015-16	2016-17	2015-16
Current service cost	35.27	44.00	19.70	29.80
Net interest on the net defined benefit liability/asset	12.19	10.11	5.76	5.13
Remeasurement on (Gain)/Loss	-	-	27.41	(8.96)
Immediate recognition of (gains)/losses - other long term benefits	-	-	-	-
Total Expenses Recognised in Profit And Loss Account	47.46	54.11	52.87	25.97

Remeasurement Effects Recognised in Oher Comprehensive Income (OCI)

(Rs. in Lakhs)

	2016-17	2015-16
Actuarial (gains)/losses	28.28	(10.09)
(Return)/loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	0.02	(0.04)
Total (Gain) / Loss included in OCL	**28.30**	**(10.13)**

Financial Assumptions

	Gratuity		Leave Encashment	
	2016-17	2015-16	2016-17	2015-16
Discounted rate (per annum)	7.50%	8%	7.50%	8%
Expected rate of future salary increase	5%	5%	5%	5%

44. The Company is engaged only in Logistic business in India and there are no separate reportable business and geographical segments as per Accounting Standard 17, Segment Reporting.

45. The Company had entered into a lease agreement with Maharashtra Airport Development Comapany Limited wherein the annual lease rent was to be computed at specified precentage of Construction cost which was to be certified by an independent valuer. During the current financial year Company has not carried out any valuation from independent valuer , however it was done during last financial year. The concluding rounds of discussion with the vendor is under process and final assessment of actual monthly rent payable is expected to be concluded during the financial year 2017-18. Accordingly, the impact of change in rent payable will be given in financial year 2017-18 if any.

46. Previous year figures have been regrouped/rearranged wherever necessary.

As per our report of even date

For NGS & Co. LLP
Chartered Accountants

Sd/-
Ashok A Trivedi
Partner
Membership No. 042472
Mumbai
May 10, 2017

For and on behalf of the Board of Directors of
Future Supply Chain Solutions Ltd.

Sd/-
C P Toshniwal
[Director]
DIN: 00036303

Sd/-
Vivek Biyani
(Director)
DIN: 01977838

Sd/-
Kailash Sharma
(Chief Financial Officer)

Sd/-
Vimal Dhruve
[Company Secretary]