

Independent Auditor's Report

To the Members of
FUTUREBAZAAR INDIA LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **FUTUREBAZAAR INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 financial statements.

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

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Opinion

In our opinion and to the best of information and according to the explanation given to us, the 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, of the state of affairs of company as at March 31, 2016, its loss and its cash flow for the year ended on that date.

Emphasis of Matter

We draw the attention to the fact that Company has suffered recurring losses from operations with net loss for the year ended March 31, 2016 amounting to Rs. 20.65 lacs and as of that date, the Company's accumulated losses amount to Rs. 2,131.21 lacs as against Company's share capital of Rs. 1,916.00 lacs. These conditions raise significant doubt about the Company's ability to continue as a going concern. Management has committed to infuse additional capital and when required to meet the Company's commitments. The accompanying financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Our opinion is not qualified in respect of this matter.

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 statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of written representations received from the Directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.
 - 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.

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

Ashok A. Trivedi
Partner
Membership No. 042472
Mumbai
May 25, 2016



Annexure - A to the Auditors' Report to

The Annexure referred to in Independent Auditors' Report to the members of the Idea Box Entertainment Limited on the standalone financial statements for the year ended March 31, 2016, we report that:

(i) The Company does not have any fixed assets. Therefore, the provisions of paragraph 3(i) of the Order are not applicable to the Company during the year.

(ii) The Company does not have any tangible inventory. Therefore, the provisions of paragraph 3(ii) of the Order are not applicable to the Company during the year.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the, Companies Act, 2013 ("the Act"). Therefore, paragraph 3 (iii) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(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 services rendered by 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, income-tax, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of provident fund, sales tax, value added tax, duty of customs employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 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, service tax which have not been deposited with the appropriate authorities on account of any dispute.

(viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Therefore, paragraph 3(viii) of the Order is not applicable.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material 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 give to us and based on our examination of the records of the Company, the Company did not pay/provide for managerial remuneration in accordance provisions of section 197 read with Schedule V to the Act. Therefore, paragraph 3 (xi) of the Order is not applicable.

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

(xiii) The Company is not listed company and therefore provision of section 177 of Companies Act 2013 is not applicable, transactions with the related parties are in compliance with sections 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 give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and 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

Ashok A. Trivedi
Partner
Membership No. 042472
Mumbai
May 25, 2016



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 **FUTUREBAZAAR INDIA LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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, 2016, 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

Ashok A. Trivedi
Partner
Membership No. 042472
Mumbai
May 25, 2016



FUTUREBAZAAR INDIA LIMITED
BALANCE SHEET AS AT MARCH 31, 2016

(₹ in Lacs)

| | Note | As at March 31, 2016 | As at March 31, 2015 |
|--|------|-------------------------|-------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 2 | 1,916.00 | 1,916.00 |
| Reserves and Surplus | 3 | (2,131.21) | (2,110.56) |
| Current Liabilities | | | |
| Trade Payables | 4 | 259.54 | 299.92 |
| Other Current Liabilities | 5 | 11.73 | 17.28 |
| Short-Term Provisions | 6 | 1.30 | 0.91 |
| TOTAL | | 57.36 | 123.56 |
| ASSETS | | | |
| Non-Current Assets | | | |
| Long-Term Loans and Advances | 7 | 0.63 | 5.04 |
| Current Assets | | | |
| Current Investments | 8 | - | 0.25 |
| Trade Receivables | 9 | 9.81 | 31.92 |
| Cash and Bank Balances | 10 | 10.66 | 10.44 |
| Short-Term Loans and Advances | 11 | 36.05 | 75.10 |
| Other Current Assets | 12 | 0.22 | 0.81 |
| TOTAL | | 57.36 | 123.56 |
| The accompanying notes are an integral part of these financial statements. | 1-29 | | |

As per our report of even date attached

For NGS & Co. LLP

Chartered Accountants


Ashok Trivedi

Partner

Membership No: 042472



For and on behalf of Board of Directors

FUTUREBAZAAR INDIA LIMITED



Dinesh Maheshwari

Director

Din No: 00088451



Ashni Biyani

Director

Din No: 00058775

Mumbai

Date: 25/05/2016

FUTUREBAZAAR INDIA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in Lacs)

| | Note | Year Ended March 31, 2016 | Year Ended March 31, 2015 |
|--|------|------------------------------|------------------------------|
| INCOME | | | |
| Revenue From Operations | 13 | 1,026.81 | 1,214.90 |
| Other Income | 14 | 0.23 | 181.07 |
| Total Revenue | | 1,027.05 | 1,395.97 |
| EXPENDITURE | | | |
| Purchases of Traded Goods | 15 | 1,018.68 | 1,195.23 |
| Employee Benefits Expense | 16 | 18.89 | 17.81 |
| Other Expenses | 17 | 10.13 | 224.28 |
| Total Expenses | | 1,047.69 | 1,437.31 |
| Profit / (Loss) Before Tax | | (20.65) | (41.35) |
| Tax Expense | | - | - |
| Profit / (Loss) after Tax For The Year | | (20.65) | (41.35) |
| Earnings Per Equity Share [Face Value of Share ₹ 10/- each] | 25 | | |
| Basic and Diluted | | (0.11) | (0.22) |
| The accompanying notes are an integral part of these financial statements. | 1-29 | | |

For NGS & Co. LLP
Chartered Accountants



Ashok Trivedi

Partner

Membership No: 042472



FUTUREBAZAAR INDIA LIMITED



Dinesh Maheshwari

Director

Din No: 00088451



Ashni Biyani

Director

Din No: 00058775

Mumbai

Date: 25/05/2016

FUTUREBAZAAR INDIA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON March 31, 2016

(₹ in Lacs)

| | Year Ended on March 31, 2016 | Year Ended on March 31, 2015 |
|---|---------------------------------|---------------------------------|
| A. Cash Flow from Operating Activities | | |
| Net Profit/(Loss) before Tax and Extraordinary items | (20.65) | (41.35) |
| Interest on Bank Deposits | (0.23) | (0.30) |
| Sundry Balance written back | 3.77 | (4.94) |
| Operating Profit/(Loss) Before Working Capital Changes | (17.11) | (46.59) |
| Decrease in Trade receivables | 22.11 | 14.46 |
| Decrease in Loans and advances | 40.29 | 22.96 |
| (Decrease)/Increase in Trade payables | (40.38) | 9.18 |
| (Decrease)/Increase in Other payables | (5.18) | 3.89 |
| Cash Generated From Operations | (0.27) | 3.90 |
| Taxes Paid | - | - |
| Cash flow before Extraordinary items | (0.27) | 3.90 |
| Net Cash from operating activities | (0.27) | 3.90 |
| B. Cash Flow From Investing Activities | | |
| Decrease in Investment in NSC | 0.25 | - |
| Fixed Deposit with Banks | 1.11 | (0.11) |
| Interest on Bank Deposits | 0.23 | 0.30 |
| Net Cash Used In Investing Activities | 1.60 | 0.19 |
| Net (Decrease)/Increase in Cash & Cash Equivalents | 1.32 | 4.09 |
| Cash and Cash Equivalents (Opening Balance) | 5.75 | 1.66 |
| Cash and Cash Equivalents (Closing Balance) | 7.08 | 5.75 |

As per our report of even date attached

For NGS & Co. LLP

Chartered Accountants


Ashok Trivedi

Partner

Membership No: 042472



Mumbai

Date: 25/05/2016

For and on behalf of Board of Directors

FUTURE BAZAAR INDIA LIMITED

Dinesh Maheshwari

Director

Din No: 00088451

Ashni Biyani

Director

Din No: 00058775

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

i. BASIS OF PREPARATION

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis. The company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under section 133 of Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

ii. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

iii. INVESTMENTS

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

iv. REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.

Sale of Goods

Sales are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and coincide with the delivery of the goods to the customer. Sales are recorded net of sales tax and value added tax.

Interest

Interest income is recognized on a time preparation basis tacking in to account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of profit and loss.



v. EMPLOYMENT BENEFITS

Employee benefits such as salaries, allowances, non-monetary benefits and employee benefits under defined contribution plans such as provident fund and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense to the statement of profit and loss for the period in which the service is rendered.

Employee benefits under defined benefit plans and other long term employee benefits such as gratuity and compensated absences which fall due for payment after completion/cessation of employment or after a period of twelve months from rendering service are measured by the projected unit credit method, based on actuarial valuations at each balance sheet date carried out by independent actuaries.

vi. TAXATION

Tax expense comprise of current and deferred tax. Current income tax is measured at the amounts expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income arising in the current year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

In situations where the company has carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

vii. EARNING PER SHARE (Basic & Diluted)

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) 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 year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

viii. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Contingent liabilities are not recognized, but disclosed in notes to accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

ix. EXCHANGE TRANSACTIONS

Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated into Indian rupees at the exchange rate prevailing at the balance sheet date. All exchange differences are dealt with in profit and loss account.



FUTUREBAZAAR INDIA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lacs)

| Particulars | As at | As at |
|---|----------------|----------------|
| | March 31, 2016 | March 31, 2015 |
| 2. Share Capital | | |
| Authorised | | |
| 2,00,00,000 Equity Shares of ₹ 10/- Each. | 2,000.00 | 2,000.00 |
| | 2,000.00 | 2,000.00 |
| Issued, Subscribed and Fully Paid-up Shares | | |
| 1,91,60,000 Equity Shares of ₹ 10/- Each Fully Paid | 1,916.00 | 1,916.00 |
| | 1,916.00 | 1,916.00 |

a) Reconciliation of Number of Shares

| Particulars | As at | | As at | |
|-----------------|----------------|-----------|----------------|-----------|
| | March 31, 2016 | | March 31, 2015 | |
| | No. of Shares | ₹ in lacs | No. of Shares | ₹ in lacs |
| Opening Balance | 19,160,000 | 1,916.00 | 19,160,000 | 1,916.00 |
| Closing Balance | 19,160,000 | 1,916.00 | 19,160,000 | 1,916.00 |

b) Terms/Rights Attached to Equity Shares

The company has one class of equity shares having a par value of ₹ 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shares Held by Holding Company

| Particulars | As at | As at |
|-----------------------|-------------------|-------------------|
| | March 31, 2016 | March 31, 2015 |
| | No. of Shares | No. of Shares |
| Equity Shares | | |
| Future Retail Limited | 19,160,000 | 19,160,000 |
| Total | 19,160,000 | 19,160,000 |

d) Details of Shares Held by Shareholders Holding More than 5% of The Aggregate Shares in The Company

| Particulars | As at | | As at | |
|-----------------------|-------------------|-------------|-------------------|-------------|
| | March 31, 2016 | | March 31, 2015 | |
| | No. of Shares | %of Holding | No. of Shares | %of Holding |
| Equity Shares | | | | |
| Future Retail Limited | 19,160,000 | 100 | 19,160,000 | 100 |
| Total | 19,160,000 | 100 | 19,160,000 | 100 |



FUTUREBAZAAR INDIA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lacs)

| | As at March 31, 2016 | As at March 31, 2015 |
|---|-------------------------|-------------------------|
| 3. Reserves and Surplus | | |
| Statement of Profit and Loss | | |
| Opening Balance | (2,110.56) | (2,069.21) |
| Add: Profit/(Loss) for The Year | (20.65) | (41.35) |
| | (2,131.21) | (2,110.56) |
| 4. Trade Payables | | |
| Trade Payables (Refer note No. 20) | 259.54 | 299.92 |
| | 259.54 | 299.92 |
| 5. Other Current Liabilities | | |
| <u>Other Payables*</u> | 11.73 | 17.28 |
| | 11.73 | 17.28 |
| <u>* Primarily Includes Statutory Dues Payable,creditors for expenses and Advances from customers</u> | | |
| | 11.73 | 17.28 |
| 6. Short-Term Provisions | | |
| Provision for Employee Benefits | 1.30 | 0.91 |
| * Includes Provision for Gratuity and Other Retirement Benefits | | |
| | 1.30 | 0.91 |
| 7. Long-Term Loans and Advances | | |
| (Unsecured, Considered Good) | | |
| Other Loans and Advances* | 0.63 | 5.04 |
| | 0.63 | 5.04 |
| 8. Current Investments | | |
| Non-Trade, Unquoted | | |
| In Government and Other Securities | | |
| National Saving Certificate* | - | 0.25 |
| *Under lien with Sales Tax Department | | |
| | - | 0.25 |



| FUTUREBAZAAR INDIA LIMITED | | |
|--|-------------------------|-------------------------|
| NOTES FORMING PART OF THE FINANCIAL STATEMENTS | | |
| | (₹ in Lacs) | |
| | As at March 31, 2016 | As at March 31, 2015 |
| 9. Trade Receivables | | |
| Unsecured | | |
| - Outstanding for a Period Exceeding Six Months | | |
| Considered Good | 9.81 | 21.62 |
| Other Debts Considered Good | - | 10.30 |
| | 9.81 | 31.92 |
| 10. Cash and Bank Balances | | |
| Cash and Cash Equivalents | | |
| Balances with Banks in Current Accounts | 7.08 | 5.74 |
| Cash on Hand | - | 0.01 |
| Other Bank Balances | | |
| Short-Term Bank Deposits | 3.58 | 4.69 |
| (Includes ₹ 1 Lac as Lien with Sales Tax Department) | | |
| | 10.66 | 10.44 |
| 11. Short-Term Loans and Advances | | |
| (Unsecured, Considered Good) | | |
| Others Loans and Advances | | |
| Others* | 36.05 | 75.10 |
| *Includes Advances given to suppliers, Prepaid expenses, etc | | |
| | 36.05 | 75.10 |
| 12. Other Current Assets | | |
| Interest Receivable | 0.23 | 0.81 |
| | 0.23 | 0.81 |



FUTUREBAZAAR INDIA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(` in Lacs)

| | Year Ended March 31, 2016 | Year Ended March 31, 2015 |
|---|------------------------------|------------------------------|
| 13. Revenue From Operations | | |
| Traded goods | 1,026.81 | 1,216.12 |
| Less: Sales Tax | - | 1.22 |
| | 1,026.81 | 1,214.90 |
| Sale of Products | 1,026.81 | 1,214.90 |
| 14. Other Income | | |
| Interest on Bank Deposits | 0.23 | 0.30 |
| Sundry Balance written back | - | 4.94 |
| Excess Provision Written back | - | 175.83 |
| | 0.23 | 181.07 |
| 15. Purchases of Traded Goods | | |
| Purchases of Traded Goods | 1,018.68 | 1,195.23 |
| | 1,018.68 | 1,195.23 |
| 16. Employee Benefits Expense | | |
| Salaries, Wages and Bonus | 18.29 | 17.18 |
| Contribution to Provident and Other Funds | 0.60 | 0.63 |
| | 18.89 | 17.81 |
| 17. Other Expenses | | |
| Printing and stationery | 0.08 | - |
| Statutory Audit Fees | 1.63 | 1.57 |
| Legal and professional fees | 3.93 | 3.80 |
| Rates and Taxes | 0.45 | 24.14 |
| Insurance | 0.14 | 0.24 |
| Bad Debts Written Off | - | 186.03 |
| Advertising and Sales Promotion | - | - |
| Royalty | - | - |
| Packing material | - | - |
| Sundry Balance written off | 3.77 | 8.50 |
| Bank Charges | - | - |
| Miscellaneous Expenses | 0.14 | - |
| | 10.13 | 224.28 |



18. Contingent Liabilities not provided for: Nil (2015: Nil)
19. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) Nil (2015: Nil).
20. Details of dues to Micro, Small and Medium Enterprises as per Micros Small and Medium Enterprise Development Act, 2006.
The Company does not owe any amounts to micro, small or medium enterprise outstanding for more than 30 days. Also, there are no suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprise Development Act, 2006" as at March 31, 2015. Accordingly, no disclosures are required to be made under the said Act and Schedule III to the Companies Act, 2013.

21. **Principal Items of Purchase of Stock-in-Trade:**

(₹ in Lacs)

| Category | Year Ended March 31, 2016 | Year Ended March 31, 2015 |
|---------------------|------------------------------|------------------------------|
| General Merchandise | NIL | 1.39 |
| Others | 10.19 | 10.33 |
| Total | 10.19 | 11.73 |

22. **Segment Reporting**

Business Segment

The company is engaged only in Ecommerce business and there are no separate reportable segments as per Accounting Standard 17 in "Segment Reporting" issued by the Institute of Chartered Accounts of India.

Geographic Segment:

The Operation of the company are only within India which is considered as a single geographical segment

23. **Related Party Disclosures**

As required under Accounting Standard (AS) 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India the disclosure of transactions with the related parties are as below:

List of Related Parties (as identified by the Company and relied upon by the Auditors)

- (i) Holding Company - Future Retail Limited
(ii) Fellow Subsidiary - Future E-Commerce Infrastructures Limited

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

(₹ in Lacs)

| Nature of Transactions | Holding Company | | Fellow Subsidiary | |
|--------------------------|-----------------|---------|-------------------|----------|
| | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| Purchase of Traded Goods | NIL | NIL | 1018.68 | 1,195.23 |
| Balance outstanding | | | | |
| - Receivable | 36.00 | 74.99 | - | - |
| - Payable | | - | 259.54 | 299.92 |



24. Deferred tax liability

Deferred tax asset arising on account of timing differences comprising of unabsorbed business losses has not been recognized in absence of virtual certainty of its realization.

25. Computation of Earnings Per Share

| Particulars | 2015-16 | 2014-15 |
|--|----------|------------|
| Profit / (Loss) after tax (₹ in Lacs) | (20.65) | (41.35) |
| Weighted average number of equity shares outstanding during the period - Basic (Nos) | 19160000 | 19,160,000 |
| Weighted average number of equity shares outstanding during the period - Diluted (Nos) | 19160000 | 19,160,000 |
| Earnings per share of ₹ 10/- each - Basic and Diluted (₹) | (0.11) | (0.22) |

26. Expenditure in Foreign Currency ₹ NIL (2015: NIL)

27. Disclosure pursuant to Accounting Standard 15 – Employee Benefits

A) Reconciliation of Opening And Closing balances of defined benefit obligations

(₹ in Lacs)

| | Gratuity (Unfunded) | | Leave Encashment (Unfunded) | |
|--|---------------------|---------|-----------------------------|---------|
| | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| Present value of obligation at the beginning of the year | 0.25 | 0.11 | 0.66 | 0.55 |
| Interest Cost | 0.02 | 0.01 | 0.05 | 0.04 |
| Current service cost | 0.14 | 0.13 | 0.10 | 0.09 |
| Benefits paid | NIL | NIL | NIL | NIL |
| Actuarial (gain)/Loss on obligation | 0.15 | 0.00 | (0.07) | (0.02) |
| Present value of obligation at the end of the year | 0.56 | 0.25 | 0.74 | 0.66 |

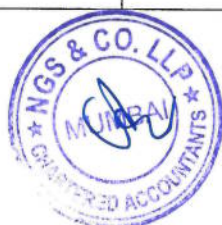
B) Expenses recognized in the statement of Profit and Loss

(₹ in Lacs)

| | Gratuity (Unfunded) | | Leave Encashment (Unfunded) | |
|-----------------------|---------------------|---------|-----------------------------|---------|
| | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| Current service cost | 0.14 | 0.13 | 0.10 | 0.09 |
| Interest cost | 0.02 | 0.01 | 0.05 | 0.04 |
| Benefits Paid | NIL | NIL | NIL | NIL |
| Actuarial (gain)/Loss | 0.15 | 0.00 | (0.07) | (0.02) |
| Net Cost | 0.31 | 0.14 | 0.08 | 0.11 |

The principle assumptions used in the actuarial valuation are as below

| | Gratuity (Funded) | | Leave Encashment | |
|---|-------------------|---------|------------------|---------|
| | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| Discounted rate (per annum) | 8% | 8% | 8% | 8% |
| Expected rate of future salary increase | 5% | 5% | 5% | 5% |



Since the company has not funded its gratuity liability and leave encashment there are no returns on the planned assets and hence the details related to changes in fair value of assets have not been given.

28. Going Concern

The financial statements of the company have been prepared on the basis that the company is going concern. However having regard to the fact there are significant accumulated losses, the ability of the company to continue as a going concern is significantly dependent on the improvement of the company's future operations and financial support from the holding company. Holding company has confirmed that necessary financial support will be provided as required.

29. Previous year's figures have been regrouped, reworked, rearranged & reclassified wherever necessary.

As per our report of even date attached
For **NGS & Co. LLP**
Chartered Accountants



Ashok Trivedi

Partner

Membership No: 042472



For and on behalf of Board of Directors
FUTUREBAZAAR INDIA LIMITED



Dinesh Maheshwari

Director

Din No: 00088451

Ashni Biyani

Director

Din No: 00058775

Mumbai

Date : 25/05/2016