

## Independent Auditor's Report

To the Members of  
**FUTUREBAZAAR INDIA LIMITED**

### Report on the Standalone 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, 2018, 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 referred to as "financial statements").

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other Comprehensive Income, cash flows and changes in the equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued there under.

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 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 judgment, 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 the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the company as at March 31, 2018 and its profit, total comprehensive income, its cash flow 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 the paragraph 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that :
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 relevant rule issued thereunder;
  - e. On the basis of written representations received from the Directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 explanations given to us:
- i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements.
  - 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 23, 2018



**Annexure - A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the **FUTUREBAZAAR INDIA LIMITED** on the standalone financial statements for the year ended March 31, 2018, we report that:

- (i) The Company does not have any fixed assets. Therefore, paragraph 3(i) of the order is not applicable.
- (ii) The company does not have any inventory. Therefore, paragraph 3(ii) of the order is not applicable.
- (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 not granted any loans and made any investments. Therefore, paragraph 3(iv) of the order is not applicable.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as per information and explanation provided to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products 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, 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. As explained to us, the Company did not have any dues on account of custom duty.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, service tax, value added tax, cess and other material statutory dues were in arrears as at March 31, 2018, 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.

However, according to information and explanations given to us, the following dues of Value Added Tax have not been deposited by the Company on account of disputes:





Nature of Dispute	Nature of Dues	Amount (INR)	Period to which amount Relates	Forum where pending
Maharashtra Value Added Tax Act, 2002	MVAT	2,14,50,861	2007-2008	Deputy Commissioner of sales Tax (Appeals)

- (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) To the best of our knowledge and belief and 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 to us and based on our examination of the records of the company, the Company did not pay/ provide for managerial remuneration during the year. 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 a listed company and therefore provision of section 177 of companies Act 2013 is not applicable. Transactions with related parties are in compliance with section 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statement as required by 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 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 23, 2018





**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, 2018 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 standalone financial statements, whether due to fraud or error.



### **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 standalone 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 standalone 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 standalone 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, 2018, 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 23, 2018





**FUTUREBAZAAR INDIA LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2018**

(Rs in Lakhs)

	Note	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Other non-current assets	2	10.58	10.55
<b>Total non-current assets</b>		<b>10.58</b>	<b>10.55</b>
<b>Current assets</b>			
(a) Financial assets			
(i) Trade receivables	3	859.36	1.18
(ii) Cash and cash equivalents	4	99.45	11.64
(b) Other current assets	5	0.68	0.32
<b>Total current assets</b>		<b>959.49</b>	<b>13.14</b>
<b>Total assets</b>		<b>970.07</b>	<b>23.69</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	6	1,916.00	1,916.00
(b) Other equity	7	(2,128.24)	(2,136.19)
<b>Total equity</b>		<b>(212.24)</b>	<b>(220.19)</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	8	1,181.40	216.79
(b) Other current liabilities	9	0.91	27.09
<b>Total current liabilities</b>		<b>1,182.31</b>	<b>243.88</b>
<b>Total equity and liabilities</b>		<b>970.07</b>	<b>23.69</b>

The accompanying notes form an integral part of financial statements.

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

*Ashok Trivedi*

**Ashok Trivedi**  
Partner  
Membership No: 042472  
Mumbai  
Date: 23rd May 2018



For and on behalf of Board of Directors  
FUTUREBAZAAR INDIA LIMITED

*Ashni Biyani*

**Ashni Biyani**  
Director  
DIN: 00058775

*Dinesh Maheshwari*

**Dinesh Maheshwari**  
Director  
DIN: 00088451



FUTUREBAZAAR INDIA LIMITED  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(Rs in Lakhs)

	Note	Year Ended March 31, 2018	Year Ended March 31, 2017
<b>Income</b>			
Revenue from operations	10	4,280.36	1,178.58
Other income	11	0.38	1.27
<b>Total income</b>		<b>4,280.75</b>	<b>1,179.85</b>
<b>Expenses</b>			
Purchase of traded goods	12	4,255.55	1,164.83
Employee benefit expenses	13	-	13.23
Other expenses	14	17.24	6.92
<b>Total expenses</b>		<b>4,272.80</b>	<b>1,184.98</b>
<b>Profit / (loss) before tax</b>		<b>7.95</b>	<b>(5.13)</b>
Tax expense			
(1) Current tax		-	-
(2) Deferred tax		-	-
Profit after tax for the year		<b>7.95</b>	<b>(5.13)</b>
<b>Other comprehensive income</b>			
Re-measurement gains/ (losses) on defined benefit plans		-	0.15
<b>Total other comprehensive income</b>		<b>7.95</b>	<b>(4.98)</b>
<b>Basic &amp; diluted earnings per share</b>	15	<b>0.04</b>	<b>(0.03)</b>

The accompanying notes form an integral part of financial statements.

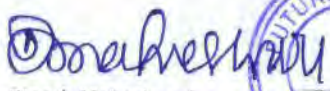
As per our report of even date attached  
For NGS & Co. LLP  
Chartered Accountants

  
Ashok Trivedi  
Partner  
Membership No: 042472  
Mumbai  
Date: 23rd May 2018



For and on behalf of Board of Directors  
FUTUREBAZAAR INDIA LIMITED

  
Ashni Biyani  
Director  
DIN: 00058775

  
Dinesh Maheshwari  
Director  
DIN: 00088451





**FUTUREBAZAAR INDIA LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Rs in Lakhs)

	Year Ended March 31, 2018	Year Ended March 31, 2017
<b>Cash flow from operating activities</b>		
Profit before tax & extraordinary items	7.95	(5.13)
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Interest Income	(0.39)	(0.31)
<i>Working capital adjustments:</i>		
Increase in loan and advances	(0.39)	26.02
Increase in trade and other receivables and prepayments	(858.18)	8.63
Increase in trade and other payables	938.43	(28.54)
<b>Cash generated from operation</b>	<b>87.42</b>	<b>0.67</b>
Income tax paid	-	-
<b>Net cash flows from operating activities</b>	<b>87.42</b>	<b>0.67</b>
<b>Cash flow from investing activities</b>		
Interest Income	0.39	0.31
<b>Net cash flows from investing activities</b>	<b>0.39</b>	<b>0.31</b>
<b>Cash flow from financing activities</b>		
Proceeds from borrowings	-	-
<b>Net cash flows from financing activities</b>	<b>-</b>	<b>-</b>
Net increase in cash and cash equivalents	87.81	0.98
Cash and cash equivalents at the beginning of the year	11.64	10.66
<b>Cash and cash equivalents at year end</b>	<b>99.45</b>	<b>11.64</b>

The accompanying notes form an integral part of financial statements.


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



Ashok Trivedi  
Partner  
Membership No: 042472  
Mumbai  
Date: 23rd May 2018



For and on behalf of  
**FUTUREBAZAAR INDIA LIMITED**



Ashni Biyani  
Director  
DIN: 00058775



Dinesh Maheshwari  
Director  
DIN: 00088451




**FUTUREBAZAAR INDIA LIMITED**  
**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018**

(Rs in Lakhs)

	As at March 31, 2018	As at March 31, 2017
<b>(A) EQUITY SHARE CAPITAL</b>		
Opening balance	1,916.00	1,916.00
Change during the year	-	-
Closing balance	<b>1,916.00</b>	<b>1,916.00</b>
<b>(B) OTHER EQUITY</b>		
<b>Retained earnings</b>		
Opening balance	(2,136.19)	(2,131.21)
Profit/(loss) for the year	7.95	(5.13)
Other comprehensive income/(loss) for the year	-	0.15
Closing balance	<b>(2,128.24)</b>	<b>(2,136.19)</b>
<b>Total other equity</b>	<b>(2,128.24)</b>	<b>(2,136.19)</b>

The accompanying notes form an integral part of financial statements.

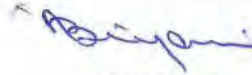
As per our report of even date attached  
For NGS & Co. LLP  
Chartered Accountants



**Ashok Trivedi**  
Partner  
Membership No: 042472  
Mumbai  
Date: 23rd May 2018



For and on behalf of Board of Directors  
**FUTUREBAZAAR INDIA LIMITED**



**Ashni Biyani**  
Director  
DIN: 00058775



**Dinesh Maheshwari**  
Director  
DIN: 00088451





## FUTUREBAZAAR INDIA LIMITED

### Notes to Financials Statements for the Year Ended March 31, 2018

#### 1 Company overview and significant accounting policies

##### 1.1 Company overview

Futurebazaar India Limited ('the Company') is a public company domiciled in India. Futurebazaar is a very own online arm of Future Group. The Company is engaged in the business retail trading internet business through its web site called [www.futurebazaar.com](http://www.futurebazaar.com). The Company also operates on B2B (Business to Business) models where they sell its products to corporate customers.

##### 1.2 Basis of preparation of financial statements

These financial statements, for the year ended March 31, 2018, are the first the company has prepared in accordance with Ind AS. For periods up to and including the year ended 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).

##### 1.3 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.

##### 1.4 Revenue recognition

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

###### Sale of goods

Revenue from sale of goods is recognised, when significant risks and rewards of ownership have been transferred to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It also includes excise duty and excludes value added tax / sales tax and GST (Goods and Service Tax). It is measured at fair value of consideration received or receivable, net of returns and allowances.

###### 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 over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

##### 1.5 Income tax

Income tax comprises current and deferred income tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

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 recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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.



**FUTUREBAZAAR INDIA LIMITED**

**Notes to Financials Statements for the Year Ended March 31, 2018**

**1.6 Provisions**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Provisions is recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**1.7 Foreign currency transactions**

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.

**1.8 Earnings per share**

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.

**1.9 Employee benefits**

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.

**1.10 Cash flow statements**

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 flows and item of income and expenses associated with investing or financing cash flows. The cash flows from Operating , Financing and Investing are segregated.

**1.11 Inventories**

Inventories of traded goods are valued at lower of cost or net realizable value. Cost includes cost of purchase and other cost incurred in bringing the inventory to their present location and condition. Cost of inventories is determined based on moving weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.





## FUTUREBAZAAR INDIA LIMITED

Notes to Financials Statements for the Year Ended March 31, 2018

### 1.12 Segment reporting

#### Identification of segments

The Company is exclusively engaged in e-commerce activity on B2B (Business to Business) models where they sell its products to corporate customers. The e-commerce business is considered to constitute one single primary segment in the context of Accounting Standard 17 on Segmental Reporting issued by the Institute of Chartered Accountants of India. There are no geographical reportable segments since the Company sells goods to the customers in the Indian market only and does not distinguish any reportable regions within India.

### 1.13 Cash and cash equivalents

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

### 1.14 Current versus non-current

An asset is considered as current when it is:

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

All other assets are classified as non-current.

A liability is considered as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- 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.

### 1.15 Share capital

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.

### 1.16 Fair value measurement

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.



**FUTUREBAZAAR INDIA LIMITED**

**Notes to Financials Statements for the Year Ended March 31, 2018**

**1.17 Financial instruments**

**Initial recognition and measurement**

The Company recognizes financial assets and 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 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 recognised on the trade date.

**Subsequent measurement**

**a. Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised 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.

**b. 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.

**c. 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.

**d. 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.

**Derecognition of financial instruments**

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

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires.





FUTUREBAZAAR INDIA LIMITED

Notes to Financials Statements for the Year Ended March 31, 2018

(Rs in Lakhs)

	As at	As at
	March 31, 2018	March 31, 2017
<b>2 Other non - current assets</b>		
Balance with statutory authorities*	10.58	10.55
(*Includes deduction/payment of Income Tax (Net of Provisions) and balances with statutory authorities)		
	<b>10.58</b>	<b>10.55</b>
<b>3 Trade receivables</b>		
Receivables from related parties	859.36	1.18
	<b>859.36</b>	<b>1.18</b>
<b>4 Cash &amp; cash equivalents</b>		
Balances with banks:		
– On current accounts	95.73	7.92
Fixed deposits with banks (with less than 12 months maturity)	3.72	3.72
	<b>99.45</b>	<b>11.64</b>
<b>5 Other current assets</b>		
Interest accrued	0.68	0.32
	<b>0.68</b>	<b>0.32</b>



**FUTUREBAZAAR INDIA LIMITED**

Notes to Financials Statements for the Year Ended March 31, 2018

(Rs in Lakhs)

	As at	As at
	31-Mar-18	31-Mar-17
<b>6 Share capital</b>		
<b>Authorised share capital</b>		
2,00,00,000 Equity Shares of Rs 10/- Each.	2,000.00	2,000.00
	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued, subscribed and fully paid-up shares</b>		
1,91,60,000 Equity Shares of Rs 10/- Each Fully Paid	1,916.00	1,916.00
	<b>1,916.00</b>	<b>1,916.00</b>

**a. Terms/ rights attached to equity shares**

The company has one class of equity shares having a par value of Rs 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.

**b. Shares held by holding company**

Name of the shareholder	31-Mar-18	31-Mar-17
	(Rs in Lakhs)	(Rs in Lakhs)
Future Enterprises Limited - (Formely known as Future Retail Limited ) 1,91,60,000 (Previous Year: 1,91,60,000) Equity Shares of Rs 10 each fully paid up (The Holding Company)	1,916.00	1,916.00

**Details of shareholders holding more than 5% shares in the company**

**c.**

Name of the shareholder	31-Mar-18		31-Mar-17	
	No. in Lakhs	% holding	No. in Lakhs	% holding
<i>Equity shares of Rs 10 each fully paid</i>				
Future Enterprises Limited (Formely know as Future Retail Limited)	191.60	100.00%	191.60	100.00%

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





**FUTUREBAZAAR INDIA LIMITED**

**Notes to Financials Statements for the Year Ended March 31, 2018**

(Rs in Lakhs)

	As at March 31, 2018	As at March 31, 2017
<b>7 Other equity</b>		
Retained earning		
Opening balance	(2,136.19)	(2,131.21)
Profit/(loss) for the year	7.95	(5.13)
Other comprehensive income/(loss) for the year	-	0.15
<b>Closing balance</b>	<b>(2,128.24)</b>	<b>(2,136.19)</b>
<b>8 Trade payables</b>		
Trade payables to related parties	1,179.40	216.79
Trade payables to Others	2.00	-
	<b>1,181.40</b>	<b>216.79</b>
<b>9 Other current liabilities</b>		
Advances received from customer	0.56	26.64
Other payables*	0.35	0.45
(*Includes statutory dues and other payables)	<b>0.91</b>	<b>27.09</b>



FUTUREBAZAAR INDIA LIMITED

Notes to Financials Statements for the Year Ended March 31, 2018

(Rs in Lakhs)

	Year Ended March 31, 2018	Year Ended March 31, 2017
<b>10 Revenue from operation</b>		
Sale of gift vouchers	4,280.36	1,178.58
	<b>4,280.36</b>	<b>1,178.58</b>
<b>11 Other income</b>		
Interest income	0.39	0.31
Sundry balance written back	(0.00)	0.96
	<b>0.38</b>	<b>1.27</b>
<b>12 Purchases of traded goods</b>		
Gift vouchers	4,255.55	1,164.83
	<b>4,255.55</b>	<b>1,164.83</b>
<b>13 Employee benefit expenses</b>		
Salaries, wages and bonus	-	12.77
Company's contribution to provident and other funds	-	0.46
	-	<b>13.23</b>
<b>14 Other expense</b>		
Audit fees	1.82	1.73
Director Sitting Fees	2.00	0.00
Rates and taxes	0.01	0.28
Professional fees	7.94	4.53
Miscellaneous expenses	5.47	0.38
	<b>17.24</b>	<b>6.92</b>
<b>Payment to auditors</b>		
Audit fee	1.82	1.73
	<b>1.82</b>	<b>1.73</b>





FUTUREBAZAAR INDIA LIMITED

Notes to Financials Statements for the Year Ended March 31, 2018

15 Earning Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

	Units	March 31, 2018	March 31, 2017
Net Profit after tax	(Rs in Lakhs)	7.95	-5.13
Weighted average number of equity shares outstanding	(in Nos)	1,91,60,000	1,91,60,000
Basic earnings per share (Face value - Rs 10/- each)	( in Rs )	0.04	-0.03

16 Related Party Disclosure

a. List of Related Party

(i) Holding/Subsidiary Company

Name	Nature
Future Enterprises Limited	Holding Company

(ii) Associate Concerns

Name	Nature
Future E-commerce Infrastructure Limited	Fellow Subsidiary

(iii) Key Management Personnel

1. Rakesh Biyani - Director
2. Ashni Biyani - Director
3. Dinesh Maheshwari - Director
4. Deepak Mahansaria - Director
5. Ankit Singhania - Director

b. Related Party Transactions

During the year, the following transactions were carried out with the related parties

(Rs in Lakhs)

Nature of transaction	Holding company	Fellow subsidiaries
<b>Purchase of goods</b>		
Year ended March 31, 2018	-	4,255.55
Year ended March 31, 2017	-	1,164.83
<b>Payables</b>		
As at March 31, 2018		1,179.40
As at March 31, 2017	-	211.13



**17 Financial risk management**

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

*Market risk*

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes receivables, payables, loans, borrowings and deposits.

*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 any Interest Rate Risk as at the reporting dates.

*Credit risk*

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs 859.36 Lakhs and Rs 1.18 Lakhs as of March 31, 2018 and March 31, 2017 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 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. Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. Typically the company ensures that it has sufficient cash on demand to meet expected operational expenses and servicing of financial obligations.

	(Rs in Lakhs)	
	March 31, 2018	March 31, 2017
Trade payables	1,181.40	216.79

**18 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

	(Rs in Lakhs)	
	March 31, 2018	March 31, 2017
Trade payables	1,181.40	216.79
Other current liabilities	0.91	27.09
Less - Cash and cash equivalents	(99.45)	(11.64)
<b>Net debt</b>	<b>1,082.86</b>	<b>232.24</b>
Equity	(212.24)	(220.19)
<b>Total equity</b>	<b>(212.24)</b>	<b>(220.19)</b>
<b>Capital and net debt</b>	<b>870.62</b>	<b>12.05</b>
<b>Gearing ratio</b>	<b>124.38%</b>	<b>1927.96%</b>

**19 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

Based on information available with the Company, there are no suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprise Development Act, 2006" (Act) till March 31, 2018. Accordingly, no disclosures are required to be made under said Act and Schedule III to the Companies Act, 2013.

**Contingent Liability :**

The Company has received demand notice from Department of Sales Taxes, Maharashtra for the year 2007-08 of Rs 224.50 Lakhs. The Company has initiated stay order and file an Appeal proceedings for the same.





FUTUREBAZAAR INDIA LIMITED

Notes to Financials Statements for the Year Ended March 31, 2018

20 Going concern

The financial statements of the Company have been prepared on the basis of 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. The Holding Company has confirmed that necessary financial support will be provided as required.

21 Employee benefits

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

A. Change in present value of defined benefit obligation

	(Rs in Lakhs)	
	2017-18	2016-17
Defined benefit obligation at the beginning	-	0.56
Interest expense	-	-
Current service cost	-	(0.41)
Benefits paid	-	-
Remeasurement-actuarial (gains)/losses	-	0.15
Defined benefit obligation as at the end	-	-

B. Amount recognized in the statement of profit and loss

	(Rs in Lakhs)	
	2017-18	2016-17
Current service cost	-	(0.41)
Interest cost	-	-
Total expenses recognized in the statement of profit and loss account	-	(0.41)

C. Remeasurement effects recognised in other comprehensive income (OCI)

	(Rs in Lakhs)	
	2017-18	2016-17
Actuarial (gains)/losses	-	0.15
(Return)/loss on plan assets excluding amounts included in the net interest	-	-
Total (gain) / loss included in OCI	-	0.15

D. Reconciliation of amounts in balance sheet

	(Rs in Lakhs)	
	2017-18	2016-17
Defined benefit obligation at the beginning	-	0.56
Acquisitions	-	-
Total expenses recognised in profit and loss account	-	(0.41)
Total remeasurement included in OCI	-	0.15
Contribution paid	-	-
Benefits paid during the year	-	-
Defined benefit obligation at the end	-	0.30

E. Reconciliation of amounts in statement of other comprehensive income

	(Rs in Lakhs)	
	2017-18	2016-17
OCI (income)/ loss beginning of the year	-	0.15
Total remeasurement included in OCI	-	(0.15)
OCI (income) loss end of the year	-	-

F. Financial assumptions

	2017-18	2016-17
Discount rate	0.00%	0.00%
Expected rate of salary increase	0.00%	0.00%

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

  
Ashok Trivedi  
Partner  
Membership No: 042472  
Mumbai  
Date: 23rd May 2018



For and on behalf of Board of Directors  
FUTUREBAZAAR INDIA LIMITED

  
Ashni Biyani  
Director  
DIN: 00058775

  
Dinesh Maheshwari  
Director  
DIN: 00088451

