

Balance Sheet as at March 31, 2017

	Notes	31-Mar-17 Rs.(000's)	31-Mar-16 Rs.(000's)	01-Apr-15 Rs.(000's)
Assets				
Non-current assets				
Property, Plant and Equipment	3	-	60,412	1,09,995
Capital work-in-progress	3	-	338	-
Other Intangible Assets	4	-	17,718	26,901
Intangible asset under development	4	-	253	-
Financial Assets				
(i) Investments	5	-	-	-
(ii) Loans and advances	6	-	939	1,000
(iii) Other Financial Assets	7	-	54,412	71,970
Other assets	8	-	3,546	4,803
			1,37,618	2,14,669
Current assets				
Inventories	9	-	5,28,076	10,84,183
Financial Assets				
(i) Trade Receivables	10	-	4,31,866	9,14,581
(ii) Cash and Cash equivalents	11	-	65,134	1,79,936
(iii) Other Bank Balances	11	-	2,63,439	6,03,477
(iv) Loans and advances	6	-	6,980	4,782
(v) Others Financial Assets	7	-	42,098	42,942
Current Tax assets	12	-	38,274	52,508
Other assets	8	-	1,12,678	1,83,093
			14,88,545	30,65,502
Assets directly associated with discontinued business		1,96,424	-	-
		1,96,424	14,88,545	30,65,502
TOTAL ASSETS		1,96,424	16,26,163	32,80,171
Equity and liabilities				
Equity				
Equity Share capital	13	9,97,174	8,47,174	8,47,174
Other Equity		(22,44,645)	(29,57,494)	(20,24,929)
		(12,47,471)	(21,10,320)	(11,77,755)
Liabilities				
Non-current liabilities				
Financial Liabilities				
(i) Borrowings	14	-	-	-
(ii) Other financial Liabilities	15	-	31,989	52,294
Provisions	16	-	11,726	12,652
			43,715	64,946
Current liabilities				
Financial Liabilities				
(i) Current Borrowings	17	-	10,15,175	7,50,702
(ii) Trade payables	18	-	22,02,351	30,58,970
(iii) Other Financial Liabilities	19	-	1,66,465	1,34,819
Other Liabilities	20	-	1,53,390	2,28,671
Provisions	16	-	1,55,387	2,19,818
			36,92,768	43,92,980
Liabilities directly related to discontinued business		14,43,895	-	-
		14,43,895	36,92,768	43,92,980
TOTAL EQUITY AND LIABILITIES		1,96,424	16,26,163	32,80,171

Summary of significant accounting policies

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

As per our report of even date

For S.R. Battiboi & Co. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

per Anil Gupta

Partner

Membership no.: 87921

Place: Noida

Date: May 11, 2017



For and on behalf of the board of directors of New Spice Sales and Solutions Limited
(Formerly Known as Spice Retail Limited)

Subramanian Murali

Director

DIN:00041261

Ravindra Kumar Sarawagi

Chief Financial Officer

Suman Ghose Hazra

Director

DIN:00012223

Shuman Narayan Pandey

Company Secretary

Statement of Profit & Loss for Year ended March 31, 2017

Notes	For the Year ended March 31, 2017 (Rs. '000)	For the Year ended March 31, 2016 (Rs. '000)
Continuing operations		
(Loss) for the year from continuing operations (a)	-	-
Discontinued operations		
(Loss) before tax for the year from discontinued operations	(2,33,433)	(9,36,615)
Tax adjustment related to earlier years	-	372
(Loss) for the year from discontinued operations (b)	(2,33,433)	(9,36,987)
(Loss) for the year (a+b)	(2,33,433)	(9,36,987)
Other Comprehensive Income		
Items that will not be reclassified to profit or loss - continuing operations		
Remeasurements of net defined benefit liability/asset	-	-
Items that will not be reclassified to profit or loss - discontinuing operations		
Remeasurements of net defined benefit liability/asset	1,605	4,420
Total Comprehensive Income for the year (Comprising (Loss) and Other Comprehensive Income for the year)	(2,31,828)	(9,32,567)
Earnings per equity share from continuing business		
(1) Basic	21	-
(2) Diluted		-
Earnings per equity share from discontinued business		
(1) Basic		(11.06)
(2) Diluted		(11.06)
Earnings per equity share from continuing/discontinued business		
(1) Basic		(2.59)
(2) Diluted		(2.59)
Summary of significant accounting policies	2	

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

As per our report of even date

For and on behalf of the board of directors of New Spice Sales and Solutions Limited
(Formerly Known as Spice Retail Limited)

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

per Anil Gupta

Partner

Membership no.: 87921


Subramanian Murali

Director

DIN:00041261

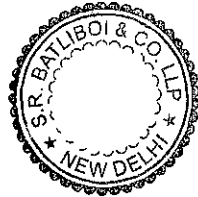

Suman Ghose Hazra

Director

DIN:00012223


Place: Noida

Date: May 11, 2017




Ravindra Kumar Sarawagi

Chief Financial Officer


Shriman Narayan Pandey

Company Secretary

Statement of cash flows for the year ended March 31, 2017

	For the year ended March 31, 2017 (Rs. '000)	For the year ended March 31, 2016 (Rs. '000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	(2,33,433)	(9,36,615)
Adjustments for :		
- Depreciation / amortisation	29,216	75,056
- (Profit)/Loss on disposal of fixed assets (net)	(147)	6,782
- Provisions and unclaimed balances written back	(22,651)	(10,364)
- exceptional items	(30,225)	1,98,888
- Interest expense	39,615	88,733
- Interest income	(6,102)	(46,204)
- Provision for doubtful debts and advances (net)	33,450	17,787
Operating (loss) before working capital changes	(1,90,277)	(6,05,937)
Movements in working capital:		
Decrease in inventories	3,29,633	5,56,106
Decrease in trade receivables	3,91,356	2,83,828
Decrease in non-current loans and advances and financial assets	3,175	16,897
Decrease in current loans and advances and other financial assets	32,656	63,779
(Decrease) in other non-current/financial liabilities	(3,275)	(20,305)
(Decrease) in other current/financial liabilities	(1,50,502)	(69,237)
(Decrease) in trade payables	(10,95,572)	(8,64,040)
Increase in non-current provisions	153	3,493
(Decrease) in current provisions	(1,21,815)	(64,431)
Cash (used in) from operations	(8,04,468)	(6,99,847)
Direct taxes paid (net of refunds)	18,586	13,863
Net cash (used in) operating activities (A)	(7,85,882)	(6,85,984)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets (including capital work in progress and capital advances)	(3,296)	(31,123)
Proceeds from sale of fixed assets	2,391	4,047
Interest received	9,305	51,488
Fixed deposits refunded by banks	2,59,352	6,06,319
Fixed deposits made with banks	(53,645)	(2,64,786)
Net cash from investing activities (B)	2,14,107	3,65,945
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(69,651)	(59,234)
Issuance of share capital	1,50,000	-
Issuance of debentures	6,23,500	-
(Repayment) of / Proceeds from Short term borrowings	(1,85,164)	2,64,472
Net cash from financing activities (C)	5,18,685	2,05,238
Net (Decrease) in cash and cash equivalents (A + B + C)	(53,090)	(1,14,801)
Cash and cash equivalents at the beginning of the year	65,134	1,79,935
Cash and cash equivalents of business transferred during the year	(7,078)	-
Cash and cash equivalents at the end of the year	4,966	65,134
Components of cash and cash equivalents:		
Cash on hand	16	2,292
Deposits with maturity less than 3 months	-	781
With banks		
- on current account	4,950	62,061
- unpaid dividend accounts*	-	-
Total cash and cash equivalents (Note 11)	4,966	65,134
Summary of significant accounting policies	2	

As per our report of even date

For **S.R. Battiboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per **Anil Gupta**
Partner
Membership no.: 87921

Place: Noida
Date: May 11, 2017



For and on behalf of the board of directors of New Spice Sales and Solutions Limited (Formerly Known as Spice Retail Limited)

Subramanian Murali
Director
DIN:00041261

Ravindra Kumar Sarawagi
Chief Financial Officer

Suman Ghose Hazra
Director
DIN:00012223

Shriman Narayan Pandey
Company Secretary

New Spice Sales and Solutions Limited (Formerly Known as Spice Retail Limited)
 CIN: U32201HP1988PLC008020
 Regd. Address: Village Billanwali Labana, Post Office - Baddi, Tehsil Nalagarh, Baddi, Himachal Pradesh – 173205

Statement of changes in Equity (SOCIE)

Particulars	Amount in Rs. 000		
	As at 31 Mar 2017	As at 31 Mar 2016	As at 01 Apr 2015
Equity			
Number of shares	997,17,401	847,17,401	847,17,401
Equity Share Capital	9,97,174	8,47,174	8,47,174
Total	9,97,174	8,47,174	8,47,174
Other Equity			
Reserves & Surplus			
a) Securities premium account*	3,99,503	3,99,503	3,99,503
*This reserve represents amount of premium recognised on Issue of shares to shareholders at a price more than its face value .			
b) Amalgamation Reserve *	12,92,347	12,92,347	12,92,347
* Represents difference between the shares issued by the Company as consideration and the net assets acquired upon amalgamation of another company with the company in an earlier year.			
c) Capital Reserve (Refer Note 36(a))	8,44,347	-	-
d) Retained Earnings *			
Opening Balance	(46,49,346)	(37,16,779)	-
(Loss) for the year	(2,33,433)	(9,36,987)	-
Other Comprehensive Income for the year			
-Remeasurement gain of defined benefit plan	1,605	4,420	-
Closing Balance	(48,81,174)	(46,49,346)	(37,16,779)
* Retained earnings refer to net loss of the Company till the date of financial statements.			
e) Equity portion of compulsorily convertible debentures (Refer Note 14)	1,00,332	-	-
	(22,44,645)	(29,57,494)	(20,24,929)

As per our report of even date

For S.R. Batliboi & Co. LLP
 Chartered Accountants
 ICAI Firm registration number: 301003E/E300005

per Anil Gupta
 Partner
 Membership no.: 87921

Place: Noida
 Date: May 11, 2017

For and on behalf of the board of directors of New Spice Sales and Solutions Limited
 (Formerly Known as Spice Retail Limited)

Subramanian Murali
 Director
 DIN:00041261

Ravindra Kumar Sarawagi
 Chief Financial Officer

Suman Ghose Hazra
 Director
 DIN:00012223

Shriman-Narayan Pandey
 Company Secretary



1. Corporate information

The financial statements comprise financial statements of New Spice Sales and Solutions Limited ("the Company") for the year ended March 31, 2017. The Company is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company was engaged in the business of trading of Spice branded mobile handsets through distribution network ("devices business") and multi-brand mobile handsets and related accessories through a chain of retail outlets across India ("retail business").

The registered office of the Company is located at Village Billanwall Labana, Post Office - Baddi, Tehsil Nalagarh, Baddi, Himachal Pradesh – 173205.

During the year, the retail business has been sold by way of Slump Sale to another group entity Hotspot Sales & Solutions Private Limited ("HSSPL"). The slump sale was effective June 1, 2016.

During the year, on February 10, 2017, the Company has assigned Spice Trademarks to another entity vide a Trademark assignment agreement signed with that party. The Company has accordingly discontinued the use of assigned trademarks in relation to the device business.

The name of Company was changed from Spice Retail Limited to New Spice Sales and Solutions Limited with effect from September 5, 2016.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 11, 2017.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) (Amendment) Rules, 2016. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the Act").

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2017 are the first the Company has prepared in accordance with Ind AS. Refer to note 37 for information on how the Company adopted Ind AS.

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

Derivative financial instruments;
Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
Defined benefit plans – plan assets measured at fair value;

The financial statements are presented in Rs. and all values are rounded to the nearest thousand (Rs. 000), except when otherwise indicated.

2.2 Summary of significant accounting policies

A. Current versus non-current classification

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

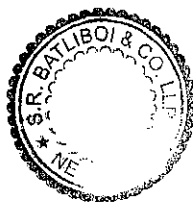
All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



B. Foreign currencies

The Company's financial statements are presented in Rs., which is also Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the exchange rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

C. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

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

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

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

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Company decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.



D .Non-current assets held for sale and discontinued operations

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale is regarded met only when the assets are available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned .

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Discontinued operation are excluded from the results of continuing operations and are presented as profit or loss before / after tax from discontinued operation in the statement of profit and loss.

E. Revenue recognition

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

Sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

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

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of services

Revenue from services rendered towards VAS and airtime commission is recognised as and when the services are rendered.

Revenue from branding fee

The Company recognizes revenue from branding fee over the period of the contracts for branding entered into with the respective vendors.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, Interest income is recorded using the effective interest rate (EIR). EIR 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 gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.



F. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India, where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

G. Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

H. Property, plant and equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Capital work in progress, property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Repair and maintenance costs are recognised in profit or loss as incurred.

The Company used to calculate depreciation on a straight-line basis over the estimated useful lives of the assets as follows:

- Leasehold Improvement : 2 to 9 years, or useful life, whichever is lower (device business)
- Leasehold Improvement : 3 years or unexpired lease, whichever is earlier (retail business)
- Plant and equipment : 15 years
- Furniture and Fittings* : 8 to 10 years
- Office Equipment (excluding mobile handsets) : 5 years
- Mobile Handsets* : 2 years
- Computers (excluding server) : 3 years
- Servers : 6 years

*The Company, based on assessment made, used to depreciate certain items of furniture and fittings; and mobile handsets over estimated useful lives which were different from the useful life prescribed in Schedule II to the Companies Act, 2013.

Since the Company has discontinued its operations during the year, the property, plant and equipment have been fully depreciated in the books.

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 (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit & Loss when the asset is derecognised.

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.



I. Intangible assets

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015 measured as per the Indian GAAP and use that carrying value as the deemed cost of the intangible assets.

Intangible assets (software) acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Based on management assessment cost of software was being amortized over their estimated useful life of 6 years on straight line basis; and cost of other tangible assets are amortized over their estimated useful life of 3 years on straight line basis.

Since the Company has discontinued its operations during the year, the property, plant and equipment have been fully depreciated in the books

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with Ind AS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

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

J. Investment in subsidiaries

Investment in subsidiaries are measured initially at costs. Subsequent to initial recognition, investments are stated at cost less impairment loss, if any.

Investment in subsidiaries are derecognised when they are sold or transferred. The difference between the net proceeds on sales and the carrying amount of the asset is recognised in the statement of Profit and loss in the period of derecognition.

K. Borrowing Costs

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

L. Leases

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

For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that retains substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.



M. Inventories

Inventories comprise of trading goods which are valued at the lower of cost and net realisable value.

Cost of traded goods includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

N. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

O. Provisions

Provisions are recognised 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. 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 recognised as a finance cost.

P. Warranty

The Company provides warranty on spice brand handsets. Provisions for warranty-related costs are recognised when the product is sold. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Q. Retirement and other employee benefits

a. Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

b. The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The liability as at the year-end represents the difference between the actuarial valuation of the gratuity liability of continuing employees and the fair value of the plan assets with the Life Insurance Corporation of India (LIC) as at the end of the year. During the year 2017, Company has fully used funds for gratuity plan. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

c. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation

The Company treats accumulated leave expected to be carried forward beyond twelve months as long term employee benefit for measurement purpose & such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non current liability.

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

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



R. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- 1) Debt instruments at amortised cost
- 2) Debt instruments at fair value through other comprehensive income (FVTOCI)
- 3) Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- 4) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 10.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Impairment of 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 and all other financial with no significant financing component is measured at an amount equal to 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured for specific assets. 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 recognised as an impairment gain or loss in statement of profit and loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings and financial guarantee contracts.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 17.



Derecognition

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

Offsetting of financial instruments

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

S. Convertible debentures

Convertible debentures are separated into liability and equity components based on the terms of the contract. On issuance of the convertible debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. The carrying amount of the conversion option is not remeasured in subsequent years.

T. 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 three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

2.3 Recent Accounting pronouncements

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and has amended the following standards:

Amendments to Ind AS 7, Statement of Cash Flows

The amendments to Ind AS 7 requires an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. On initial application of the amendment, entities are not required to provide comparative information for preceding periods. These amendments are effective for annual periods beginning on or after 1 April 2017. Application of this amendments will not have any recognition and measurement impact. However, it will require additional disclosure in the financial statements.

Amendments to Ind AS 102, Share-based Payment

The MCA has issued amendments to Ind AS 102 that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction, the classification of a share-based payment transaction with net settlement features for withholding tax obligations, and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settled. The amendments are effective for annual periods beginning on or after 1 April 2017. The Company is assessing the potential effect of the amendments on its financial statements.

The Company is evaluating the requirements of the amendment and the impact on the financial statements will be given in due course. Currently the provisions of Ind AS 102 are not applicable to the Company as there are no cash-settled awards.



Particulars	Plant & Equipment		Furniture and Fittings		Office Equipments		Computers		Leasehold Improvement		Capital Work in Progress		Total
Deemed Cost													
As at 01 Apr 15	7,449	36,609	16,582	14,056	37,298	-	1,09,995						
Additions	720	4,041	2,760	3,043	11,546		338						
Disposals	4,786	11,152	2,419	1,197	11,442		30,997						
At 31 Mar 2016	3,383	27,498	16,923	15,902	37,402		338						
Additions	-	325	-	36	1,104		1,465						
Disposals / Capitalised during the year	-	4,400	1,605	3,507	4,270		338						
Asset Transferred under slump sale (Refer No. 36(a))	-	27,790	12,652	6,069	33,185		74,695						
Assets directly associated with discontinued business (Refer No. 36(b))	3,383	633	2,655	6,362	1,051		14,095						
At 31 Mar 2017													
Depreciation													
As at 01 Apr 15	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	2,070	18,245	8,039	7,199	29,140		64,693						
Disposals	1,610	9,876	750	459	11,303		23,998						
At 31 Mar 2016	460	8,369	7,289	6,740	17,837		40,695						
Charge for the year	2,923	1,861	2,248	3,936	2,304		13,271						
Disposals	-	4,400	1,592	1,386	4,270		11,538						
Asset Transferred under slump sale (Refer No. 36(a))	-	5,196	5,339	2,977	14,819		28,332						
Assets directly associated with discontinued business (Refer No. 36(b))	3,383	633	2,656	6,362	1,051		14,095						
At 31 Mar 2017													
Net Book Value													
As at 01 Apr 15	7,449	34,609	16,582	14,056	37,298		1,09,995						
At 31 Mar 2016	2,923	19,129	9,634	9,162	19,565		60,751						
At 31 Mar 2017													

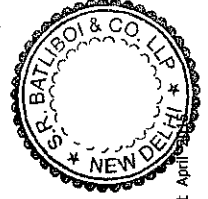
For tangible existing as on 1 April 2015, i.e., its date of transition to Ind AS, the Company has used Indian GAAP written down value as deemed costs. Property, Plant and Equipment with a carrying amount of Rs. Nil, (31 March 2016: Rs. 61,004 thousand, 1 April 2015: Rs. 1,09,995 thousand) are subject to a first charge to secure the company's Letter of credit/buyers credit/bill discounting facility (Refer Note no. 17).

Asset under construction
Capital work in progress as at 31 March 2016 comprises of Rs. 338 thousand expenditure for the leasehold improvement. Total amount of CWIP is Rs. Nil (31 March 2016: Rs. 338 thousand, 1st April 2015: Nil).

4 Intangible assets

Particulars	Software		Web site Development Cost		Intangible Assets under development		Total
Deemed Cost							
As at 01 Apr 15	26,094	807	-	26,901	-	26,901	
Additions	5,011	-	253	5,264	-	5,264	
Disposals	5,427	-	-	5,427	-	5,427	
At 31 Mar 2016	25,678	807	253	26,738	-	26,738	
Additions	-	-	253	253	-	253	
Disposals	4,009	807	-	4,816	-	4,816	
Asset Transferred under slump sale (Refer No. 36(a))	21,669	-	-	21,669	-	21,669	
Assets directly associated with discontinued business (Refer No. 36(b))							
At 31 Mar 2017							
Amortization							
As at 01 Apr 15	-	-	-	-	-	-	-
Charge for the year	10,044	319	-	10,363	-	10,363	
Disposals	1,596	-	-	1,596	-	1,596	
At 31 Mar 2016	8,448	319	-	8,767	-	8,767	
Charge for the year	15,892	53	-	15,945	-	15,945	
Asset Transferred under slump sale (Refer No. 39(a))	2,670	372	-	3,043	-	3,043	
Assets directly associated with discontinued business (Refer No. 36(b))	21,669	-	-	21,669	-	21,669	
At 31 Mar 2017							
Net Book Value							
At 1 April 2015	26,094	807	-	26,901	-	26,901	
At 31 Mar 2016	17,230	488	253	17,971	-	17,971	
At 31 Mar 2017							

For intangible existing as on 1 April 2015, i.e., its date of transition to Ind AS, the Company has used Indian GAAP written down value as deemed costs. Intangible assets under development as at 31 March 2016 comprised of software under development of Rs. 253 thousand. Total amount of intangible assets under development is Rs. Nil (31 March 2016: Rs. 253 thousand, 1st April 2015: Nil).



Notes to financial statements for the year ended March 31, 2017

5. Non current Investments

	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	01-Apr-15 Rs. '000
--	-----------------------	-----------------------	-----------------------

Non Current Investments
 Investment in equity instruments of Subsidiaries (unquoted)
 carried at cost unless otherwise stated

50,000,000 (March 31, 2016 : 50,000,000, April 1, 2015 :
 50,000,000) Unquoted fully paid up equity shares of Rs. 10
 each in Callcom Retail India Privates Limited
 (Provision for impairment in the value of investment made in
 earlier year)

For Investment in Subsidiaries existing as on 1 April 2015, i.e., its date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost.

6. Loans and advances

	Non-current			Current	
	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	01-Apr-15 Rs. '000	31-Mar-16 Rs. '000	01-Apr-15 Rs. '000
Loans to employees					
Unsecured, considered good	-	939	1,000	-	4,107
	-	939	1,000	-	4,107
Loan and advances to related parties					
Unsecured, considered good	-	-	-	-	2,873
Unsecured, considered doubtful	-	-	-	-	6,615
Provision for doubtful advances	-	-	-	-	9,488
	-	-	-	-	(6,615)
	-	-	-	-	7,349
	-	-	-	-	(6,615)
	-	-	-	-	734
Total	-	939	1,000	6,980	4,782

Since the Loans and advances as at March 31, 2017 pertain to discontinued business, the amount outstanding of Rs. 864 thousand has been disclosed separately under Assets related to discontinued business (Refer Note 36(b)).

7. Other Financial Assets

	Non-current			Current	
	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	01-Apr-15 Rs. '000	31-Mar-16 Rs. '000	01-Apr-15 Rs. '000
Security deposits					
Unsecured, considered good	-	53,066	69,106	-	23,988
Unsecured, considered doubtful	-	100	-	-	770
Provision for doubtful security deposit	-	53,166	69,106	-	24,758
	-	(100)	-	-	(383)
	-	53,066	69,106	-	23,988
Advances recoverable in cash or kind					
Unsecured, considered good	-	-	-	-	5,164
Unsecured, considered doubtful	-	-	-	-	1,647
Provision for doubtful advances	-	-	-	-	6,811
	-	-	-	-	1,647
	-	-	-	-	5,164
Others					
Deposit with remaining maturity more than 12 months (Refer Note 11)	-	1,346	2,841	-	-
Interest accrued on fixed deposits	-	-	23	-	3,327
Interest accrued on loan to employees	-	-	-	-	540
Income accrued but not billed	-	-	-	-	9,079
	-	1,346	2,864	-	12,946
	-	54,412	71,970	-	42,098

Since other financial assets as at March 31, 2017 pertain to discontinued business, the amount outstanding of Rs. 7,357 thousand has been disclosed separately under Assets related to discontinued business (Refer Note 36(b)).



8. Other Assets

	Non-current		Current	
	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	27,229	68,244
Unsecured, considered doubtful	-	-	24,612	31,295
Provision for doubtful advances	-	-	(24,612)	(31,295)
	-	-	27,229	68,244
Capital advance				
Security Deposits (Non financial)	-	484	-	-
Prepaid rent	225	225	-	-
Prepaid expenses	3,027	3,786	1,882	3,204
Interest accrued on income tax refund	279	293	14,250	17,982
Interest accrued on VAT refund	-	-	1,828	-
Balances with statutory / government authorities	15	15	67,489	2,653
	3,546	4,803	85,449	1,14,849
Total	3,546	4,803	1,12,678	1,83,093

Since other assets pertain to discontinued business, the other assets of Rs. 47,925 thousand has been disclosed separately under Assets related to discontinued business (Refer Note 36(b)).

9. Inventories (valued at lower of cost or net realizable value)

	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	01-Apr-15 Rs. '000
Traded goods (Including stock in transit Rs. Nil (31st March 2016 : Rs. 1,390 thousand, 1st April 2015 : Rs. 26,473 thousand)	-	4,83,894	9,85,767
Service components and spares (Including stock in transit Rs. Nil (31st March 2016 : Rs. 97 thousand, 1st April 2015 : Rs. 790 thousand)	-	44,182	98,416
	5,28,076	5,28,076	10,84,183

Since Inventory as at March 31, 2017 pertains to discontinued business, the inventory of Rs. 1,728 thousand has been disclosed separately under Assets related to discontinued business (Refer Note 36(b)).
During the year ended 31 March 2017, Rs. NIL (31 March 2016: Rs. 6,538 thousand) was recognised as an expense for inventories carried at net realisable value.

10. Trade Receivables

	Non-current		Current	
	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000
Trade Receivable	-	-	2,24,177	6,51,978
Trade Receivable from related parties (Refer note 24)	-	-	2,07,689	2,62,603
Total	-	-	4,31,866	9,14,581
Breakup for Security Details:-				
Secured, considered good	-	-	998	20,317
Unsecured, considered good	-	-	4,20,868	8,94,264
Unsecured, considered doubtful	-	-	2,01,777	2,889
Provision for doubtful receivables	-	-	6,33,643	9,17,470
	-	-	2,01,777	2,889
	-	-	4,31,866	9,14,581

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member, except for cases mentioned in Note 24.
For terms and conditions relating to related party receivables (Note 24)
Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
Since Trade Receivables as at March 31, 2017 pertain to discontinued business, the amount outstanding of Rs. 60,273 thousand has been disclosed separately under Assets related to discontinued business (Refer Note 36(b)).



11. Cash and bank balances

	Non-current		Current	
	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	31-Mar-17 Rs. '000	01-Apr-15 Rs. '000
Cash and cash equivalents				
<i>Balances with banks:</i>				
- On current accounts	-	-	-	1,71,699
- Deposit with remaining maturity of less than three month	-	-	-	746
- Cash on hand	-	-	0	7,491
	-	-	0	1,79,936
Other bank balances				
Margin Money Deposit:				
- Deposits with remaining maturity for more than 12 months	-	1,346	-	-
- Deposits with remaining maturity of more than 3 months but less than 12 months	-	-	-	2,63,439
	-	-	-	6,03,477
Amount disclosed under non-current assets (note 7)	1,346	(1,346)	2,841	6,03,477
	-	-	-	7,83,413

Fixed deposits given as security

Fixed deposits (including deposit with discontinued business) with a carrying amount of Rs. 53,645 thousand (31st March 2016: 264,786 thousand, 1st April 2015 Rs. 606,318 thousand) are pledged with banks/ government authorities.

Since Cash & Cash equivalents as at March 31,2017 pertains to discontinued business ,the amount outstanding of Rs. 58,590 thousand has been disclosed separately under Assets related to discontinued business (Refer Note 36(b)).

12. Current Tax Asset

	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	01-Apr-15 Rs. '000
Advance income-tax	-	38,274	52,508
Total	-	38,274	52,508

Since Current tax asset as at March 31,2017 pertains to discontinued business ,the amount of Rs. 19,687 thousand has been disclosed separately under Assets related to discontinued business (Refer Note 36(b)).



13. Share Capital

	As at 31 Mar 2017	As at 31 Mar 2016	As at 01 Apr 2015
Authorized			
10,00,00,000 (March 31, 2016 : 10,00,00,000, April 1, 2015 : 10,00,00,000) Equity Shares of Rs. 10 each	10,00,000	10,00,000	10,00,000
Issued, subscribed and fully paid-up			
9,97,17,401 (March 31, 2016 : 8,47,17,401, April 1, 2015 : 8,47,17,401) Equity Shares of Rs. 10 each	9,97,174	8,47,174	8,47,174
	9,97,174	8,47,174	8,47,174

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	Nos.	Rs. '000
At the beginning of the year as at April 01, 2015	847,17,401	8,47,174
Outstanding at the end of the year as at March 31, 2016	847,17,401	8,47,174
Addition: During the year	150,00,000	1,50,000
Outstanding at the end of the year as at March 31, 2017	997,17,401	9,97,174

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

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

(c) Shares held by holding company

Out of equity shares issued by the Company, shares held by its holding company are as below:

	As at 31 Mar 2017	As at 31 Mar 2016
Holding Company		
Hindustan Retail Private Limited, the holding company		
9,97,17,401 (March 31, 2016 : 8,47,17,401) Equity Shares of Rs. 10/- each fully paid up	9,97,174	8,47,174

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 Mar 2017		As at 31 Mar 2016	
	Nos.	% holding in the class	Nos.	% holding in the class
Equity shares of Rs 10 each fully paid				
Hindustan Retail Private Limited, the holding company	997,17,401	100.00%	847,17,401	100.00%

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

(e) No shares have been allotted without payment of cash or by way of bonus shares during the period of five years immediately preceding the balance sheet date.



Notes to financial statements for the year ended March 31, 2017

	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	01-Apr-15 Rs. '000
14. Non Current borrowings			
Unsecured			
Compulsorily Convertible Debentures			

Zero Interest Debentures

Compulsorily Convertible Debentures ("CCD") of Rs 6,23,500 have been issued to Hindustan Retail Private Limited (Holding company) during the year. These CCDs are unsecured with zero coupon rate and are compulsorily convertible to equity on and before 31st December 2018 at a price per equity share to be arrived at the time of conversion of CCDs into equity shares on the basis of valuation as on that date. The Company has amortised debentures at 9%. The differential of Rs 1,00,332 thousand between the amount received and the fair value (at amortised cost) on initial recognition has been regarded as 'Equity portion of compulsorily convertible Debentures' under other equity (refer SOCIE). The Debentures do not carry any debt covenant.

Since the borrowing pertains to discontinued business, the amount outstanding of Rs. 5,33,412 thousand has been disclosed separately under liabilities related to discontinued business (Refer Note 36(b)).

15. Other Financial Liabilities

	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	01-Apr-15 Rs. '000
At amortised Cost			
Security Deposits	31,989	52,294	
	31,989	52,294	

Since the other financial liabilities as at March 31,2017 pertains to discontinued business, the amount outstanding of Rs. 19,879 thousand has been disclosed separately under liabilities related to discontinued business (Refer Note 36(b)).

16. Provisions

	Non Current		Current	
	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	31-Mar-17 Rs. '000	01-Apr-15 Rs. '000
Provision for employee benefits				
Provision for gratuity (Note 22)	9,731	9,105	9,414	11,866
Provision for leave benefits	-	-	18,117	21,075
	9,731	9,105	27,531	32,941
Other provisions				
Provision for warranties	1,995	3547	1,27,856	1,86,877
	1,995	3,547	1,27,856	1,86,877
	11,726	12,652	1,55,387	2,19,818

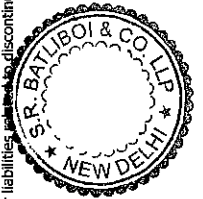
Provision for warranties

A provision is recognized for expected warranty claims on products sold during last one year, based on past experience of level of customer service expenses. It is expected that significant portion of those costs will be incurred in the next financial year and subsequent thereof. Assumptions used to calculate the provision for warranties are based on past trend of sales of mobile handsets and customer service expenses incurred.

	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	01-Apr-15 Rs. '000
At the beginning of the year	1,29,851	1,90,424	1,80,424
Arising during the year	39,277	2,55,453	3,02,850
Utilized during the year	1,44,870	3,16,026	2,92,851
At the end of the year*	24,258	1,29,851	1,90,423
Current portion	24,038	1,27,856	1,86,876
Non-current portion	220	1,995	3,547

* warranty provision as at March 31,2017 pertains to discontinued business, the amount outstanding of Rs. 24,258 thousand in respect of closing provision has been disclosed separately under liabilities related to discontinued business (Refer Note 36(b))

Since the Provision for Gratuity & Leave benefits as at March 31, 2017 pertains to discontinued business, the amount outstanding of Rs. 7,586 thousand has been disclosed separately under liabilities related to discontinued business (Refer Note 36(b)).



17. Short term borrowings

	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	01-Apr-15 Rs. '000
Secured			
Bills discounted from a bank *	-	99,951	1,00,000
Buyer's Credit from Bank**	-	3,06,102	-
Unsecured loan from related party(refer note no 24)			
8% interest bearing loan and advances from Spice Mobility Limited, the holding company, repayable on demand	-	1,33,045	4,15,075
11% interest bearing loan from a related party repayable on demand	-	79,077	1,19,077
11% interest bearing loan from Hindustan Retail Private Limited, the holding company, repayable on demand	-	1,87,000	1,16,550
10.5% (Previous period NIL) interest bearing loan from Hindustan Retail Private Limited, the holding company,	-	1,70,000	-
10.5% (Previous period NIL) interest bearing loan from a related party repayable on demand	-	40,000	-
	-	10,15,175	7,50,702
The above amount includes			
Unsecured borrowings	-	6,09,122	6,50,702
Secured borrowings	-	4,06,053	1,00,000

* The bill discounting facility was obtained from HDFC Bank, the tenor for which was 60 days and the rate of interest charged by the bank is 11.5% p.a. The facility has been secured by way of:

1. Exclusive charge over present and future movable fixed assets and current assets of the Company.
2. Equitable mortgage of 19A,19B, Sector-125, Noida, by Holding company.
3. Corporate Guarantee of the holding company, Spice Mobility Limited.
4. 4 PDCs of Rs. 25,000 thousand each from the Company.

** The Buyers Credit facility has been obtained from HDFC Bank, the tenor for which is 180 days and the rate of interest charged by the bank is libor plus 0.85-1.10 basic points. The facility has been secured by way of:

1. Exclusive charge over present and future movable fixed assets and current assets of the Company.
2. Equitable mortgage of 19A,19B, Sector-125, Noida, by Holding company.
3. Corporate Guarantee of the holding company, Spice Mobility Limited.

Since the buyers credit facility pertains to discontinued business ,the amount outstanding of Rs. 2,62,955 thousand in respect of the facility has been disclosed separately under liabilities related to discontinued business (Refer Note 36(b)).

Since the Unsecured loan from Related parties as at March 31, 2017 pertains to discontinued business ,the amount outstanding of Rs. 35,179 thousand has been disclosed separately under liabilities related to discontinued business (Refer Note 36(b)).

18. Trade Payables

	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	01-Apr-15 Rs. '000
Trade payables (refer note 33 for details of dues to micro and small enterprises)	-	16,69,672	29,43,796
Trade Payable to related parties	-	5,32,679	1,15,174
	-	22,02,351	30,58,970

Since Trade Payables as at March 31, 2017 pertain to the discontinued business ,the amount outstanding of Rs. 4,83,692 thousand has been disclosed separately under liabilities related to discontinued business (Refer Note 36(b)).



19. Other Financial liabilities

	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	01-Apr-15 Rs. '000
Interest accrued but not due on borrowings to related party	-	14,943	38,917
Interest accrued and due on borrowings to related party	-	53,472	-
Creditor for Capital Goods	-	2,422	6,318
Forward contract payable	-	34,507	548
Unaccrued Income	-	-	20
Employee related liabilities	-	61,121	89,016
		1,66,465	1,34,819

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 60-120 days terms
- Interest payable is normally settled quarterly throughout the financial year

For explanations on the Company's credit risk management processes, refer to Note 29.

Since Other Financial Liabilities as at March 31, 2017 pertain to the discontinued business, the amount outstanding of Rs. 33,008 thousand has been disclosed separately under liabilities related to discontinued business (Refer Note 36(b)).

20. Other current liabilities

	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000	01-Apr-15 Rs. '000
Advance from customers and their credit balances	-	91,809	1,56,156
Others			
Indirect Taxes and Duties Payable	-	40,691	54,835
Employee Statutory Deductions	-	3,569	4,956
TDS payable	-	17,321	12,724
	(0)	1,53,390	2,28,671

Since Other Current Liabilities as at March 31, 2017 pertain to discontinued business, the amount outstanding of Rs. 44,017 thousand has been disclosed separately under liabilities related to discontinued business (Refer Note 36(b)).

21. Earnings per share (EPS)

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

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations:

	31-Mar-17 Rs. '000	31-Mar-16 Rs. '000
(Loss) after tax for the year		
Continuing Operation	-	-
Discontinued Operation	(2,33,433)	(9,36,987)
(Loss) for calculation of basic and diluted EPS	(2,33,433)	(9,36,987)

	Nos.	Nos.
Weighted average number of equity shares in calculating basic EPS	902,24,250	847,17,401
Compulsorily Convertible Debentures*	-	-
Weighted average number of equity shares in calculating diluted EPS	902,24,250	847,17,401

*Compulsorily Convertible Debentures are not considered for EPS considering anti dilutive impact.

Basic and diluted earning per share of Rs 10 each (in Rs.)	(2.59)	(11.06)
--	---------------	----------------



22. Gratuity (defined benefit plan)

	Gratuity	
	March 31, 2017	March 31, 2016
	Rs.	Rs.
Gratuity plan	3,703	19,145
	3,703	19,145

The Company has a defined benefit gratuity plan.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. This gratuity benefit on departure at 15 days salary (last drawn salary) for each completed year of service or part thereof in excess of 6 months.

Changes in the present value of the defined benefit obligation are, as follows :

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2017:

Gratuity cost charged to profit or loss	(Amount in Rs. '000)		
	Gratuity Benefit Obligation	Fair value of plan assets	Benefit liability
As at March 31, 2016	25,114	5,969	19,145
Acquired during the year	-	1,474	(1,474)
Transferred during the year under slump sale	(9,060)	-	(9,060)
Service cost	578	-	-
Past service cost	490	-	-
Net interest expense/Income	1,109	595	-
Sub-total included in profit or loss	2,177	595	1,582
Benefits Paid	(12,478)	(7,593)	(4,885)
Remeasurement gains/(losses) in other comprehensive income			
Return on plan assets (excluding amounts included in net interest expense)	-	(423)	-
Actuarial changes arising from changes in demographic assumptions	-	-	-
Actuarial changes arising from changes in financial assumptions	169	-	-
Experience adjustments	(2,198)	-	-
Subtotal included in OCI	(2,029)	(423)	(1,605)
As at March 31, 2017	3,725	23	3,702

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2016:

Gratuity cost charged to profit or loss			
	Gratuity Benefit Obligation	Fair value of plan assets	Benefit liability
As at March 31, 2015	28,429	7,457	20,972
Service cost	5,138	-	5,138
Net interest expense	2,203	702	1,502
Sub-total included in profit or loss	7,341	702	6,640
Benefits Paid	(6,008)	(1,963)	(4,046)
Remeasurement gains/(losses) in other comprehensive income			
Return on plan assets (excluding amounts included in net interest expense)	-	(228)	-
Actuarial changes arising from changes in demographic assumptions	-	-	-
Actuarial changes arising from changes in financial assumptions	(509)	-	-
Experience adjustments	(4,139)	-	-
Subtotal included in OCI	(4,648)	(228)	(4,420)
Contribution by employer			
As at March 31, 2016	25,114	5,969	19,145

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	March 31, 2017	March 31, 2016
	Rs.	Rs.
Discount rate (in %)	7.35%	8.00%
Salary Escalation (in %)	8.00%	8.00%
Mortality Rate (% of IALM 06-08)	100%	100%

A quantitative sensitivity analysis for significant assumption as at 31 March 2017 is as shown below:

Gratuity Plan

Assumptions	31-Mar-17		31-Mar-17	
	Discount rate		Future salary increases	
	0.5% increase	0.5% Increase	0.5% increase	0.5% Increase
Sensitivity Level	Rs.in lakhs	Rs.in lakhs	Rs.in lakhs	Rs.in lakhs
Impact on defined benefit obligation	(141)	155	153	(140)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Maturity Profile of Defined benefit obligation:

Expected cash flows over the next (valued on undiscounted basis):

	31-Mar-17	31-Mar-16
	Rs.in lakhs	Rs.in lakhs
Within the next 12 months (next annual reporting period)	664	4,645
Between 2 and 5 years	662	8,213
Between 6 and 10 years	962	5,143
Beyond 10 years	1,438	7,095

The average duration of the defined benefit plan obligation at the end of the reporting period is 15.83 years (March 31, 2016 : 15.64 years)



23. Commitments and contingencies
a. Leases

Operating lease commitments – Company as lessee

The Company has entered into Operating lease on certain outlet premises, office premises and warehouse with lease term between 1 to 9 years. The company has the option under some of its leases, to lease the premises for additional 2 to 6 years. The Company has paid Rs. 55,123 during the year towards minimum lease payment.

Future minimum rentals payable under non-cancellable operating leases as at March 31, 2017 are as follows:

	As at 31 Mar 2017 Rs. '000	As at 31 Mar 2016 Rs. '000	As at 01 Apr 2015 Rs. '000
Within one year	-	12,279	6,476
After one year but not more than five years	-	22,668	472
More than five years	-	-	-
		34,947	6,948

B. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.Nil (March 2016 : Rs. 1,984 thousand, March 2015 : Rs. 2,055 thousand).

C. Contingent liabilities

**Claims against the Company not acknowledged as debts
Legal claim contingency**

	Mar-17 Rs.(000's)	Mar-16 Rs.(000's)	Apr-15 Rs.(000's)
Claims against the Company not acknowledged as debts			
Consumer Disputes*	2,843	7,050	7,052
Demands raised by sales tax authorities**/***	2,58,040	5,52,831	3,37,816
Demands raised by Income tax authority****	-	598	607
Others*****	-	4,797	3,997
	2,60,883	5,65,276	3,49,472

* The cases are pending with various Consumer Disputes Redressal Forums. As per the management, the Company is made only a proforma party to these claims and liability, if any, arising out of these claims would be on the manufacturer and not likely to devolve on the Company.

**The Hon'ble Supreme Court of India vide its order dated December 17, 2014 on the judgment in case of State of Punjab Vs. Nokia India Pvt. Ltd. has held that sales tax liability on battery charger sold along with mobile phone should be charged at sales tax rate applicable to chargers, which is higher than the sales tax rate applicable to mobile phones in few states. Demand of Rs 50,883 thousand, Rs 10,702 thousand and Rs 5,079 thousand has been received from Bihar, Punjab, Rajasthan, Uttar Pradesh respectively.

***The Company has fair chances of success in all these cases and hence no provision in respect thereof has been made in the books.



D. Financial guarantees
The Company has pledged its fixed deposit of Rs. 52,500 thousand (March 2016 : Rs Nil, March 2015 : Rs Nil) in respect of the bank guarantees taken by Hotspot Sales & Solutions Pvt Limited.

24. Related party transactions

Following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Ultimate Holding Company	Smart Global Corporate Holding Private Limited
Holding Company	Hindustan Retail Private Limited Spice Mobility Limited (Holding Company of Hindustan Retail Private Limited) Spice Connect Private Limited (Formerly known as Smart Ventures Private Limited) (Holding Co. of Spice Mobility Limited)

Subsidiaries *
Cellucorn Retail India Private Limited

* For information about the subsidiary, refer below:

Name	Principal Activities	Country of Incorporation	31-Mar-17	31-Mar-16	01-Apr-15
Cellucorn Retail India Pvt Ltd	Trading of Mobile handset	India	100%	100%	100%

Names of other related parties with whom transactions have taken place during the year:

Fellow subsidiaries

Spice Digital Limited
Hotspot Sales & Solutions Pvt Limited
Spice Online Pvt. Ltd. (Formerly known as Spice Online Retail Pvt Ltd.)
MobiSoc Technology Pvt Ltd.
Well Street Finance Ltd
Kimaan Exports Pvt Ltd

Key Management Personnel

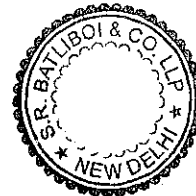
Executive Officers:-
Mr. Palakal Krishna Kumar (upto 15.04.2016)
Mr. Ravindra Sarawagi (w.e.f. 09.08.2016)
Mr. Subhasish Mohanty (upto 01.08.2016)
Mr. Arrendeeep Singh (w.e.f. 09.08.2016)
Mr. Gopal Sadani (upto 09.08.2016)
Mr. Shivan Narayan Pandey (w.e.f. 07.02.2017)

Independent Directors:-

Mr. Suman Ghose Hazra
Mr. Umang Des
Mr. Hanif M. Dahiya (upto 10.02.2017)
Mr. Subrato Chattopadhyay (upto 11.05.2015)

Relatives of Key Managerial Remuneration

Mr. Annu N Kutty



25. Segment information
Primary segments: Business Segments

The Company was engaged mainly in telecommunications- Mobile business which represented the business of trading of mobile handsets. The Company has discontinued this business during the year and transferred business assets & liabilities existing as at March 31, 2017 relating to this business to assets/liabilities related to discontinued business.

Secondary Segments: Geographical Segment

As the Company's business activity falls within a single geographical segment, there is no additional disclosures required to be provided for geographical segments.

26. Hedging activities

Derivatives not designated as hedging instruments

The Company used foreign exchange forward contract to manage some of its transaction exposure. The foreign exchange forward contract are not designated as cash flow hedges and are entered into for period consistent with foreign currency exposure of the underlying transaction, generally from three months to six months.

27. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying Value		Fair Value		(Amount in Rs. '000)	
	As at 31 Mar 2017	As at 31 Mar 2016	As at 31 Mar 2017	As at 31 Mar 2016	As at 01 Apr 2015	As at 01 Apr 2015
Financial assets						
Other financial assets :						
Security Deposits	368	53,166	368	53,166	69,106	69,106
Employee loans	-	939	-	939	1,000	1,000
Total	368	54,105	368	54,105	70,106	70,106
Financial liabilities						
Derivative contracts	-	34,507	-	34,507	548	548
Security Deposit	19,789	31,989	19,789	31,989	52,294	52,294
Convertibility Convertible Debentures	5,33,412	-	5,33,412	-	-	-
Total	5,53,201	66,496	5,53,201	66,496	52,842	52,842

The Management has assessed that the fair value of cash and cash equivalents, other bank balances, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Borrowings are evaluated by the Company based on parameters such as interest rates and specific country risk factors.
- The fair value of other financial liabilities, obligations under finance leases, is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- The fair values of the Company's borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.



28. Fair value hierarchy

(1) Financial Instruments by Category

	31-Mar-17		31-Mar-16		01-Apr-15	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets						
-Long Term loans and advances	-	-	-	939	-	1,000
-Other Non-Current Financial Assets	-	44	-	54,412	-	71,970
-Trade receivables	-	60,273	-	4,31,866	-	9,14,581
-Cash and cash equivalent	-	4,965	-	65,134	-	1,79,936
-Other Bank Balances	-	53,625	-	2,63,439	-	6,03,477
-Current loans and advances	-	864	-	6,980	-	4,782
-Other Financial assets	-	7,313	-	42,098	-	42,942
Total financial assets	-	1,27,084	-	8,64,868	-	18,18,689
Non Current Borrowing						
Other Long term Liabilities	-	5,33,412	-	-	-	-
Current Borrowing	-	19,789	-	31,989	-	52,294
Current Trade payables	-	2,98,134	-	10,15,175	-	7,50,702
Other Current Financial Liabilities	-	4,83,692	-	22,02,351	-	30,58,970
Total Financial liabilities	-	33,008	34,507	1,31,958	548	1,34,271
	-	13,68,035	34,507	33,81,473	548	39,96,237

(2) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities. Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2017:

Quantitative disclosures fair value measurement hierarchy for liabilities:

Date of valuation	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
31-Mar-17	5,33,412	-	5,33,412	-
31-Mar-16	-	-	-	-
01-Apr-15	-	-	-	-
31-Mar-17	19,789	-	19,789	-
31-Mar-16	31,989	-	31,989	-
01-Apr-15	52,294	-	52,294	-
31-Mar-17	34,507	-	34,507	-
31-Mar-16	548	-	548	-
01-Apr-15	-	-	-	-

There have been no transfers between Level 1 and Level 2 during the period.

Quantitative disclosures fair value measurement hierarchy for assets:

Date of valuation	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
31-Mar-17	368	-	368	-
31-Mar-16	53,166	-	53,166	-
01-Apr-15	69,106	-	69,106	-
31-Mar-17	939	-	939	-
31-Mar-16	1,000	-	1,000	-
01-Apr-15	-	-	-	-

Assets measured at fair value:

Assets for which fair values are disclosed (Note 27):

Other financial assets :

Security Deposits	368
Security Deposits	53,166
Security Deposits	69,106
Employee loans	939
Employee loans	1,000

There have been no transfers between Level 1 and Level 2 during the period.



29. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents and bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management advises on financial risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees on policies for managing each of these risks, which are summarised below.

1) 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 include loans and borrowings and deposits. Company is not affected by commodity risk.

The sensitivity analyses in the following sections relate to the position as at 31 March 2017, 31 March 2016 and 1st April 2015.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt instruments are all constant.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations, provisions.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2017 and 31 March 2016.

-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's exposure to the risk of changes in market interest rates relates primarily to the Security deposits received/paid and borrowing.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

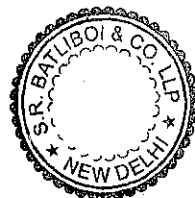
	Increase/(decrease) in basis points	Effect on loss before tax (Amount in Rs. '000)
31-Mar-17		
INR	+ 50	(4,126)
INR	- 50	4,126
31-Mar-16		
INR	+ 50	(3,702)
INR	- 50	3,702
01-Apr-15		
INR	+ 50	(800)
INR	- 50	800

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

-Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities expense are incurred in a foreign currency. The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted purchases.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting payable that is denominated in the foreign currency.



Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rate, with the other variables held constant.

	(Amount in Rs. '000)	
	Change in USD rate	Effect on pre-tax equity
	(Increase)/decrease	
31-Mar-17	5%	-
	-5%	(7,027)
31-Mar-16	5%	7,027
	-5%	(74,866)
01-Apr-15	5%	74,866
	-5%	(74,866)

Equity price risk

The Company does not have any exposure to equity risk other than equity of subsidiary company.

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.

Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and limits are defined in accordance with this assessment. At 31 March 2017, the Company had net outstanding of Rs 60,273 thousand (31 March 2016: Rs. 4,31,271, 1 April 2015: Rs. 9,10,333 thousand) pertaining to discontinued business disclosed separately under Assets related to discontinued business.

An impairment analysis is performed at each reporting date on an individual basis for major clients.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the Company's policy. Further the Company's policy also covers the limits of overall deposit which the Company can make with a particular bank or financial institution. The Company does not maintain the significant amount of cash and deposits other than those required for its day to day operations.

Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Year ended	(Amount in Rs. '000)			
	On Demand	Less than 3 Months	3-12 Months	> 5 years
31-Mar-17				
Borrowings (Non-Current)	-	-	5,33,412	5,33,412
Borrowings (Current)	35,179	-	2,62,955	2,98,134
Other financial liabilities(non-current)	-	-	19,789	19,789
Other financial liabilities(current)	-	33,008	-	33,008
Trade and other payables	-	4,83,692	-	4,83,692
Total	35,179	5,16,700	2,62,955	13,68,035
31-Mar-16				
Borrowings (Current)	6,09,122	4,06,053	-	10,15,175
Other financial liabilities(non-current)	-	-	31,989	31,989
Other financial liabilities(current)	-	1,66,465	-	1,66,465
Trade and other payables	-	22,02,351	-	22,02,351
Total	6,09,122	27,74,869	31,989	34,15,980
01-Apr-15				
Borrowings (Current)	6,50,702	1,00,000	-	7,50,702
Other financial liabilities(non-current)	-	-	52,294	52,294
Other financial liabilities(current)	-	1,34,819	-	1,34,819
Trade and other payables	-	30,58,970	-	30,58,970
Total	6,50,702	32,93,789	52,294	39,96,785



-Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

-Collateral

The Company has pledged part of its margin money deposits, amounting to Rs 52,500 thousand (March 31, 2016 : Nil, April 1st, 2015 : Nil) in order to fulfil the collateral requirements for the subsidiary of Company. Further, the Company has pledged its margin money deposits amounting to Rs. Nil (March 31, 2016 INR 264,786 thousand and April 1, 2015 INR 605,318 thousand) in order to fulfil the collateral requirements of the Company to meet the requirements of outstanding letter of credits. The counterparties have an obligation to return the securities to the Company. There are no other significant terms and conditions associated with the use of collateral.

30. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, 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. To maintain or adjust the capital structure, the Company may issue new shares.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

Capital include the following-

	As at 31 Mar 2017 Rs. '000	As at 31 Mar 2016 Rs. '000	As at 01 Apr 2015 Rs. '000
Equity			
Convertible Debenture	9,97,174	8,47,174	8,47,174
Other equity	5,33,412		
Total capital	(22,44,645)	(29,57,494)	(20,24,929)
	(7,14,059)	(21,10,320)	(11,77,755)

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2017 and 31 March 2016.

31. Details of Specified Bank Notes (SBN) held and transacted during the period from November 8th, 2016 to December 30th, 2016 are provided in the table below:-

Particulars (Amount in INR thousand)	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	174	6	180
(+) Permitted receipts	-	101	101
(-) Permitted payments	-	87	87
(-) Amount deposited in Banks	174	-	174
Closing cash in hand as on 30.12.2016	-	19	19

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

32. During the previous year, the Company had written off trade receivables of Rs. 198,888 thousand outstanding from its subsidiary, Cellucom Retail India Private Limited. Out of this, Rs. 30,225 thousand has been received from this subsidiary during the year and has been disclosed as exceptional item.



36. Sale of Business Division under slump sale agreement

a) Pursuant to the decision of its board of directors on May 17, 2016, the Company entered into a slump sale agreement with Hotspot Sales & Solutions Pvt Limited ("HSSPL"), for transfer of assets and liabilities pertaining to its retail business involved in trading of multibrand mobile handsets and related accessories through a chain of retail outlets across India. Being a discontinued operation, this business is no longer presented in the segment note. Below mentioned assets and liabilities of the Company were transferred to and vested in HSSPL on a going concern basis from 1st June, 2016 being the date of business transfer.

The details of assets and liabilities transferred by way of slump sale are as under:
Assets and liabilities transferred:-

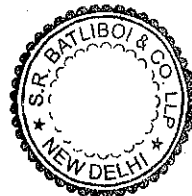
	May'31, 2016 Amount Rs. '000
Assets	
Non-current assets	
Property, Plant and Equipment	46,361
Capital work-in-progress	-
Intangible assets	1,773
Financial Assets	
Loans	41,481
Other Financial Assets	1,124
Other non-current assets	-
	90,739
Current assets	
Inventories	1,96,716
Financial Assets	
Trade receivables	10,271
Cash and bank balances	7,077
Other Bank Balances	5,434
Loans	20,953
Other Financial Assets	2,838
Current Tax Assets	-
Other current assets	24,491
	2,67,779
TOTAL	3,58,518
Non-current liabilities	
Other long-term liabilities	8,925
Long-term provisions	7,015
	15,940
Current liabilities	
Financial Liabilities	
Short-term borrowings	5,31,876
Trade payables	6,00,436
Other Financial liabilities	15,350
Other current liabilities	34,276
Short-term provisions	4,987
	11,86,925
TOTAL	12,02,865
Net liabilities	8,44,347
Capital Reserve	8,44,347
Sale Consideration	0.001

The following statement shows the revenue and expenses of the discontinued operation of the Company :

	May'31, 2016 Rs. '000	Mar'31, 2016 Rs. '000
Income		
Revenue from operations	11,48,703	57,27,335
Revenue from operations (net)	11,48,703	57,27,335
Other income	8,718	15,737
Total revenue (I)	11,57,421	57,43,072
Expenses		
Purchase of traded goods	11,65,829	51,07,075
(Increase) / Decrease in inventories of traded goods	(79,696)	1,65,561
Employee benefits expense	28,060	2,20,340
Depreciation and amortization expense	5,052	58,132
Finance costs	14,710	75,640
Other expenses	53,839	4,74,820
Total (II)	11,87,794	61,01,568
(Loss) before exceptional items and tax from discontinued operation (I) - (II)	(30,373)	(3,58,496)
Exceptional items	(30,225)	1,98,888
(Loss) for the year/period	(148)	(5,57,384)

The Net cash flow incurred by the discontinued operation are, as follows:

	May'31, 2016 Rs. '000	Mar'31, 2016 Rs. '000
Operating	(1,05,443)	(2,08,703)
Investing	(336)	(19,034)
Financing	75,323	(2,83,307)
Net cash (outflow)/inflow	(30,456)	(5,11,044)
Earning Per Share:		
Earnings per equity share from the discontinued business	(0.00)	(6.58)



b) Over the past few years mobile devices market has witnessed entry of major Chinese players who have captured significant market share in Mobile handset market and made market very competitive for both domestic and multi national brands. Pursuant to decision of its board of directors on Feb 10, 2017, the Company has discontinued "Spice" Brand mobile handset business. Being a discontinued operation, this business is no longer presented in the segment note. Accordingly, assets and liabilities of the business have been classified separately as assets / liabilities related to discontinued business.

The details of assets and liabilities as at March 31, 2017 classified separately as assets / liabilities related to discontinued business are given below:

	Mar'31, 2017 Amount Rs. '000
Assets	
Non-current assets	
Property, Plant and Equipment	-
Capital work-in-progress	-
Intangible assets	-
Financial Assets	
Other Financial Assets	44
Other non-current assets	15
	<u>59</u>
Current assets	
Inventories	1,728
Financial Assets	
Trade receivables	60,273
Cash and bank balances	4,965
Other Bank Balances	53,625
Loans	864
Other Financial Assets	7,313
Current Tax Assets	19,687
Other current assets	47,910
	<u>1,96,365</u>
Assets directly associated with assets pertaining to discontinued business	<u>1,96,424</u>
Non-current liabilities	5,33,412
Other long-term liabilities	19,789
Long-term provisions	3,259
	<u>5,56,460</u>
Current liabilities	
Financial Liabilities	
Short-term borrowings	2,98,134
Trade payables	4,83,693
Other Financial liabilities	33,008
Other current liabilities	44,017
Short-term provisions	28,586
	<u>8,87,438</u>
Liability directly associated with assets pertaining to discontinued business	<u>14,43,898</u>
	<u>12,47,474</u>
Net assets directly associated with discontinued business*	
	39,785
Trade receivable	4,15,936
Trade payable	669
Advance from customers and their credit balances	

*Net assets/liabilities includes following related party receivable and payables.

The following statement shows the revenue and expenses of discontinued operations, of the Company which has been discontinued.

	Mar'31, 2017 Rs. '000	Mar'31, 2016 Rs. '000
Income		
Revenue from operations	18,66,502	93,59,921
Revenue from operations (net)	<u>18,66,502</u>	<u>93,59,921</u>
Other income	27,666	47,151
Total revenue (I)	<u>18,94,168</u>	<u>94,07,072</u>
Expenses		
Purchase of traded goods	12,27,730	79,16,272
Decrease in inventories of traded goods	4,09,328	3,90,545
Employee benefits expense	1,33,968	3,27,183
Depreciation and amortization expense	24,164	16,925
Finance costs	55,787	42,393
Other expenses	2,76,478	10,92,984
Total (II)	<u>21,27,455</u>	<u>97,86,302</u>
Profit (loss) before exceptional items and tax from continuing	<u>(2,33,287)</u>	<u>(3,79,230)</u>
Exceptional items	-	-
Profit (Loss) before tax	<u>(2,33,287)</u>	<u>(3,79,230)</u>
Provision for Taxes	-	372
Tax adjustment related to an earlier year	-	-
Profit (Loss) for the year/period	<u>(2,33,287)</u>	<u>(3,79,602)</u>
Other Comprehensive Income		
Remeasurements of net defined benefit liability/asset	1,605	4,420
Total Comprehensive Income for the year (Comprising (Loss) and Other Comprehensive Income for the year)	<u>(2,31,682)</u>	<u>(3,75,182)</u>

The Net cash flow incurred by Spice brand mobile handset business are, as follows;

	Mar'31, 2017 Rs. '000	Mar'31, 2016 Rs. '000
Operating	(6,80,440)	(4,77,279)
Investing	2,14,443	3,84,979
Financing	4,43,362	4,88,543
Net cash (outflow)/inflow	<u>(22,635)</u>	<u>3,96,243</u>
Earning Per Share:		
Earnings per equity share from discontinued business	(2.59)	(4.48)



37. First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 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).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

Exemptions applied

These are the Company's first financial statements prepared in accordance with Ind AS. The significant accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet as at April 01, 2015 (the date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amount reported previously in financial statements prepared in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Optional exemptions applied

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

(i) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. The Company has applied the following exemptions:

(A) For Property, Plant and Equipment, including Intangible assets, the Company has elected to continue with the carrying value (i.e. at cost) for all assets as recognised in its Indian GAAP financial statements as deemed cost at the transition date.

(B) Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements for embedded leases based on conditions in place as at the date of transition.

(C) The Company has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, have been carried forward without adjustment.

(D) As per Ind AS 27, investment in subsidiary needs to be accounted into the books either at cost or at value determined in accordance with Ind AS 109. If a first time adopter measures such an investment at cost in accordance with Ind AS 27, it shall measure its investment at one of the following amounts in its separate opening balance sheet:

- Cost determined in accordance with the Ind AS 27; or

- Deemed cost

Deemed cost shall be either:

(a) the fair value at the entity's date of transition to Ind AS; or

(b) the carrying value as per the previous GAAP at the date of transition.

A first time adopter may choose either (a) or (b) above to measure its investment in each subsidiary.

Further, Company has decided to carry its investment in subsidiary company at carrying value as per the previous GAAP on the date of transition to Ind AS.

Ind AS mandatory exceptions applied

(i) Estimates

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

Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

New Spice Sales and Solutions Limited (Formerly Known as Spice Retail Limited)
Balance Sheet as at 31 March 2016

Particulars	Note No	IGAAP as on 31 March 2016	Regrouping	Adjustment	Ind AS as on 31 March 2016
Assets					
Non Current assets					
Property, Plant and Equipment		60,412	-	-	60,412
Capital Work in Progress		338	-	-	338
Other Intangible Assets		17,718	-	-	17,718
Intangible asset under development		253	-	-	253
Financial Assets					
(i) Non Current Investments		939	-	-	939
(ii) Long Term Loans and advances		61,669	(225)	(7,033)	54,412
(iii) Other Financial Assets		294	285	3,027	3,546
Other non current Assets	2	<u>1,41,623</u>	-	<u>(4,006)</u>	<u>1,37,618</u>
Current Assets					
Inventories		5,28,076	-	-	5,28,076
Financial Assets					
(i) Trade Receivable		4,31,866	-	-	4,31,866
(ii) Cash and Cash equivalents		65,134	-	-	65,134
(iii) Bank balance other than (ii) above		2,63,439	-	-	2,63,439
(iv) Short term Loans and Advances		6,980	-	-	6,980
(v) other Financial Assets	2	75,436	(27,229)	(6,110)	42,098
Current Tax assets		38,274	-	-	38,274
Other Current Assets	2	<u>83,566</u>	<u>27,229</u>	<u>1,892</u>	<u>1,12,678</u>
		<u>14,92,772</u>	-	<u>(4,227)</u>	<u>14,88,545</u>
Total		<u>16,34,395</u>	-	<u>(8,233)</u>	<u>16,26,163</u>
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital		8,47,174	-	-	8,47,174
Other Equity	1 to 6	(29,53,400)	-	(4,094)	(29,57,494)
		<u>(21,06,226)</u>	-	<u>(4,094)</u>	<u>(21,10,320)</u>
Non Current Liabilities					
Financial Liabilities					
(i) Borrowing		-	-	-	-
(ii) Trade payables		-	-	-	-
(iii) Other Financial Liabilities	3	32,185	-	(196)	31,989
Long Term Provisions		11,726	-	-	11,726
Other non current Liabilities		-	-	-	-
		<u>43,911</u>	-	<u>(196)</u>	<u>43,715</u>
Current Liabilities					
Financial Liabilities					
(i) Current Borrowings		10,15,174	-	-	10,15,174
(ii) Trade and other payables		22,02,351	-	-	22,02,351
(iii) Other Financial Liabilities	1	1,70,408	-	(3,943)	1,66,465
Other Current Liabilities		1,53,390	-	-	1,53,390
Short Term Provisions		1,55,387	-	-	1,55,387
Current Tax Liabilities		-	-	-	-
		<u>36,96,710</u>	-	<u>(3,943)</u>	<u>36,92,768</u>
Total		<u>16,34,395</u>	-	<u>(8,233)</u>	<u>16,26,163</u>



New Spice Sales and Solutions Limited (Formerly Known as Spice Retail Limited)
Balance Sheet as at 1st April 2015

Particulars	Note No	IGAAP as on 1 April 2015	Regrouping	Adjustment	Ind AS as on 1 April 2015
Assets					
Non Current assets					
Property, Plant and Equipment		1,09,995	-	-	1,09,995
Capital Work in Progress		-	-	-	-
Other Intangible Assets		26,901	-	-	26,901
Intangible assets under development		-	-	-	-
Financial Assets					
(i) Non Current Investments		-	-	-	-
(ii) Long Term Loans and advances		1,000	-	-	1,000
(iii) Other Financial Assets	2	80,032	(225)	(7,838)	71,970
Other non current Assets	2	792	225	3,786	4,803
		<u>2,18,720</u>		<u>(4,052)</u>	<u>2,14,669</u>
Current Assets					
Inventories		10,84,183	-	-	10,84,183
Financial Assets					
(i) Trade Receivable		9,14,581	-	-	9,14,581
(ii) Cash and Cash equivalents		1,79,936	-	-	1,79,936
(iii) Bank balance other than (ii) above		6,03,477	-	-	6,03,477
(iv) Short term Loans and Advances		4,782	-	-	4,782
(v) Other Financial Assets	2	1,31,327	(88,148)	(238)	42,942
Current Tax assets		52,508	-	-	52,508
Other Current Assets	2	91,740	86,148	3,205	1,81,093
		<u>30,62,534</u>		<u>2,967</u>	<u>30,65,502</u>
Total		<u>32,81,255</u>		<u>(1,085)</u>	<u>32,80,171</u>
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital		8,47,174	-	-	8,47,174
Other Equity	1 to 6	(20,23,836)	-	(1,093)	(20,24,929)
		<u>(11,76,662)</u>		<u>(1,093)</u>	<u>(11,77,755)</u>
Non Current Liabilities					
Financial Liabilities					
(i) Borrowing		-	-	-	-
(ii) Trade payables		-	-	-	-
(iii) Other Financial Liabilities		52,294	-	-	52,294
Long Term Provisions		12,652	-	-	12,652
Other non current Liabilities		-	-	-	-
		<u>64,946</u>			<u>64,946</u>
Current Liabilities					
Financial Liabilities					
(i) Current Borrowings		7,50,702	-	-	7,50,702
(ii) Trade and other payables		30,58,970	-	-	30,58,970
(iii) Other Financial Liabilities	1	1,34,811	-	8	1,34,819
Other Current Liabilities		2,28,671	-	-	2,28,671
Short Term Provisions		2,19,818	-	-	2,19,818
Current Tax Liabilities		-	-	-	-
		<u>43,92,972</u>		<u>8</u>	<u>43,92,980</u>
Total		<u>32,81,255</u>		<u>(1,085)</u>	<u>32,80,171</u>

Footnotes to the reconciliation of equity as at 1 April 2015 and 31 March 2016 and profit or loss for the year ended 31 March 2016

1. Mark to market impact of forward contract

Under Indian GAAP, the Company accounted for forward contract taken towards outstanding liabilities in foreign currency over the life of contract and amortised cost of forward premium over forward contract life. As per Ind AS forward contract are evaluated on mark to market basis on date of reporting. Considering change in method of evaluation, Company has remeasured forward contract as at and reduced other expenses by Rs 3,715 thousand as on March 31, 2015 and Rs 8 thousand as on April, 1 2015.

2. Financial assets and liabilities with amortisation cost

Under Indian GAAP, the Company accounted for security deposit received and paid based on contractual agreement. Under Ind AS, security deposit received and paid are categorised as financial assets and liabilities and are measured at amortised cost using the effective interest rate (EIR) method. Accordingly, security deposits received has been reduced by Rs 7,838 thousands as on April 1 2015 and Rs 5,239 thousand as on March 31 2016, with corresponding recognition as rent received in advance Rs 6,990 as on April 1, 2015 and Rs 4,909 thousand as on March 31, 2016 and differential impact has been taken to opening retained earning. Rent received and paid recognised is amortised over the term of lease.

3. Lease

Under Indian GAAP, lease agreement with periodic increase in lease rental were required to be straight lined and charge equally over the period of contract to statement of profit and loss. As per Ind AS rental cost is recognised in the statement of profit and loss on a straight-line basis over the lease term unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Company has accordingly accounted for such transaction after considering general inflation impact for computation of straight line cost. Accordingly Rent Equalisation amounting has been reversed amounting to Rs 195 thousand.

4. Defined benefit liabilities

The Group has recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Accordingly, the employee benefit cost and Remeasurement gains/ losses on defined benefit plans of Rs 4,420 thousand has been recognized in the OCI for the year ended March 31, 2016.

5. Other comprehensive income

In accordance of provisions of IndAS, the Company has presented the OCI separately in the statement of change in equity (SOCE) and reconciled the same with Indian GAAP profit or loss.

6. Statement of cash flows

The transition from Indian GAAP to Ind AS does not have a material impact on the statement of cash flows.



New Spice Sales and Solutions Limited (Formerly Known as Spice Retail Limited)

CIN: U32201HP1988PLC008020

Regd. Address: Village Billanwall Labana, Post Office - Baddi, Tehsil Nalagarh, Baddi, Himachal Pradesh – 173205

STATEMENT OF PROFIT AND LOSS

Particulars	Note No	IGAAP as on 31 March 2016	Adjustment	Ind AS as on 31 March 2016*
Revenue from operations (1)		150,87,255	-	150,87,255
Other income (2)		63,044	-	63,044
Total Income (1 + 2)		151,50,299	-	151,50,299
Expenses:				
Purchases		130,23,344	-	130,23,344
(Increase) In inventories of traded goods		5,56,106	-	5,56,106
Employee benefits expense	4	5,43,104	4,420	5,47,524
Finance costs		1,18,035	-	1,18,035
Depreciation and amortization expense		75,056	-	75,056
Other expenses	1,2,3	15,64,959	3,002	15,67,961
Total expenses		158,80,604	7,422	158,88,026
Loss before exceptional items and tax		(7,30,305)	(7,422)	(7,37,727)
Exceptional items		1,98,888	-	1,98,888
Loss before tax		(9,29,193)	(7,422)	(9,36,615)
Tax adjustment related to an earlier year		372	-	372
Profit (Loss) for the period		(9,29,565)	(7,422)	(9,36,987)
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
-Remeasurement gain on employee defined benefit plan			4,420	4,420
Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(9,29,565)	(3,002)	(9,32,567)
Earnings per Equity Share				
(1) Basic		(10.97)		(10.97)
(2) Diluted		(10.97)		(10.97)

*Since Statement of Profit & Loss pertains to discontinued business, the amount has been disclosed separately. (Refer Note 36).

1. Mark to market impact of forward contract

Under Indian GAAP, the Company accounted for forward contract taken towards outstanding liabilities in foreign currency over the life of contract and amortised cost of forward premium over forward contract life. As per Ind AS forward contract are evaluated on mark to market basis on date of reporting. Considering change in method of evaluation Company has remeasured forward contract as at and reduced other expenses by Rs 3,715 thousand for the year ending March 31, 2017.

2. Financial assets and liabilities with amortisation cost

Under Indian GAAP, the Company accounted for security deposit received and paid based on contractual agreement. Under Ind AS, security deposit received and paid are categorised as financial assets and liabilities and are measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR and impact has been accounted for in rent income and interest expenses or rent expenses and interest income. The amount recognized in Rent expense against the same is Rs 1,898 thousand & correspondingly interest income on the same amounting to Rs 1,381 thousand which is regrouped in Rent expense.

3. Lease

Under Indian GAAP, straight line cost is recognised for leases over the period of contract. As per Ind AS straight cost is recognised in the statement of profit and loss on a straight-line basis over the lease term unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Company has accordingly accounted for such transaction after considering general inflation impact for computation of straight line cost and recognised impact in rent expenses. Rent equalisation outstanding as on March 31, 2017 amounting to Rs 196 thousand has been reversed.

4. Defined benefit liabilities

The Company has recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI amounting to Rs 4,420 thousand. Accordingly, the employee benefit cost has been reinstated.



38. Significant accounting judgements, estimates and assumptions

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

Estimates and assumptions

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

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has carried forward tax losses. These losses expire in 8 years and may not be used to offset taxable income elsewhere in the Company. The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries

Further details about gratuity obligations are given in Note 22.

Summary of significant accounting policies

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

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number:
301003E/E300005

per Anil Gupta
Partner
Membership no.: 87921

Place: Noida

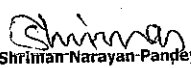
Date: May 11, 2017

For and on behalf of the board of directors of New Spice Sales and Solutions Limited
(Formerly Known as Spice Retail Limited)


Subramanian Murali
Director
DIN:00041261


Suman Ghose Hazra
Director
DIN:00012223


Ravindra Kumar Sarawagi


Shrinan Narayan Pandey

Chief Financial Officer

Company Secretary



Notes to financial statements for the year ended March 31, 2017
 Related party transactions for the year ended March 31, 2017

Particulars	Holding Company/Ultimate Holding Company		Subsidiary		Fellow Subsidiary		key management personnel		Relatives of key management personnel		Total		
	2016-17		2015-16		2016-17		2015-16		2016-17			2015-16	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16		2016-17	2015-16
(A) Transactions													
Sale of Traded Goods													
Cellucore Retail India (P) Limited													
Spice Online Pvt. Ltd			49,788	3,48,936								49,788	
Spice Digital Limited			74,576	20,453								74,576	
Mobisc Technology Pvt. Ltd					8							8	
Sales of Value Added Services													
Spice Digital Limited							12,708					12,708	
Allotment of Shares													
Hindustan Retail Private Limited		1,50,000										1,50,000	
Allotment of Debentures													
Hindustan Retail Private Limited		6,23,500										6,23,500	
Advances given													
Smart Global Corporate Holding Private Limited		410										410	
Advances taken back													
Smart Global Corporate Holding Private Limited		410										410	
Security Deposit Received													
Spice Mobility Limited		400										400	
Security Deposit Paid back													
Spice Mobility Limited		400										400	
Provision made for doubtful advances/receivables taken													
Cellucore Retail India (P) Limited				1,98,888								1,98,888	
Loan Taken													
Spice Mobility Limited		17,804										17,804	
Spice Digital Limited					13,104							13,104	
Hindustan Retail Private Limited		22,076		2,50,000								2,50,000	
Mobisc Technology Private Limited												50,000	
Refrand of Loan													
Kimball Exports Pvt Ltd						734						734	
Repayment of Loans													
Spice Mobility Limited		1,50,848										1,50,848	
Spice Digital Limited						79,077						79,077	
Hindustan Retail Private Limited		3,57,000		9,550								3,57,000	
Mobisc Technology Private Limited												40,000	
Interest expense													
Spice Digital Limited												2,895	
Hindustan Retail Private Limited		8,810		28,134								8,810	
Spice Online Pvt. Limited		7,821		27,892								7,821	
Mobisc Technology Private Limited												702	
												964	



Notes to financial statements for the year ended March 31, 2017

Related party transactions for the year ended March 31, 2017

Particulars	Holding Company/Ultimate Holding Company		Subsidiary		Fellow Subsidiary		Key management personnel		Relatives of key management personnel		(Amount in Rs. (000's)) Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
AMC/SAP maintenance reimbursement recovered												
Spice Digital Limited						1,730						1,730
AMC/SAP maintenance reimbursement paid												
Spice Digital Limited					715	2,497					715	2,497
Purchase of currency												
Wall Street Finance Ltd						145						145
Travelling Expenses												
Spice Digital Limited					1,970	7,251					1,970	7,251
Operating and other expenses												
Spice Digital Limited					2,375	8,659					2,375	8,659
Spice Mobility Limited		77									77	
Spice Online Pvt. Ltd.						149						149
Purchase of Traded Goods												
Spice Mobility Limited		4,58,970										4,58,970
Spice Online Pvt. Ltd.					2,400	25,986					2,400	25,986
Purchase of Fixed Assets												
Spice Digital Limited					67	725					67	725
Sale of Fixed Assets												
Mobiles Technology Private Limited						44						44
Spice Connect Private Limited												23
Legal & Professional Expenses												
Spice Connect Private Limited		88,925										88,925
Commission on Airtime-Taken												
Spice Digital Limited							459					459
Commission on Airtime-Given												
Cellucorn Retail India (P) Limited			23		964							964
Reimbursement of Expenses-Taken												
Spice Online Pvt. Ltd.						1,698	9,491				1,698	9,491
Provision taken/written back												
Cellucorn Retail India (P) Limited			(30,223)								(30,223)	
Rent paid												
Spice Mobility Limited		9,729									9,729	35,264
Short term benefits												
Prabha Krishna Kumar							720	4,521			720	4,521
Subhasish Mohanty							867	3,549			867	3,549
Ravindra Kumar Sarawati							4,121				4,121	
Gagan Singh							18,590				18,590	
Sohal Sobani							354	805			354	805
Shuman Narayan Pandey							158				158	
Post employment benefits												
Prabha Krishna Kumar							1,000				1,000	
Director sitting fee paid												
Mr. Suman Ghose Hazra							316	398			316	398
Mr. Imman Das							316	370			316	370
Mr. Hanif Dalva								20				20
Mr. Suboto Chaitonadiway								84				84
Lease Rent Paid												
Annu M. Kurty									156			156

