Independent Auditor's Report

To the Members of
Office Shop Private Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Office Shop Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and the statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS financial statements").

Management's Responsibility for the Standalone Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

Opinion

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

Emphasis of Matter

We draw the attention to the fact that Company has suffered recurring losses from operations with net loss for the year ended March 31, 2017 amounting to Rs. 211.46 lacs and as of that date, the Company's accumulated losses amount to Rs. 1,859.53 lacs as against Company's share capital of Rs. 1.00 lacs. Management has committed to infuse additional capital as and when required to meet the Company's commitments. The accompanying financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements.

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A statement on the matters specified in the paragraph 3 and 4 of the Order.

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

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

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

c. The Balance Sheet, the Statement of Profit and Loss, the Statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder;

e. On the basis of written representations received from the Directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:

    i. The Company has no pending litigations on its financial position in its standalone Ind AS financial statements

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

    iii. There has been no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

    iv. The company has provided requisite disclosures in its standalone Ind AS financial statements as to holding as well as dealing in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company.

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

Ashok A. Trivedi
Partner
Membership No. 042472
Mumbai
May 11, 2017

Annexure A to the Auditor's Report

The Annexure referred to in Independent Auditors' report to the members of the company on the standalone Ind AS financial statements for the year ended 31 March 2017, we report that:

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

b. According to the information and explanations given to us, the Fixed Assets have been physically verified by the management during the year, no material discrepancies were noticed on such verification with book records. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties that are held in the name of the Company. Thus, paragraph 3(i)(c) of the Order is not applicable.

ii. The management has conducted physical verification of inventory at regular intervals during the year. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and the book records were not material having regard to the size of the operations of the company.

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

iv. In our opinion and according to the information and explanations given to us, the Company has not given any loan, investment, guarantees, and security with respect to the provisions of section 185 and 186 of the Act, Thus, paragraph 3 (iv) of the Order is not applicable.

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

vi. In our opinion and according to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act for any of services rendered by the company.

vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of accounting respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Profession tax, Service-tax, cess and other statutory dues, with the appropriate authorities. The provisions related to wealth tax, customs duty and excise duty are not applicable to the Company. There are no undisputed amounts payable in respect of Income Tax, Provident Fund, Profession tax, Service-tax, cess and other statutory dues were outstanding as at March 31, 2017, for a period of more than six months from the date they became payable.

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

viii. The Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the Balance Sheet date. Thus, paragraph 3 (viii) of the Order is not applicable.

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

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

xi. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not paid/provided any managerial remuneration hence, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company. Thus, paragraph 3(xi) of the Order is not applicable.

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

xiii. According to the information and explanation give to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and details have been disclosed in the standalone Ind AS Financial statements as required by the applicable accounting standard. Provisions of section 177 of the Act are not applicable to the Company.

xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Thus, paragraph 3(xiv) of the Order is not applicable.

xv. The company has not entered into any non-cash transactions with the directors or persons connected with him. Thus, paragraph 3(xv) of the Order is not applicable.

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

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

Ashok A. Trivedi
Partner
Membership No. 042472
Mumbai
May 11, 2017

Annexure – B to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Office Shop Private Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgments, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Ashok A. Trivedi
Partner
Membership No. 042472
Mumbai
May 11, 2017

Office Shop Private Limited
Balance Sheet as at March 31, 2017

	Note No.	As at March 31, 2017 Rs. in Lacs		As at March 31, 2016 Rs. in Lacs		As at April 1, 2015 Rs. in Lacs	
ASSETS							
Non-Current Assets							
(a) Property, Plant & Equipment	3		-		-		-
(b) Financial Assets:							
(i) Other Financial Assets	4	0.25	0.25	0.25	0.25	15.92	15.92
(c) Deferred Tax Assets (Net)	33		-		-		-
(d) Other Non Current Assets	5		52.02		51.24		22.27
Total Non-Current Assets			**52.27**		**51.49**		**38.19**
Current Assets							
(a) Inventories	6		14.88		218.09		350.37
(b) Financial Assets:							
(i) Trade Receivables	7	7.46		70.62		181.82	
(ii) Cash & Cash equivalents	8	2.16		4.59		(11.59)	
(iii) Other Financial Assets	9	2.78	12.40	47.85	123.06	44.65	214.88
(c) Other Current Assets	10		0.26		0.72		1.23
Total Current Assets			27.54		**341.87**		**566.48**
Total Assets			**79.81**		**393.36**		**604.67**
EQUITY AND LIABILITIES							
Equity							
(a) Equity Share capital	11	1.00		1.00		1.00	
(b) Other Equity	12	(1,859.53)		(1,648.25)		(1,471.95)	
Total Equity			**(1,858.53)**		**(1,647.25)**		**(1,470.95)**
Liabilities							
Non-Current Liabilities							
(a) Financial Liabilities:							
(b) Provisions	13		0.16		0.22		-
Total Non-Current Liabilities			**0.16**		**0.22**		**-**
Current Liabilities							
(a) Financial Liabilities:							
(i) Borrowings	14	1,743.00		1,525.00		1,321.99	
(ii) Trade Payables	15	52.78		401.64		620.43	
(iii) Other Financial Liabilities	16	0.74	1,796.52	0.43	1,927.07	0.04	1,942.46
(b) Other Current Liabilities	17		141.55		113.07		133.16
(c) Provisions	18		0.11		0.25		-
Total Current Liabilities			**1,938.18**		**2,040.39**		**2,075.62**
Total Equity & Liabilities			**79.81**		**393.36**		**604.67**

The accompanying notes are an integral part of the Financial Statements

For NGS & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 119850W

For and on behalf of
Office Shop Private Limited

Ashok A. Trivedi
Partner
Membership No: 042472

Deepak Kishin Manik
Director

Nideesh Vasu
Director

Mumbai, May 11, 2017

Mumbai, May 11, 2017

Office Shop Private Limited
Statement of Profit and Loss for the Year ended March 31, 2017

	Note No.	Year Ended March 31, 2017 Rs. in Lacs		Year Ended March 31, 2016 Rs. in Lacs	
Revenue from operations	**19**		1,163.99		3,989.56
Other Income (Net)	**20**		11.81		19.83
Total Revenue			**1,175.80**		**4,009.39**
Expenses					
Purchase of Traded Goods	**21**	831.09		3,479.37	
Changes of Inventories of Stock in trade	**22**	203.22		132.27	
Employee benefits expense	**23**	26.12		38.00	
Other expenses	**24**	173.35		371.18	
Depreciation and amortization expense	**3**	-		1.01	
Finance costs	**25**	153.48		163.86	
Total Expenses			**1,387.26**		**4,185.69**
Profit before Tax			**(211.46)**		**(176.30)**
Less: Tax Expense			**-**		**-**
Profit for the year			**(211.46)**		**(176.30)**
Other Comprehensive Income / (Expense) (OCI), net of tax expense:	**26**				
A. Items that will not be reclassified to profit or loss					
(a) Remeasurement of defined employee benefit plans		0.18		-	
Less: Income Tax Impact on (a) above		-		-	
B. Items that will be reclassified to profit or loss		-		-	
			0.18		**-**
Total Comprehensive Income / (Expense) for the year			**(211.28)**		**(176.30)**
Earnings Per Share (Basic and Diluted) (Rs.) (Face value of Rs. 10/- each) (Refer Note 38)			**(2,114.60)**		**(1,763.00)**

The accompanying notes are an integral part of the Financial Statements

This is the Statement of Profit and Loss referred to in our report of even date.

For NGS & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 119850W

For and on behalf of
Office Shop Private Limited

Ashok A. Trivedi
Partner
Membership No: 042472

Deepak Kishin Manik
Director

Nideesh Vasu
Director

Mumbai, May 11, 2017

Mumbai, May 11, 2017

Office Shop Private Limited
Cash Flow Statement for the Year ended March 31, 2017

			Year Ended March 31, 2017 Rs. in Lacs	Year Ended March 31, 2016 Rs. in Lacs
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Total Comprehensive Income / (Expense) for the year		(211.28)	(176.30)
	Adjustments for:			
	Depreciation and amortisation expense		-	1.01
	Provision for Inventories		(17.86)	8.32
	Sundry Balance written back		(10.97)	(19.22)
	Sundry Balance written off		(0.10)	19.34
	Interest Expense and Finance Cost		153.48	163.86
	Operating Profit Before Working Capital Changes		**(86.73)**	**(2.99)**
	Adjustments For Changes In Working Capital:			
	Adjustments for (increase) / decrease in operating assets			
	- Trade receivables		63.16	111.20
	- Other Non-current Assets		(0.78)	(28.97)
	- Other Current Assets		0.56	-18.83
	- Other Financial Assets - Non Current		-	15.67
	- Inventories		221.07	123.96
	- Other Financial Assets - Current		45.07	(3.20)
	Adjustments for increase / (decrease) in operating liabilities			
	- Trade Payables		(337.89)	(199.57)
	- Long-term provisions		(0.06)	0.22
	- Other current financial liabilities		0.31	0.39
	- Other current liabilities		28.48	(20.09)
	- Short-term provisions		(0.14)	0.25
	Net Cash (Used in) Operating Activities	**(A)**	**(66.95)**	**(21.96)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Payments for Purchase of Fixed Assets		-	(1.01)
	Proceeds from Sale of Tangible / Intangible Assets		-	-
	Net Cash Generated from / (Used in) Investing Activities	**(B)**	**-**	**(1.01)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds from Issue of Equity Share Capital		-	-
	Loans from related parties		218.00	203.01
	Finance Costs Paid (other than those attributable to financial services operations)		(153.48)	(163.86)
	Net Cash Generated from / (Used In) Financing Activities	**(C)**	**64.52**	**39.15**
	Net Increase / (Decrease) in Cash & Cash Equivalents [(A)+(B)+(C)]		**(2.43)**	**16.18**
	Cash and Cash Equivalents as at April 1		**4.59**	**(11.59)**
	Cash and Cash Equivalents as at March 31		**2.16**	**4.59**
	Cash and Cash Equivalents Comprise of :			
	Cash on Hand		-	0.10
	Balance with Scheduled Banks in Current Accounts		2.16	4.49
	Bank Overdraft		-	-
			2.16	**4.59**

Notes :

1 The above Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS 7.
2 Previous year figures have been regrouped and recasted wherever necessary to conform to current year's classification.

This is the Cash Flow Statement referred to in our report of even date.

For NGS & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 119850W

Ashok A. Trivedi
Partner
Membership No: 042472

Mumbai, May 11, 2017

For and on behalf of
Office Shop Private Limited

Deepak Kishin Manik
Director

Nideesh Vasu
Director

Mumbai, May 11, 2017

Office Shop Private Limited
Statement of Changes in Equity for the Year ended March 31, 2017

A. Share Capital:

Particulars	Equity Shares
Balance as at April 1, 2015	**1.00**
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2016	**1.00**
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2017	**1.00**

B. Other Equity: **(Rs. in Lacs)**

Particulars	Reserves & Surplus		Other Comprehensive Income (OCI)	Total
	Securities Premium Account	Retained Earnings		
Balance as at April 1, 2015	-	(1,471.95)	-	(1,471.95)
Less: Loss for the year	-	(176.30)	-	(176.30)
Less: Actuarial loss on Gratuity transferred to OCI	-	-	-	-
				-
Balance as at March 31, 2016	**-**	**(1,648.25)**	**-**	**(1,648.25)**
Balance as at April 1, 2016	-	(1,648.25)	-	(1,648.25)
Add : Addition In Security Premium on account of issuance of share capital				
Less: Loss for the year	-	(211.46)	-	(211.46)
Less: Actuarial loss on Gratuity charged to OCI	-	-	0.18	0.18
Balance as at March 31, 2017	**-**	**(1,859.71)**	**0.18**	**(1,859.53)**

Office Shop Private Limited
Notes to financial statements for the Year ended March 31, 2017

1. GENERAL INFORMATION

Office Shop Private Limited ('OSPL' or 'the Company') is a private limited Company domiciled in India and incorporated under the provisions of The Companies Act, 1956. OSPL is subsidiary of Work Store Limited (formerly known as Staples Future Office Products Limited). OSPL in to the retail business of office supplies and technology products.

2a. SIGNIFICANT ACCOUNTING POLICIES

i) Statement of Compliance

The separate financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

Upto the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS separate financial statements. The date of transition to Ind AS is April 1, 2015.

The separate financial statements are presented in addition to the consolidated financial statements presented by the Company.

ii) Basis of Preparation and Presentation

The separate financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non current classification of assets and liabilities.

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

iii) Property, Plant and Equipment

All Property, Plant & Equipments are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.

Subsequent expenditures related to an item of Fixed Assets are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company & cost can be reliably measured.

Losses arising from the retirement of, and gains or losses arising from disposal of Fixed Assets are recognised in the Statement of Profit and Loss.

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its fixed assets.

Useful lives estimated by the management (years)

Computers-End user devices	3
Computers- Servers and networks	6
Office Equipment	5
Furniture and Fittings	10
Leasehold Improvements	Over the life of lease period
Vehicles on lease	8

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 previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

iv) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.
Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

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 previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

Intangible Assets, namely Software are amortised from the date of acquisition or commencement of commercial services. The period of

a) Software development, ERP Development and implementation, Firewall and Antivirus Software are amortised over a period of three years
b) Other softwares are amortised over a period of four years.

v) **Impairment of Assets**
The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

vi) **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

(i) 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.

(ii) Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in following category:

(i) Debt instruments that meet the following conditions are subsequently measured at amortised cost:
- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest 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 other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

(ii) Debt instruments that meet the following conditions are subsequently measured at FVTOCI (Fair Value Through Other Comprehensive Income)
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

(iii) Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:
(i) The rights to receive cash flows from the asset have expired, or
(ii) The Company has transferred its rights to receive cash flows from the asset

(iv) Impairment of financial assets
In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company follows ‘simplified approach’ for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., net cash shortfalls), discounted at the original EIR

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head ‘other expenses’ in the P&L. In balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of financial assets.

b) Financial liabilities

(i) Initial recognition and measurement
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 and borrowings.

(ii) Subsequent measurement
All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

(iii) 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 or loss.

c) 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.

vii) **Inventories**

Inventories of Trading Goods and consumables are accounted at the lower of cost or net realisable value, after making due allowance for any obsolete or slow moving items. Cost is determined weighted average basis and consists of aggregate of purchase price and other related expenses incurred to bring the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

viii) **Employee Benefits**

(i) Short-term obligations
Short term employee benefits are recognised as expenditure at the undiscounted value in the Statement of Profit and Loss for the year in which the related service is rendered.

(ii) Post-employment obligations

Defined Contribution Plans
Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

Leave obligations
The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss

Defined Benefit Plan
The Company operates defined benefit plan for its employees, viz., gratuity. The costs of providing benefits under these plan are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for plan using the projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.
Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

ix) **Provisions and Contingent Liabilities**

A provision is recognized when the Company has a present obligation as a result of 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. Provisions are determined based on the best estimate required to settle the obligation at the reporting date.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. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

x) **Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

i) Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

ii) Income from services

Service Revenue is recognised as and when the services are performed. The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

iii) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

iv) Claims, rebate and marketing income

Claims, rebate and marketing incomes are accounted only when there is reasonable certainty of its ultimate collection.

xi) **Foreign Currency Transactions**

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii) Exchange Difference

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

xii) **Leases**

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as Operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

xiii) **Taxes on Income**

Deferred income taxes reflects the impact of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. 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 and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

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.

xiv) **Earnings per Share**

Basic and diluted earnings per share are calculated by dividing the total comprehensive income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period

For the purpose of calculating diluted earnings per share, total comprehensive income for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, including for changes effected prior to the approval of the financial statements by the Board of Directors.

xv) **Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

xvi) **First-time adoption – mandatory exceptions, optional exemptions**

Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date.

Deemed cost for property, plant and equipment and other intangible assets

The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

xvii) **Rounding of amounts**

All amounts disclosed in financial statements and notes have been rounded off to the nearest Lakh with 2 decimal as per the requirements of schedule III, unless otherwise stated.

2b. Critical accounting judgements and key sources of estimation uncertainties

Fair Valuation:

Some of the company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in respective notes.

Expected Credit Loss:

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and credit assessment and including forward-looking information.

Office Shop Private Limited
Notes to financial statements for the Year ended March 31, 2017

3. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLES

Tangible assets (Rs.in lacs)

Particulars	Computers	Leasehold Improvements	Office Equipment	Furniture and fixtures	Vehicles on Lease	Total
Cost or valuation						
At 1 April 2015	0.58	-	0.14	0.00	-	0.72
Addition	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 March 2016	**0.58**	**-**	**0.14**	**0.00**	**-**	**0.72**
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Asset held for Sale	-	-	-	-		-
At 31 March 2017	**0.58**	**-**	**0.14**	**0.00**	**-**	**0.72**
Depreciation						
At 1 April 2015	0.58	-	0.14	-	-	0.72
Charge for the year	-	-	-	-	-	
Disposals	-	-	-	-	-	-
At 31 March 2016	**0.58**	**-**	**0.14**	**-**	**-**	**0.72**
Charge for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Asset held for Sale	-	-	-	-		-
At 31 March 2017	**0.58**	**-**	**0.14**	**-**	**-**	**0.72**
Net Block						
At 31 March 2016	**-**	**-**	**-**	**0.00**	**-**	**0.00**
At 31 March 2017	**-**	**-**	**-**	**0.00**	**-**	**0.00**

	As at March 31, 2017 Rs. in Lacs	As at March 31, 2016 Rs. in Lacs	As at April 1, 2015 Rs. in Lacs
4. OTHER FINANCIAL ASSETS - NON-CURRENT			
Bank deposits with more than 12 months maturity	0.25	0.25	0.25
Security Deposits			15.67
TOTAL	**0.25**	**0.25**	**15.92**

	As at March 31, 2017 Rs. in Lacs	As at March 31, 2016 Rs. in Lacs	As at April 1, 2015 Rs. in Lacs
5. OTHER NON-CURRENT ASSETS			
Advance tax	1.62	13.59	10.71
Balance with Government Authorities	50.40	37.65	11.56
TOTAL	**52.02**	**51.24**	**22.27**

	As at March 31, 2017 Rs. in Lacs	As at March 31, 2016 Rs. in Lacs	As at April 1, 2015 Rs. in Lacs
6. INVENTORIES			
Trading goods	14.88	216.96	350.47
Stock-in-Transit	-	1.13	(0.10)
TOTAL	**14.88**	**218.09**	**350.37**
Details of Trading Goods held in stock			
Office Supplies	0.60	25.44	10.39
Technology Products	14.26	192.59	339.98
Furniture	0.02	0.06	-
Total	**14.88**	**218.09**	**350.37**

Note:
1. Inventories of Trading Goods and consumables are accounted at the lower of cost or net realisable value, after making due allowance for any obsolete or slow moving items.

	March 31, 2017		March 31, 2016		April 1, 2015	
7. TRADE RECEIVABLES						
Secured, Considered Good		-		-		-
Unsecured - Considered Good	7.46		70.62		181.82	
Unsecured - Considered Doubtful	2.50		-		-	
Less: Provision for Doubtful debts	(2.50)	7.46	-	70.62	-	181.82
Receivable from related parties (refer Note 35)		-		-		-
TOTAL		**7.46**		**70.62**		**181.82**

Note:
1. Trade Receivables are valued at the transaction value after making due allowance for any expected credit loss. Trade Receivables do not include any financing component

	March 31, 2017		March 31, 2016		April 1, 2015	
8. CASH AND CASH EQUIVALENTS						
- Cash and Cash equivalents						
i. Balance with Banks						
- Current Accounts	2.16		4.49		(11.79)	
- Cheques & Drafts in hand	-	2.16	-	4.49	-	(11.79)
ii. Cash on Hand		-		0.10		0.20
TOTAL		**2.16**		**4.59**		**(11.59)**

	As at March 31, 2017 Rs. in Lacs	As at March 31, 2016 Rs. in Lacs	As at April 1, 2015 Rs. in Lacs
9. OTHER FINANCIAL ASSETS - CURRENT			
Advances recoverable in cash or in kind or for value to be received			
Claims Receivable	2.78	47.85	44.65
TOTAL	**2.78**	**47.85**	**44.65**

	As at March 31, 2017 Rs. in Lacs	As at March 31, 2016 Rs. in Lacs	As at April 1, 2015 Rs. in Lacs
10. OTHER CURRENT ASSETS			
Prepayments	0.26	0.72	1.23
TOTAL	**0.26**	**0.72**	**1.23**

11. SHARE CAPITAL

	As at March 31, 2017 Rs. in Lacs	As at March 31, 2016 Rs. in Lacs	As at April 1, 2015 Rs. in Lacs
AUTHORISED			
50,000 (Previous Year: 50,000) Equity Shares of Rs 10/- each	5.00	5.00	5.00
	5.00	**5.00**	**5.00**
ISSUED, SUBSCRIBED AND PAID UP			
10,000 (Previous Year: 10,000) Equity Shares of Rs. 10/- each fully paid-up	1.00	1.00	1.00
TOTAL	**1.00**	**1.00**	**1.00**

Reconciliation of number of shares

Equity Shares

Particulars	**No. of shares**	**Rs. in Lacs**	**No. of shares**	**Rs. in Lacs**	**No. of shares**	**Rs. in Lacs**
At the beginning of the year	10,000	1.00	10,000	1.00	10,000	1.00
Add: Issued during the year	-	-	-	-	-	-
Less: Shares cancelled during the year	-	-	-	-	-	-
At the end of the year	**10,000**	**1.00**	**10,000**	**1.00**	**10,000**	**1.00**

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

Particulars	**No. of shares**	**% Holding**	**No. of shares**	**% Holding**	**No. of shares**	**% Holding**
Equity Share Capital						
Work Store Limited (formerly known as Staples Future Office Products Limited) - Holding Company	9,999	99.99%	9,999	99.99%	9,999	99.99%

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

12. OTHER EQUITY

Other Comprehensive Income						
As per last balance sheet	-		-		-	
Add/(less): Actuarial loss on Gratuity transferred to OCI	0.18	0.18	-	-	-	-
Surplus/(Deficit) in the statement of profit and loss						
As per Last Balance Sheet	(1,648.25)		(1,471.95)		(510.11)	
Less: Loss for the year	(211.46)	(1,859.71)	(176.30)	(1,648.25)	(961.84)	(1,471.95)
	-		-		-	
TOTAL		**(1,859.53)**		**(1,648.25)**		**(1,471.95)**

13. NON-CURRENT PROVISIONS

Provision for employee benefits	0.16	0.22	-
TOTAL	**0.16**	**0.22**	**-**

14. CURRENT BORROWINGS

Loan Repayable on Demand			
Loans from Related Parties (refer note 29)	1,743.00	1,525.00	1,321.99
TOTAL	**1,743.00**	**1,525.00**	**1,321.99**

15. TRADE PAYABLES

Current			
Trade Payables	52.78	401.64	620.43
Trade Payables to related parties (refer note 29)	-	-	
TOTAL	**52.78**	**401.64**	**620.43**

16. OTHER CURRENT FINANCIAL LIABILITIES

Employee related liabilities	0.74	0.43	0.04
TOTAL	**0.74**	**0.43**	**0.04**

17. OTHER CURRENT LIABILITIES

Statutory Dues	5.47	(12.50)	(24.99)
Deposit from others	0.30	-	-
Interest Accurred on loan from related party (refer note 29)	73.21	83.43	67.25
Advance from Related Party (refer note 29)	62.57	42.14	90.90
TOTAL	**141.55**	**113.07**	**133.16**

18. CURRENT PROVISIONS

Provision for employee benefits	0.11	0.25	-
TOTAL	**0.11**	**0.25**	**-**

Office Shop Private Limited
Notes to financial statements for the Year ended March 31, 2017

		Year Ended March 31, 2017 Rs. in Lacs		Year Ended March 31, 2016 Rs. in Lacs
19. REVENUE FROM OPERATIONS				
Sale of products	1,163.99		3,989.59	
Sale of Services	-	1,163.99	(0.03)	3,989.56
Other operating revenues		-		-
TOTAL		**1,163.99**		**3,989.56**
Details of Product sold (Net of Tax)				
Office Supplies		101.63		101.14
Technology Products		1,040.42		3,885.14
Promotional Products		20.63		0.95
Furniture		1.31		2.36
TOTAL		**1,163.99**		**3,989.59**
Details of Services rendered (Net of Tax)				
Rentals		-		-
Print Services		-		(0.03)
Others		-		-
TOTAL		**-**		**(0.03)**

	Year Ended March 31, 2017 Rs. in Lacs	Year Ended March 31, 2016 Rs. in Lacs
20. OTHER INCOME		
Interest Income		
Income Tax refunds	0.75	-
Others	-	0.44
Sundry Balances Written Back	10.97	19.22
Miscellaneous Income	0.09	0.17
TOTAL	**11.81**	**19.83**

	Year Ended March 31, 2017 Rs. in Lacs	Year Ended March 31, 2016 Rs. in Lacs
21. PURCHASES OF STOCK-IN-TRADE		
Office Supplies	45.68	83.41
Technology Products	762.93	3,394.44
Promotional Products	22.48	1.35
Furniture	-	0.17
TOTAL	**831.09**	**3,479.37**

	Year Ended March 31, 2017 Rs. in Lacs	Year Ended March 31, 2016 Rs. in Lacs
22. CHANGES IN INVENTORIES OF STOCK-IN-TRADE		
Inventories at the beginning of the year	218.10	350.37
Less: Inventories at the end of the year	14.88	218.10
TOTAL	203.22	**132.27**
Details of Inventory		
Office Supplies	0.60	25.44
Technology Products	14.26	192.60
Promotional Products	-	-
Furniture	0.02	0.06
TOTAL	**14.88**	218.10

	Year Ended March 31, 2017 Rs. in Lacs	Year Ended March 31, 2016 Rs. in Lacs
23. EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	25.31	37.20
Contribution to Provident and Other Funds	0.68	0.58
Gratuity Expenses	0.12	0.22
Employee Welfare and Other Amenities	0.01	-
TOTAL	**26.12**	**38.00**

	Year Ended March 31, 2017 Rs. in Lacs	Year Ended March 31, 2016 Rs. in Lacs
24. OTHER EXPENSES		
Consumption of Stores and Spares Parts	(0.04)	-
Power, Fuel and Water Charges	1.33	0.92
Repairs and Maintenance - Others	0.97	1.09
Rent on Premises	7.44	6.44
Rates & Taxes (includes Excise Duty)	25.83	0.09
Insurance	0.91	1.74
Travelling Expenses	0.12	0.10
Provision for Doubtful Debts and Advances	2.50	-
Sundry Balances Written Off	(0.10)	19.34
Advertisement and Marketing Expenses	1.67	0.14
Freight & Forwarding Expenses	113.83	307.40
Contract Labour cost	3.90	3.60
Legal & Professional Charges	7.08	3.61
Franchisee fees	3.51	22.47
Payment to Auditors	2.88	2.87
Bank Charges	1.55	1.33
Miscellaneous Expenses	(0.03)	0.04
TOTAL	**173.35**	**371.18**

Payment to Statutory Auditors (including Service Tax)

a) Statutory Audit	2.30	2.29
b) Tax Audit	0.58	0.58
TOTAL	**2.88**	**2.87**

25. FINANCE COSTS

Interest Expense on financial liabilities measured at amortised cost	153.48	163.86
Other borrowing costs	-	-
TOTAL	**153.48**	**163.86**

26. OTHER COMPREHENSIVE INCOME / (EXPENSE)

Remeasurement of defined benefit obligations	0.18	-
TOTAL	0.18	-

Office Shop Private Limited
Notes to financial statements for the Year Ended March 31, 2017

27 Employee Benefits :

(A) Defined Benefit Plan
The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.
Disclosure as required by Ind Accounting Standard (AS) - 19 are given below:

Table 1. Total Expense Recognised in the Statement of Profit & Loss Account

	Gratuity	
	Year Ended March 31,	
	2017	2016
Service cost		
a. Current service cost	0.10	-
b. Past service cost	-	-
c. (Gain) / loss on settlements	-	-
d. Total service cost	**0.10**	**-**
Net interest cost		
a. Interest expense on DBO	0.02	-
b. Interest (income) on plan assets	-	-
c.Interest (income) on reimbursement rights	-	-
d. Interest expense on effect of (asset ceiling)	-	-
e. Total net interest cost	**0.02**	**-**
Immediate Recognition of (Gains)/ Losses - Other Long Term Benefits	-	-
Administrative expenses and taxes	-	-
Defined benefit cost included in P&L	**0.12**	**-**

Table 2. Remeasurement Effects Recognized in Other Comprehensive Income (OCI)

	Gratuity	
	Year Ended March 31,	
	2017	2016
a. Actuarial (Gain) / Loss due to Demographic Assumption changes in DBO	-	-
b. Actuarial (Gain) / Loss due to Financial Assumption changes in DBO	0.01	-
c. Actuarial (Gain) / Loss due to Experience on DBO	(0.19)	-
d. Return on Plan Assets (Greater) / Less than Discount rate	-	-
e. Return on reimbursement rights (excluding interest income)	-	-
f. Changes in asset ceiling/onerous liability (excluding interest income)	-	-
Total Actuarial (Gain)/Loss included in OCI	**(0.18)**	**-**

Table 3. Total Cost Recognised in Comprehensive Income

	Gratuity	
	Year Ended March 31,	
	2017	2016
Cost Recognised in P&L	0.12	-
Remeasurements Effects Recognised in OCI	(0.18)	-
Total Cost Recognised in Comprehensive Income	**(0.06)**	**-**

Table 4 Change in Defined Benefit Obligation

	Gratuity	
	Year Ended March 31,	
	2017	2016
Defined Benefit Obligation as of Prior Year	0.22	-
Service Cost		
a. Current service cost	0.10	-
b. Past service cost	-	-
c. (Gain) / loss on settlements	-	-
Interest Cost	0.02	-
Benefit payments directly by employer	-	-
Settlements	-	-
Participant contributions		
Acquisition / Divestiture	-	0.22
Actuarial (Gain) / Loss - Demographic	-	-
Actuarial (Gain) / Loss - Financial	0.01	-
Actuarial (Gain) / Loss - Experience	(0.19)	-
Effect of changes in foreign exchange rates	-	-
Defined Benefit Obligation as of Current Year	**0.16**	**0.22**

Table 5. Changes in the Fair Value of Plan Assets

	Gratuity	
	Year Ended March 31,	
	2017	2016
Fair value of plan assets at end of prior year	-	-
Fair Value of Plan Assets as at the end of the year	**-**	**-**

-

Table 6. Net Defined Benefit Asset / (Liability)

	Gratuity	
	Year Ended March 31,	
	2017	2016
Defined Benefit Obligation	0.16	0.22
Fair value of Plan Assets	-	-
Surplus / (Deficit)	0.16	0.22
Effect of Asset Ceiling	-	-
Net Defined Benefit Liability / (Asset)	**0.16**	**0.22**
Expected Company Contributions for the Next Year	**-**	**-**

Table 7. Reconciliation of Amounts in Balance Sheet

	Gratuity	
	Year Ended March 31,	
	2017	2016
Net defined benefit liability (asset) at prior year end	0.22	-
Defined benefit cost included in P&L	0.12	-
Total remeasurements included in OCI	(0.18)	-
Other significant events/One time IND AS 19 Adjustment	-	-
Acquisition / Divestiture	-	0.22
Amounts recognized due to plan combinations	-	-
Employer contributions	-	-
Direct benefit payments by Employer	-	-
Effect of changes in foreign exchange rates	-	-
Net defined benefit liability (asset) - end of period	**0.16**	**0.22**

Table 8. Reconciliation of Statement of Other Comprehensive Income

	Gratuity	
	Year Ended March 31,	
	2017	2016
Cumulative OCI - (Income)/Loss, Beginning of Period	-	-
Total remeasurements included in OCI	(0.18)	-
Cumulative OCI - (Income)/Loss, End of Period	**(0.18)**	**-**

Table 9.Current / Non Current Liability

	Gratuity	
	Year Ended March 31,	
	2017	2016
Current Liability	-	-
Non Current Liability	0.16	0.22
Non Current asset	-	-
Net defined benefit liability (asset) - end of period	**0.16**	**0.22**

Office Shop Private Limited
Notes to financial statements for the Year Ended March 31, 2017

Table 10. Expected Future Cash flows (As on 31st March 2017)

	Gratuity	
	Year Ended March 31,	
	2017	2016
Year 1	-	NA
Year 2	-	NA
Year 3	-	NA
Year 4	0.02	NA
Year 5	0.02	NA
Years 6 to 10	0.10	NA

Table 11.Components of Defined Benefit Cost for Next Year

	Gratuity	
	Year Ended	
	2017	
Service cost	-	
a. Current service cost	0.08	
b. Past service cost	-	
c. (Gain) / loss on settlements	-	
d. Total service cost	0.08	
Net interest cost	-	
a. Interest expense on DBO	0.01	
b. Interest (income) on plan assets	-	
c. Interest (income) on reimbursement rights	-	
d. Interest expense on effect of (asset ceiling)	-	
e. Total net interest cost	0.01	
Immediate Recognition of (Gains) / Losses - Other Long Term Benefits	-	
Administrative expenses and taxes	-	
Defined benefit cost included in P&L	**0.09**	**-**

Table 12. Principal actuarial assumptions used:

Financial Assumption	Gratuity	
	Year Ended March 31,	
	2017	2016
Discount Rate (per annum)	7.20	8.00
Salary escalation rate	5.00	5.00

Demographic Assumption	Gratuity	
	Year Ended March 31,	
	2017	2016
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Withdrawal Rate	10% to 2% age wise	10% to 2% age wise
Retirement age	58 years	58 years

As per para 83 of Ind AS 19, the rate used to discount post-employment benefit obligations (both funded and unfunded) shall be determined by reference to market yields at the end of the reporting period on government bonds

Table 13. Membership data:

Particulars	Gratuity	
	Year Ended March 31,	
	2017	2016
No of Active Members	3	7
Total Monthly Salary	24,500	53,905
Per Month Salary For Active Members	8,167	7,701
Average Age	32.3	29.1
Average Expected Future Service (Years)	1.67	0.69
Average Past Service (Years)	9.04	25.00

Leave Obligations

N. The liability for Leave Encashment (Non – Funded) as at year end is Rs. 0.11 Lacs (As at March 31, 2016 - Rs 0.25 Lacs, As at April 1, 2015 - Previous year Rs. NIL)

b Defined Contribution Plans (Provident Fund)

The provident fund is operated by the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits. The fund is recognized by the Income tax authorities.
The Company has recognised the following amounts in the statement of Profit and loss:

Particular	**Year Ended March 31,**	
	2017	**2016**
Employer's contribution to Provident Fund	0.56	0.49

28 **Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:**	**As at March 31, 2017**	**As at March 31, 2016**	**As at April 1, 2015**
(i.) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year			
Principal Amount	-	0.89	0.79
Interest Due thereon	-	0.04	-
(ii.) the amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
(iii.) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	0.06	-	0.56
(iv.) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.66	0.60	0.56
(v.) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006		-	-

There are suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprise Development Act, 2006" as at March 31, 2017, March 31, 2016 and March 31, 2015. The information regarding micro, small or medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

Office Shop Private Limited

Notes forming part of the financial statements

29 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures.

(i) List of related parties

a) Enterprises that directly, or indirectly through one or more intermediaries, control the reporting enterprise.

Future Enterprises Limited (formerly known as Future Retail Limited) - Holding Company

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

The following transaction were carried out with the related parties in the ordinary course of business: **(Rs in lacs)**

Relationship		Holding Company		Subsidiary		Enterprises over which any KMPI /or their relatives have significant influence		Other Related Parties		Total	
Nature of Transaction		31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
1	**Sales (net)**										
	Future Enterprises Limited	-	-	-	-	-	-	-	-	-	-
	Work Store Limited	54.32	42.38	-	-	-	-	-	-	**54.32**	42.38
2	**Purchases**										
	Future Enterprises Limited	-	-	-	-	-	-	-	-	-	-
	Work Store Limited	**38.81**	**24.39**	-	-	-	-	-	-	**38.81**	24.39
3	**Advances repaid**										
	Work Store Limited	**84.25**	**106.42**	-	-	-	-	-	-	**84.25**	106.42
4	**Sale of Fixed Asses**										
	Office Shop Private Limited	-	**0.09**	-	-	-	-	-	-	-	0.09
5	**Interest Paid**										
	Work Store Limited	**152.48**	**162.77**	-	-	-	-	-	-	**152.48**	162.77
6	**Reimbursement of statutory dues paid by the Company**										
	Work Store Limited	**63.88**	36.44	-	-	-	-	-	-	**63.88**	**36.44**
7	**Loan Taken**										
	Work Store Limited	**249.00**	1,025.00	-	-	-	-	-	-	**249.00**	**1,025.00**
8	**Loan Repaid**										
	Office Shop Private Limited	**31.00**	821.99	-	-	-	-	-	-	**31.00**	**821.99**
9	**Reimbursement of vendor payments**										
	Work Store Limited	**37.81**	0.33	-	-	-	-	-	-	**37.81**	**0.33**
10	**Reimbursement of expenses**										
	Work Store Limited	**18.58**	11.41	-	-	-	-	-	-	**18.58**	**11.41**

OUTSTANDING AT THE YEAR END (Rs in lacs)

Relationship		Holding Company		Subsidiary		Enterprises over which any KMPI /or their relatives have significant influence		Other Related Parties		Total	
Nature of Transaction		31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
1	**Advance From Customer**										
	Work Store Limited	**62.57**	42.13	-	-	-	-	-	-	**62.57**	42.13
2	**Interest Payable**										
	Work Store Limited	**73.21**	83.43	-	-	-	-	-	-	**73.21**	83.43
3	**Loan Payable**										
	Work Store Limited	**1,743.00**	1,525.00	-	-	-	-	-	-	**1,743.00**	1,525.00

30 Earnings Per Share (EPS) – EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

	For the year ended 31st March, 2017 Rs. in Lacs	For the year ended 31st March, 2016 Rs. in Lacs
Profit/(Loss) from Continuing Operations of Company after tax	(211.46)	(176.30)
Weighted Average Number of Equity Shares (nos.)	10,000	10,000
Basic and Diluted Earnings per share (in Rs.)	(2,114.60)	(1,763.00)
Face value per share (Rs.)	10.00	10.00

31 Segment reporting

In accordance with IndAS 108, Operating Segmets are to be reported in a manner consistent with the internal reporting provided to the cheif decision makers. The Company is exclusively engaged in retailing the goods to the consumers. This business is considered to constitute one single segment.

32 Deferred Tax Liability and asset	**31st March, 2017 Rs.in Lacs**	**31st March, 2016 Rs.in Lacs**
The Balance Comprises temporary differences attributable to:		
Deferred Tax Assets		
Carry forward of losses	428.22	372.46
Unabsorbed Depreciation	60.52	50.06
Provision for doubtful debts	-	-
Property, Plant & Investment Proporty	89.53	99.99
Bonus Provision	0.21	0.12
Leave Encashment Provision	0.03	0.08
Gratuity Provision	0.05	0.07
Gross Deferred Tax Assets (A)	**578.56**	**522.78**
Deferred Tax Liabilities		
Effect of expenditure debited to profit and loss account in the current year but allowed for tax purposes in following years	11.13	13.36
Gross Deferred Tax Liabilities (B)	11.13	13.36
Deferred Tax Asset (Net) (A-B)	**567.43**	**509.42**

Note: As per Ind-AS 12, Deferred Tax Asset shall be recognised to the extent that it is probable that Taxable Profit will be available against which The deductible temporary difference can be utilised. *Company has net deffered tax asset situation on account of accumulated losses and in absence of reasonable certainty to generate adequate taxable income in near future to set-off the accumulated loss* es, the Company has not recognised deffered tax asset.

Office Shop Private Limited
Notes to financial statements for the Year ended March 31, 2017

33 Reconciliation of total equity as at March 31, 2016 and April 1, 2015

(Rs. in Lacs)

Particulars	As at March 31, 2016 (End of last period presented under previous GAAP)	As at April 1, 2015 (Date of transition)
Total equity (shareholders' funds) under previous GAAP	**1.00**	**1.00**
Remeasurements of defined benefit obligation		
Total adjustments to equity	**-**	**-**
Total equity under Ind AS	**1.00**	**1.00**

Reconciliation of total comprehensive income for the year ended March 31, 2016:

Particulars	Year ended 3/31/2016 (latest period presented under previous GAAP)
Profit as per previous GAAP	**(176.29)**
Adjustments:	
Recognition of lease rent expense on straight-line method	
Remeasurements of defined benefit obligation recognised in other comprehensive income under Ind AS (net of tax)	-
Total effect of transition to Ind AS	**-**
Profit for the year as per Ind AS	**(176.29)**
Other comprehensive income for the year (net of tax)	-
Total comprehensive income under Ind AS	**(176.29)**

34 Disclosure of Specified Bank Notes (SBN)
The Company was not having any SBN as on November 8, 2016

35 Previous Year Comparatives
Previous year figures have been regrouped/rearranged wherever necessary.

Signature to note 1 to 35 of financial statements.

As per our Report of even date

For NGS & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 119850W

For and on behalf of
Office Shop Private Limited

Ashok A. Trivedi
Partner
Membership No: 042472

Deepak Kishin Manik
Director

Nideesh Vasu
Director

Mumbai, May 11, 2017