NGS & CO. LLP
CHARTERED ACCOUNTANTS
MUMBAI . INDORE . CHITTORGARH

Independent Auditors' Report

To the Members of
VULCAN EXPRESS PRIVATE LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **VULCAN EXPRESS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss including other comprehensive income, the statement of Cash Flows and the Statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. In conducting 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 and order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgement,

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

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

Opinion

In our opinion and to the best of information and according to the explanation given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in, of the state of affair of the company as at March 31, 2018, and its loss including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements.

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

2. As required by section 143(3) of the Act, 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 it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss including other comprehensive income and the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

   d. 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 rules issued thereunder;

   e. On the basis of written representations received from the Directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

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

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

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

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

Ganesh Toshniwal
Partner
Membership No. 046669
Mumbai
April 25, 2018

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

Annexure - A to the Auditors' Report

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

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

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

(c) The Company did not have any immovable property of freehold or leasehold land and building as at March 31, 2018. Therefore clause 3(i) (c) of Order is not applicable.

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

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, clauses 3(iii) (a), (b) and (c) of the Order are not applicable.

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

(v) The Company has not accepted any deposits from the public within the meaning of section 73 to 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly the provisions of clause 3(v) of Order are not applicable to the Company.

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

(vii)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Goods and Service tax, Service-tax, Custom duty, Value Added Tax, cess and other material statutory dues, as applicable, have been regularly deposited during the year by the company with the appropriate authorities though there has been slight delay in few cases. The provisions relating to duty of Custom and duty of Excise are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Goods and Service tax, Service-tax, Custom duty, Value Added Tax, cess and other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

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

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

(ix) The company did not raised any money by way of Initial Public offer or further public offer (including debt instruments) and term loans during the year. Therefore clause 3(ix) of the Order is not applicable.

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

(xi) According to the information and explanations given by the management and based on our examination of the records of the company, the company has paid/ provided for managerial remuneration in accordance with the requisite provisions of section 197, read with Schedule V of the Act.

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

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Section 177 became applicable to the company with effect from February 02, 2018 and the company initiated the process for complying with the provisions of the said section.

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

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

Ganesh Toshniwal
Partner
Membership No. 046669
Mumbai
April 25, 2018

NGS & CO. LLP
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Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **VULCAN EXPRESS PRIVATE LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

NGS & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

Ganesh Toshniwal
Partner
Membership No. 046669
Mumbai
April 25, 2018

Vulcan Express Private Limited
Balance Sheet as at March 31, 2018
(All amounts in INR, except per share data and as stated otherwise)

Assets	Notes	As at March 31, 2018	As at March 31, 2017
Non-current assets			
Property, plant, and equipment	3	554,968,932	820,590,702
Capital work in progress	3	-	12,890,478
Other Intangible assets	4	9,009,902	11,846,822
Financial assets			
Others	5	5,561,558	15,197,858
Other non-current assets	6	79,618,615	67,475,645
		649,159,007	**928,001,505**
Current assets			
Financial assets			
Trade receivables	7	313,920,148	229,028,262
Cash and cash equivalent	8	39,704,339	55,459,327
Bank balances other than above	9	335,000	309,294
Other financial assets	5	65,111,919	71,799,407
Other current assets	6	39,260,157	53,039,744
		458,331,563	**409,636,034**
Total assets		**1,107,490,570**	**1,337,637,539**
Equity and liabilities			
Equity			
Issued capital	10	2,300,600,630	11,110,590
Other Equity		(1,680,601,463)	(981,980,338)
Total equity		**619,999,167**	**(970,869,748)**
Non-Current liabilities			
Financial Liabilities			
Net employee defined benefit liabilities	13	14,605,263	6,503,853
		14,605,263	**6,503,853**
Current liabilities			
Financial Liabilities			
Borrowings	14	-	1,454,629,303
Trade and other payables	15	446,964,235	482,636,459
Others	12	948,720	-
Deferred revenue		4,100,000	-
Net employee defined benefit liabilities	13	1,452,847	6,356,541
Other current liabilities	16	19,420,338	358,381,132
		472,886,140	**2,302,003,435**
Total liabilities		**487,491,403**	**2,308,507,288**
Total equity and liabilities		**1,107,490,570**	**1,337,637,539**

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

As per our report of even date.

For NGS & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 119850W

Per Ganesh Toshniwal
Partner
Membership Number: 046669

Place of Signature: Mumbai
Date : April 25, 2018

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of board of directors of
Vulcan Express Private Limited

Hardeep Mohinder Singh
Whole Time Director

Samir Kedia
Director

Devi Dayal Garg
Chief Financial Officer

Sandeep Kumar
Company Secretary

VULCAN EXPRESS PVT. LTD

Vulcan Express Private Limited
Statement of Profit & Loss for the year ended March 31, 2018
(All amounts in INR, except per share data and as stated otherwise)

	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from operations	17	1,628,186,674	1,921,837,885
Other income	18	49,946,754	2,032,264
Total income		**1,678,133,428**	**1,923,870,149**
Expenses			
Service cost	19	1,337,235,565	1,987,469,066
Employee benefits expense	20	364,153,295	553,542,374
Depreciation and amortisation expenses	21	264,205,923	102,036,758
Finance costs	22	72,818,282	124,534,120
Other expenses	23	316,102,768	568,220,263
Total expense		**2,354,515,833**	**3,335,802,579**
Profit/(loss) before tax		**(676,382,406)**	**(1,411,932,431)**
Income tax expense		-	-
Profit/(loss) for the year		**(676,382,406)**	**(1,411,932,431)**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gain/(loss) on defined benefit plans	13	1,808,931	1,613,059
Income tax effect		-	-
		1,808,931	1,613,059
Net gain/(loss) on available for sale financial assets		-	-
Income tax effect		-	-
Net other comprehensive gain/(loss) not to be reclassified to profit or loss in subsequent periods		**1,808,931**	**1,613,059**
Other comprehensive gain/(loss) for the year, net of tax		**1,808,931**	**1,613,059**
Total comprehensive Profit/(Loss) for the year, net of tax		**(674,573,475)**	**(1,410,319,372)**
Loss per equity share [nominal value of share Rs. 10 (March 31, 2017: Rs. 10)]			
Basic and diluted [in Rs.]	24	(5)	(1,269)
Summary of significant accounting policies	2.1		

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

As per our report of even date

For NGS & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 119850W

Per Ganesh Toshniwal
Partner
Membership Number: 046669

Place of Signature: Mumbai
Date : April 25, 2018

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of board of directors of
Vulcan Express Private Limited

Hardeep Mohinder Singh
Whole Time Director

Samir Kedia
Director

Devi Dayal Garg
Chief Financial Officer

Sandeep Kumar
Company Secretary

VULCAN EXPRESS PVT. LTD.

Vulcan Express Private Limited
Statement of changes in Equity for the year ended March 31, 2018
(All amounts in INR, except per share data and as stated otherwise)

a. Equity Share Capital:

	No.	Rs.
As at 1 April 2016		
Equity shares of Rs 10 each issued, subscribed and fully paid	1,111,059	11,110,590
Issue of share capital	-	-
As at April 1 ,2017	**1,111,059**	**11,110,590**
Issue of share capital	228,949,004	2,289,490,040
As at 31 March 2018	**230,060,063**	**2,300,600,630**

b. Other Equity:

	Reserves and Surplus		Contribution to Equity	Other reserves	Total equity
	Share premium	Retained earnings	Share based payment	Items of OCI	
As at 01 April 2016	**659,959,153**	**(257,627,933)**	**19,230,769**	**1,960,163**	**423,522,152**
Loss for the period	-	(1,411,932,431)	-	-	(1,411,932,431)
Other comprehensive income/ (loss)	-	-	-	1,613,059	1,613,059
Total Comprehensive Income	659,959,153	(1,411,932,431)	-	1,613,059	(1,410,319,372)
Issue of share capital	-	-	-	-	-
Share based compensation	-	-	4,816,881	-	4,816,881
As at April 1 ,2017	**659,959,153**	**(1,669,560,363)**	**24,047,650**	**3,573,222**	**(981,980,338)**
Loss for the period	-	(676,382,406)	-	-	(676,382,406)
Other comprehensive income/ (loss)	-	-	-	1,308,931	1,808,931
Total Comprehensive Income	-	(676,382,406)	-	1,808,931	(674,573,475)
Issue of share capital	-	-	-	-	-
Share application money pending allotment	-	-	-	-	-
Share based compensation	-	-	(24,047,650)	-	(24,047,650)
As at 31 March 2018	**659,959,153**	**(2,345,942,769)**	-	**5,382,153**	**(1,680,601,463)**

For NGS & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 119850W

Per Ganesh Toshniwal
Partner
Membership Number: 046669

Place of Signature: Mumbai
Date : April 25, 2018

NGS & CO. LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

For and on behalf of board of directors of
Vulcan Express Private Limited

Hardeep Mohinder Singh
Whole Time Director

Samir Kedia
Director

Devi Dayal Garg
Chief Financial Officer

Sandeep Kumar
Company Secretary

VULCAN EXPRESS PVT. LTD. ★

Vulcan Express Private Limited
Cash Flow Statement for year ended March 31, 2018
(All amounts in INR, except per share data and as stated otherwise)

Particulars	March 31, 2018	March 31, 2017
Loss before tax from operating activities	(676,382,406)	(1,411,932,431)
Adjustment to reconcile loss before tax for the period to net cash flows:		
Depreciation and amortisation expenses	261,369,003	99,715,190
Amortisation of intangible assets	2,836,920	2,321,567
Impairment of fixed assets	17,850,554	1,844,202
Provision for doubtful debts and advances	5,561,753	10,887,034
Share-based payment expense	(24,047,650)	4,816,881
Net gain on sale of current investments	(969,492)	(542,176)
Interest Income on bank deposits	(73,055)	(363,781)
Lease expenses recognised on discount of financial assets	-	463,874
Unwinding of discount on financial assets at amortised cost	-	(1,084,083)
Finance costs	46,568,212	108,499,236
Working capital adjustments:		
Increase / (Decrease) in trade and other payables	(12,986,530)	53,766,296
Increase / (Decrease) in provisions and net employee defined benefit liabilities	5,006,647	1,920,718
Increase / (Decrease) in other liabilities	(333,912,074)	335,545,112
(Increase) / Decrease in trade and other receivables	(92,333,990)	69,576,507
(Increase) / Decrease in other assets	18,007,764	(64,746,967)
Cash used in operations	**(783,504,344)**	**(789,312,820)**
Income Taxes paid	-	-
Net cash flow used in operating activities (A)	(783,504,343)	(789,312,819)
Purchase of property, plant and equipment	(27,117,116)	(632,545,666)
Proceeds from sale of property, plant and equipment	5,604,454	-
Sale/ (purchase) of current investments (net)	969,492	80,542,176
Purchase/redemption/maturity of bank deposits (having original maturity of more than three months) (net)	-	1,286,053
Interest received on bank deposits	-	319,396
Net cash flow used in investing activities	(20,543,170)	(550,398,041)
Financing activities		
Proceeds from issue of equity share capital	2,289,490,040	-
Proceed/ (repayment) of short-term borrowings (net)	(1,349,000,000)	1,349,000,000
Interest paid	(152,197,515)	(4,028,300)
Net cash flow from financing activities	788,292,525	1,344,971,700
Net increase / (decrease) in cash and cash equivalents	**(15,754,988)**	5,260,840
Cash and cash equivalents at the beginning of the year	55,459,327	50,198,498
Cash and cash equivalents at the end of the year	39,704,339	55,459,337
Components of cash and cash equivalents:		
Cash on hand	10,314,991	13,148,441
Balances with banks:		
– on current account	29,389,348	42,310,886
– on deposit account	-	
Total cash and cash equivalents (Refer note 8)	39,704,339	55,459,327

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

As per our report of even date

For NGS & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 119850W

Per Ganesh Toshniwal
Partner
Membership Number: 046669

Place of Signature: Mumbai
Date : April 25, 2018

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of board of directors of
Vulcan Express Private Limited

Hardeep Mohinder Singh
Whole Time Director

Samir Kedia
Director

Devi Dayal Garg
Chief Financial Officer

Sandeep Kumar
Company Secretary

VULCAN EXPRESS PVT. LTD.

1 Corporate information

Vulcan Express Private Limited (herein after referred to as "the Company") was incorporated on November 28, 2013 as a Private Limited Company under the Companies Act, 1956. The registered office of the Company is situated at 61/1, Block III, Kirti Nagar WHS, Kirti Nagar, New Delhi - 110015. The Company is engaged in the business of providing warehousing and logistics services and also involved in designing and deploying logistic management system and other activities of similar nature. Vulcan is wholly owned subsidiary of Future Supply Chain Solution limited effective from 02nd February 2018. Prior to this Vulcan was wholly owned subsidiary of Jasper Infotech Private Limited.

2 Basis of preparation

These financial statements have been prepared to comply in all material respects with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:
- Derivative Financial Instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statement has been presented in Indian Rupees, except as stated otherwise.

2.1 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. 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 principal or the most advantageous market must be accessible by the Company.

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are 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.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

c. 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 regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractual defined terms of payment and excluding taxes or duties collected on behalf of government. The specific recognition criteria described below must also be met before revenue is recognized:

Revenue from logistic services
Revenue from rendering logistic services is recognised upon delivery. The Company collects service tax on behalf of the government, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Revenues from logistics services for products shipped are deferred till it is delivered to the ultimate customers and is disclosed as deferred revenue.

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Interest

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 (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Unbilled revenue

Receivables are generally carried at the original invoiced amount, less an allowance for doubtful receivables where there is objective evidence that balances will not be recovered in full. Unbilled receivables is recognised to the extent for the services not billed at the period end.

Other operating revenue

Revenues from ancillary activities e.g. scrap sales are recognised upon rendering of services and measured on delivery of products.

d. Taxes

Current income tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or 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, except:
- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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, except:
- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences 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 and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

e. Property, plant and equipment

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation 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 useful lives to provide depreciation on its fixed assets.

Category of assets	Estimated useful life
Computer and data processing units	3 - 6 years
Electrical equipments	10 years
Furniture and fittings	10 years
Office equipment	5 years
Plant & machinery	15 years

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Depreciation on assets purchased during the year is provided on pro rata basis from the date of purchase of fixed assets.

Leasehold Improvements are amortised on a straight line basis over the lower of lease term or useful life of the respective assets.

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 income statement 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.

f. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 or loss when the asset is derecognised.

g. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other 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.

h. 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.

Where the Company is lessee

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

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between 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 recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

i. 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 Company's 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.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually near year end and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Company of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

j. 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for bonus

Provision for bonus is recognised on time proportion basis over the period of service.

k. Retirement and other employee benefits

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.

In accordance with Indian law, the Company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering all employees. The Gratuity Plan provides a lump sum payment to vested employees on retirement or on termination of employment for an amount based on the respective employee's salary and the years of employment with the Company.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method based on an actuarial valuation performed by an independent actuary.

Remeasurements, comprising of actuarial gains and losses, 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 profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:
- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

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 consolidated 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

l. Share-based payments

Certain employees of the Company are entitled to shares of Jasper Infotech Private Limited, the ultimate holding company, upon the exercise of stock options which are granted under the stock incentive plan. The cost related to such grants is raised as a charge by Jasper Infotech Private Limited on the Company.

m. 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.

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Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- 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.

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 profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.
In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

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 its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) 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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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 following financial assets and credit risk exposure:
a) Financial assets that are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance
b) Available for sale financial assets
c) Lease receivables under Ind AS 17
d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:
- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

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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.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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 entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:
- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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. The balance sheet presentation for various financial instruments is described below:
- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Available for sale financial assets: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

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 including bank overdrafts and derivative financial instruments.

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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or 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.

The company has accounted the loan taken from Jasper Infotech Private Limited (Holding company) on above basis.

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.

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Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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.

n. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and other short term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of change 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, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

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Notes to financial statements for the year ended March 31, 2018
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3. Property, Plant and equipment

Particulars	Computers and data processing units	Plant and machinery	Electric equipments	Furniture & fittings	Office equipments	Leasehold improvements	Capital Work in Progress	Total
Cost or Valuation								
At 1 April 2016	38,742,565	36,427,319	25,345,695	176,694,589	30,498,315	30,142,300	1,488,775	339,339,558
Additions	127,641,513	36,242,748	95,761,550	173,260,005	48,048,077	140,080,272	12,890,478	633,924,644
Disposals	(4,677,300)	-	-	-	-	-	(1,488,775)	(6,166,075)
At 31 March 2017	**161,706,779**	**72,670,068**	**121,107,245**	**349,954,594**	**78,546,392**	**170,222,571**	**12,890,478**	**967,098,127**
Additions	293,310	1,033,643	4,941,222	564,382	434,670	10,054,674	-	17,321,901
Disposals	(1,165,083)	-	(14,151,279)	(7,827,610)	-	(7,488,977)	(12,890,478)	(43,523,427)
At 31 March 2018	**160,835,006**	**73,703,711**	**111,897,187**	**342,691,366**	**78,981,062**	**172,788,268**	-	**940,896,601**
Depreciation								
At 1 April 2016	7,584,257	1,510,722	1,441,693	14,074,018	4,954,213	7,169,965	-	36,734,867
Depreciation charge for the year	35,159,478	3,645,014	7,083,471	27,485,129	9,797,744	16,544,341	-	99,715,177
Disposals	(2,833,098)	-	-	-	-	-	-	(2,833,098)
At 31 March 2017	**39,910,637**	**5,155,736**	**8,525,164**	**41,559,147**	**14,751,957**	**23,714,306**	-	**133,616,947**
Depreciation charge for the year	62,792,667	10,472,831	17,887,856	108,088,520	22,567,678	39,559,451	-	261,369,003
Disposals	(714,047)	-	(2,773,109)	(2,223,156)	-	(3,347,970)	-	(9,058,282)
At 31 March 2018	**101,989,257**	**15,628,568**	**23,639,911**	**147,424,511**	**37,319,635**	**59,925,787**	-	**385,927,668**
Net Book Value								
At 31 March 2018	58,845,749	58,075,143	88,257,277	195,266,855	41,661,428	112,862,481	-	554,968,932
At 31 March 2017	121,796,142	67,514,331	112,582,081	308,395,447	63,794,436	146,508,266	12,890,478	833,481,180

Net Book Value	31 March 2018	31 March 2017
Plant, Property & Equipment	554,968,932	820,590,702
Capital Work in Progress	-	12,890,478

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4. Intangible assets

Particulars	Other Intangible assets	Total
Cost		
At 1 April 2016	2,451,311	2,451,311
Additions	12,055,277	12,055,277
Disposals	-	-
At 31 March 2017	**14,506,588**	**14,506,588**
Additions	-	-
Disposals	-	-
At 31 March 2018	**14,506,588**	**14,506,588**
Amortisation		
At 1 April 2016	338,199	338,199
Amortisation	2,321,567	2,321,567
Disposals	-	-
At 31 March 2017	**2,659,766**	**2,659,766**
Amortisation	2,836,920	2,836,920
Disposals	-	-
At 31 March 2018	**5,496,686**	**5,496,686**
Net Book Value		
At 31 March 2018	9,009,902	9,009,902
At 31 March 2017	11,846,822	11,846,822

Net Book Value	**31 March 2018**	**31 March 2017**
Other Intangible assets	9,009,902	11,846,822

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5. Financial assets

	As at 31 March 2018	As at 31 March 2017
Other finnacial assets		
Security deposits		
Considered good	62,130,453	80,235,689
Considered doubtful	9,119,935	12,630,411
	71,250,388	92,866,100
Less: Provision for doubtful deposits	9,119,935	12,630,411
	62,130,453	80,235,689
Non Current bank balances		
Deposits with remaining maturity of more than 12 months	125,000	125,000
Margin money deposit	1,525,000	1,025,000
	1,650,000	1,150,000
Interest accrued on fixed deposits	110,068	62,719
Capital Advances	-	-
Others	6,782,945	5,548,857
Total other financial assets	70,673,477	86,997,265
Current	65,111,919	71,799,407
Non-current	5,561,558	15,197,858
	70,673,477	86,997,265
Breakup of Financial assets carried at amortised cost		
Trade receivable (refer note 7)	313,920,148	229,028,262
Cash and cash equivalents (refer note 8)	39,704,339	55,459,327
Other financial assets (refer note 5)	70,673,477	86,997,265
Total financial assets carried at amortised cost	424,297,963	371,484,854

6. Other non financial assets

	As at 31 March 2018	As at 31 March 2017
Advances recoverable in cash or kind		
Considered good	10,044,464	7,187,146
Considered doubtful	-	-
	10,044,464	7,187,146
Less: Provision for doubtful advances	-	-
	10,044,464	7,187,146
Advance income-tax	74,323,820	62,354,786
Advance to employees	2,364,888	3,822,537
Balances with statutory/government authorities	22,775,622	30,797,439
	109,508,795	104,161,908
Prepayments		
Considered good	9,369,978	16,353,481
Considered doubtful	-	-
	9,369,978	16,353,481
Less: Provision for doubtful advances	-	-
	9,369,978	16,353,481
Total other financial assets	118,878,773	120,515,389
Current	39,260,157	53,039,744
Non-current	79,618,615	67,475,645
	118,878,773	120,515,389

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7. Trade Receivables

	As at 31 March 2018	As at 31 March 2017
Trade Receivables	294,128,668	1,729,850
Receivable from Related parties	-	56,998,350
Unbilled Revenue	19,791,480	170,300,063
Total Trade Receivables	**313,920,148**	**229,028,262**

Breakup for Trade Receivables :

	As at 31 March 2018	As at 31 March 2017
Trade Receivables		
Secured, considered good	-	-
Unsecured, considered good	294,128,668	58,728,199
Doubtful	10,000,000	-
	304,128,668	58,728,199
Impairement allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Doubtful	10,000,000	-
	10,000,000	-
Unbilled revenue	19,791,480	170,300,063
Total Trade Receivables	**313,920,148**	**229,028,262**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

8. Cash and cash equivalents

	As at 31 March 2018	As at 31 March 2017
Balances with banks :		
- On current accounts	29,389,348	42,310,886
Cash on hand	10,314,991	13,148,441
	39,704,339	**55,459,327**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Balances with banks :		
- On current accounts	29,389,348	42,310,886
- Deposits with maturity of less than three months	-	-
Cash on hand	10,314,991	13,148,441
	39,704,339	**55,459,327**

9. Bank balances other than above

	As at 31 March 2018	As at 31 March 2017
Deposits with remaining maturity for more than 12 months	125,000	125,000
Deposits with remaining maturity for less than 12 months	335,000	309,294
Margin money deposit	1,525,000	1,025,000
	1,985,000	**1,459,294**
Less: disclosed under other non-current financial assets (note 5)	1,650,000	1,150,000
Total bank balance other than above	**335,000**	**309,294**

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10. Share Capital

Authorized share capital

	Equity shares	
	Nos.	Value
At April 1, 2017	1,120,000	11,200,000
Increase / (Decrease) during the year	233,880,000	2,338,800,000
At 31 March 2018	235,000,000	2,350,000,000

Issued equity share capital

	Nos.	Value
As At April 1, 2017	1,111,059	11,110,590
Changes during the period	228,949,004	2,289,490,040
At 31 March 2018	230,060,063	2,300,600,630

Terms/ rights attached to equity shares

The Company has only one class of equity shares having face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

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.

Shares held by holding company

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

Particulars	As at 31 March 2018	As at 31 March 2017
Jasper Infotech Private Limited	-	11,110,590
Future Supply Chain Solutions Limited, holding company	2,300,600,630	-

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

Name of shareholder	As at 31 March 2018		As at 31 March 2017	
	Nos.	%age holding	Nos.	%age holding
Equity shares of Rs. 10 each fully paid				
Jasper Infotech Private Limited	-	-	1,111,059	100.00%
Future Supply Chain Solutions Limited, holding company	230,060,063	100.00%	-	-

11. Other equity

Share premium

At 1 April 2016	
Increase because of issuance of share capital	659,959,153
Decrease due to transaction costs for issued share capital	-
At 31 March 2017	659,959,153
Increase because of issuance of share capital	-
Decrease due to transaction costs for issued share capital	-
At 31 March 2018	659,959,153

Share option schemes /Share based payment reserve

Upto 02nd February 2018, the Company had share option schemes under which options to subscribe for the holding company's shares was granted to certain executives and employees. Post 02nd February 2018 no such schemes are continued.

Share based payments

As at 1 April 2016	-
Add: Compensation options granted during the year	19,230,769
Less: transferred to capital reserve on exercise of stock options	4,816,881
As at 31 March 2017	24,047,650
Add: Compensation options granted during the year	(24,047,650)
Less: transferred to capital reserve on exercise of stock options	-
At 31 March 2018	-

Other reserves

	As at 31 March 2018	As at 31 March 2017
Share based payment reserve	-	24,047,650
Total other reserves	-	24,047,650

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12. Other financial liabilities

Particulars	As at 31 March 2018	As at 31 March 2017
Other financial liabilities at amortised cost		
Lease equalisation reserve	948,720	-
	948,720	**-**
Current	948,720	-
Non current	-	-
	948,720	**-**

13. Gratuity and other post-employment benefit plans

Particulars	As at 31 March 2018	As at 31 March 2017
Provision for gratuity	9,624,717	6,529,433
Provision for compensated absences	6,433,393	6,330,961
	16,058,110	**12,860,394**
Current	1,452,847	6,356,541
Non-current	14,605,263	6,503,853
	16,058,110	**12,860,394**

In accordance with applicable Indian laws, the Group provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment of amounts that are based on salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The following tables summarises the components of net benefit expense recognised in the income statement and the funded status and amounts recognised in the balance sheet for the plan:

	As at 31 March 2018	As at 31 March 2017
Current service cost	4,045,392	4,256,699
Acqusition Adjustment	467,105	-
Interest cost on benefit obligation	479,913	285,169
Benefits Paid	(88,195)	-
Net actuarial gain recognized in the year	(1,808,931)	(1,613,059)
Net benefit expense	**3,095,284**	**2,928,809**

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

Defined benefit obligation at 1 April 2016	**3,600,624**
Interest cost on benefit obligation	285,169
Current service cost	4,256,699
Benefits paid	-
Acturial gain on obligation	(1,613,059)
Defined benefit obligation at 31 March 2017	**6,529,433**
Interest cost on benefit obligation	479,913
Acqusition adjustment	467,105
Current service cost	4,045,392
Benefits paid	(88,195)
Acturial gain on obligation	(1,808,931)
Defined benefit obligation at 31 March 2018	**9,624,717**

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

Particulars	As at 31 March 2018	As at 31 March 2017
Discount rate	7.80%	7.35%
Future salary increases	9.00%	10.00%
Withdrawl rate	9.00%	20.00%

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14. Borrowings

Particulars	Effective interest rate	As at 31 March 2018	As at 31 March 2017
Current Borrowings			
Unsecured loan from related parties			
Loan from holding company, Jasper Infotech Pvt. Ltd.	14%	-	1,349,000,000
Current maturity of long term loans			
Interest accrued on unsecured loan		-	105,629,303
Total current borrowings		-	1,454,629,303

Unsecured loan from Jasper Infotech Private Limited

During previous year ended March 31, 2017, the Company had obtained loan amounting Rs 134.9 Cr from Jasper Infotech Private Limited at the interest rate of 14% p.a. The outstanding principal loan amount along with the interest has been repaid fully during the current financial year.

15. Trade and other payables

Particulars	As at 31 March 2018	As at 31 March 2017
Trade payables	410,928,473	350,171,227
Trade payable to related parties	-	63,194,393
	410,928,473	**413,365,620**

Other payables

Particulars	As at 31 March 2018	As at 31 March 2017
Payable creditors for capital goods	19,283,116	41,968,809
Accrued salaries and benefits	16,752,646	27,302,029
	36,035,762	**69,270,839**
Total trade and other payables	**446,964,235**	**482,636,459**

16. Other current liabilities

Particulars	As at 31 March 2018	As at 31 March 2017
Advances from customers		
- From related parties	-	338,915,541
- From others	-	173,259
Statutory liabilities payable	19,420,338	19,292,332
	19,420,338	**358,381,132**
Current	19,420,338	358,381,132
Non-current	-	-
	19,420,338	**358,381,132**

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(All amounts in INR, except per share data and as stated otherwise)

17. Revenue from operations

	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from operations :		
Revenue from operations (Gross)	1,931,266,824	2,192,747,134
Less : Service Tax	303,080,150	270,909,249
Revenue from operations (net)	**1,628,186,674**	**1,921,837,885**

18. Other income

	For the year ended March 31, 2018	For the year ended March 31, 2017
Other non-operating income	49,946,754	2,032,264
Total	**49,946,754**	**2,032,264**

19. Service cost

	For the year ended March 31, 2018	For the year ended March 31, 2017
Subcontracting cost	594,977,772	852,408,845
Freight charges	441,942,759	787,570,900
Lease expense for warehouses/centres	281,569,685	291,083,931
Packaging material	18,745,348	56,405,390
Total	**1,337,235,565**	**1,987,469,066**

20. Employee benefits expense

	For the year ended March 31, 2018	For the year ended March 31, 2017
Salary, wages and bonus	357,954,736	501,631,745
Contribution to provident and other funds	13,609,375	19,571,515
Gratuity expense	4,904,215	4,541,868
Employee stock option expense	-24,047,650	4,816,881
Staff welfare expenses	11,732,619	22,980,364
Total	**364,153,295**	**553,542,374**

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Notes to financial statements for the year ended March 31, 2018
(All amounts in INR, except per share data and as stated otherwise)

21. Depreciation and amortisation expense

	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation of tangible assets (note 3)	261,369,003	99,715,190
Amortisation of intangible assets (note 4)	2,836,920	2,321,567
Total	**264,205,923**	**102,036,758**

22. Finance Costs

	For the year ended March 31, 2018	For the year ended March 31, 2017
Finance charges	26,250,070	16,034,884
Interest on debts and borrowings	46,568,212	108,499,236
Total	**72,818,282**	**124,534,120**

23. Other expense

	For the year ended March 31, 2018	For the year ended March 31, 2017
Commission and brokerage	-	2,793,256
Customer compensation charges	-	86,396,395
Electricity & water charges	30,399,047	36,642,230
Insurance	4,297,286	6,754,768
Legal & professional fees	42,784,535	45,534,365
Payment to auditor (Refer details below)	250,000	2,700,000
Repair & maintenance		
- Buildings	5,000	3,761,240
- Others	25,294,764	27,691,286
House keeping expenses	25,405,691	39,641,377
Security services	85,387,754	144,470,113
Rates, Duties & Taxes	17,392,329	10,098,432
Fixed assets written off	17,850,554	1,844,202
Provision for doubtful debts and advances	5,561,753	15,658,960
Miscellaneos expenditure	61,474,056	144,233,639
Total	**316,102,768**	**568,220,263**

Payment to auditor

	For the year ended March 31, 2018	For the year ended March 31, 2017
As auditor:		
Audit fee	250,000	2,400,000
Interim reviews	-	-
Tax audit & Other fee	-	100,000
Out of pocket expenses	-	200,000
Total	**250,000**	**2,700,000**

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24. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the period attributable to equity holders of the Company by the weighted average number of Equity shares
Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding

The following reflects the loss and share data used in the basic and diluted EPS computations.

	March 31, 2018	March 31, 2017
Loss for the year attributable to equity share holders of the company	(674,573,475)	(1,410,319,372)
Weighted average number of equity shares in calculating basic and diluted EPS (Nos)	138,791,645	1,111,059

25. Commitments and contingencies

a. Leases

The Company's leasing arrangements are in respect of operating leases for office premises. These leasing arrangement ranges from 11 months to 3 years. Some of the leases include a clause to enable upward revision of the rental charge on a periodical basis according to prevailing market conditions.

The Company has paid Rs. 295,922,499 (March 31, 2017: Rs. 307,828,643) during the year towards minimum lease payment. This expenditure is net of sublease income received from related parties.

Future minimum rentals payable under non-cancellable operating leases are as follows:-

	March 31, 2018	March 31, 2017
Within one year	10,937,391	55,418,484
After one year but not more than five years	-	15,527,391
More than five years	-	-

b. Commitments

At March 31, 2018, the Company has commitments of Rs. NIL (March 31, 2017 : 2,09,04,507) relating to capital contracts.
At March 31, 2018, the Company has commitments of Rs. NIL (March 31, 2017: Rs. NIL) relating to service contracts.

c. Contingencies

The company does not have any legal case pending before any court.

26. Related Party disclosures

Names of related parties and related party relationship

Name of the related parties with whom transactions have taken place during the period

Holding company	Jasper Infotech Private Limited (upto February 01, 2018) Future Supply Chain Solution Limited (from February 02, 2018)
Fellow subsidiaries	E-Agility Solution Private Limited (upto February 01, 2018)
Joint venture of holding company	Macro Commerce Private Limited (upto July 05, 2016)
Key management personnel	Deepak Rishi (Director) (upto to June 1, 2016) Sunder Lal Garg (Director) (upto to June 1, 2016) Hardeep Mohinder Singh (Director) (from June 1, 2016) Vivek Vikas Patankar (Director) (June 1, 2016 to March 30, 2017) Anup Ajit Vikal (Director) (August 22, 2016 to November 02, 2017) Jayant Sood (Director) (August 22, 2016 to February 02, 2018) Devi Dayal Garg (CFO) (from May 26, 2016) Sanjay Agarwal (Director) (from March 30, 2017 to October 30, 2017) Yogya Dutt Arya (CS) (upto March 30, 2017) Sandeep Kumar (CS) (from March 30, 2017) Vimal Kumudchandra Dhruve (Director) (from February 02, 2018) Samir Kedia (Director) (from February 02, 2018)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year/period:

Particulars	March 31, 2018 Rs.	March 31, 2017 Rs.
Holding company		
a) Jasper Infotech Private Limited		
Revenue from logistics services	1,177,513,498	1,911,455,016
Loan taken	-	1,349,000,000
Loan repaid	1,349,000,000	-
Customer compensation charges	-	119,039,733
Interest paid	46,568,212	108,499,237
Purchase of fixed assets	-	18,653,075
Reimbursement of product wrapping charges	-	63,763,651
Reimbursement of octroi and entry tax charges	43,562,755	190,390,949
Rent and other expenses	66,133,273	30,862,468
Equity share capital issued	2,159,490,040	-
b) Future Supply Chain Solution Limited		
Sale of fixed assets	5,602,310	-
Equity share capital issued	130,000,000	-
Fellow subsidiary		
Revenue from logistics services	1,195,198	4,894,970
Key management personnel		
Salary, bonus and contribution to PF*	21,792,120	19,022,845

* Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial

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The details of amounts due to or due from the related parties as of March 31, 2017 and March 31, 2016

Particulars	March 31, 2018 Rs.	March 31, 2017 Rs.
Holding company		
a) Jasper Infotech Private Limited		
Trade receivables	-	57,816,288
Trade payables	-	63,194,393
Cash on hand	-	13,148,441
Unbilled revenue	-	169,450,063
Unsecured Loan along with interest	-	1,454,629,303
b) Future Supply Chain Solution Limited		
Other receivables (against capital goods)	6,610,726	-
Fellow subsidiary		
Trade receivables	-	471,500
Unbilled revenue	-	850,000

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

27. Segment information

The Company's primary business segment is providing logistics services . Accordingly, there are no other reportable business or geographical segments to be disclosed as per notified Ind AS - 108 "Operating Segments".

28. Financial risk management objectives and policies

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and market risk. The audit committee provides independent oversight to the effectiveness of the risk management process.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities, cash and short-term deposits), the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Company trades only with recognised and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

Excessive risk concentration

Concentration 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 maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Company. Cash and short-term deposits and investment securities that are neither past due nor impaired are placed with reputable financial institutions or companies with high credit ratings and no history of default.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company maintains a balance between continuity of funding and flexibility.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available.

c) Capital Management

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

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NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

VULCAN EXPRESS PVT. LTD.

29. **Going Concern**

As at the year end, accumulated losses of the Company exceeds its paid up share capital. The Company's ability to continue as going concern is dependent on success of operations and its ability to arrange funding for its business operations. The Company based on commitment and continuous support from Future Supply Chain Solutions Limited, ultimate holding company, is confident of meeting its operating and capital funding requirements of the future. Accordingly, these financial statements have been prepared on a going concern basis.

30. Previous year figures have been regrouped / reclassified, where necessary, to conform to this period's classification.

As per our report of even date

For NGS & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 119850W

Per Ganesh Toshniwal
Partner
Membership Number: 046669

Place of Signature: Mumbai
Date : April 25, 2018

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of board of directors of
Vulcan Express Private Limited

Hardeep Mohinder Singh
Whole Time Director

Devi Dayal Garg
Chief Financial Officer

Samir Kedia
Director

Sandeep Kumar
Company Secretary

VULCAN EXPRESS PVT. LTD.