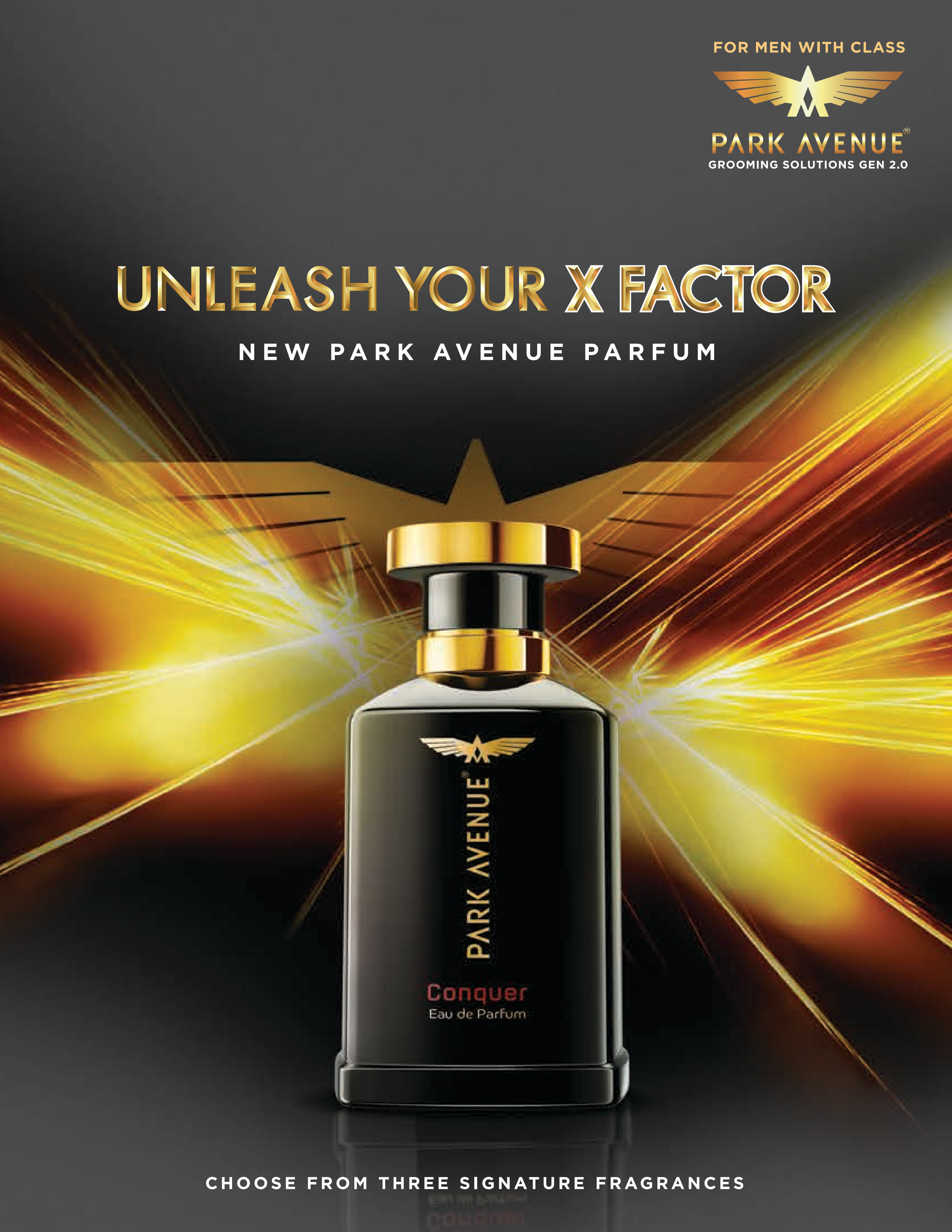
ANNUAL REPORT

2016-2017

J.K. Helene Curtis Limited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PARK AVENUE®
GROOMING SOLUTIONS GEN 2.0
UNLEASH YOUR X FACTOR
NEW PARK AVENUE PARFUM
PARK AVENUE®
Conquer
Eau de Parfum
CHOOSE FROM THREE SIGNATURE FRAGRANCES

PARK AVENUE®

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12 hrs

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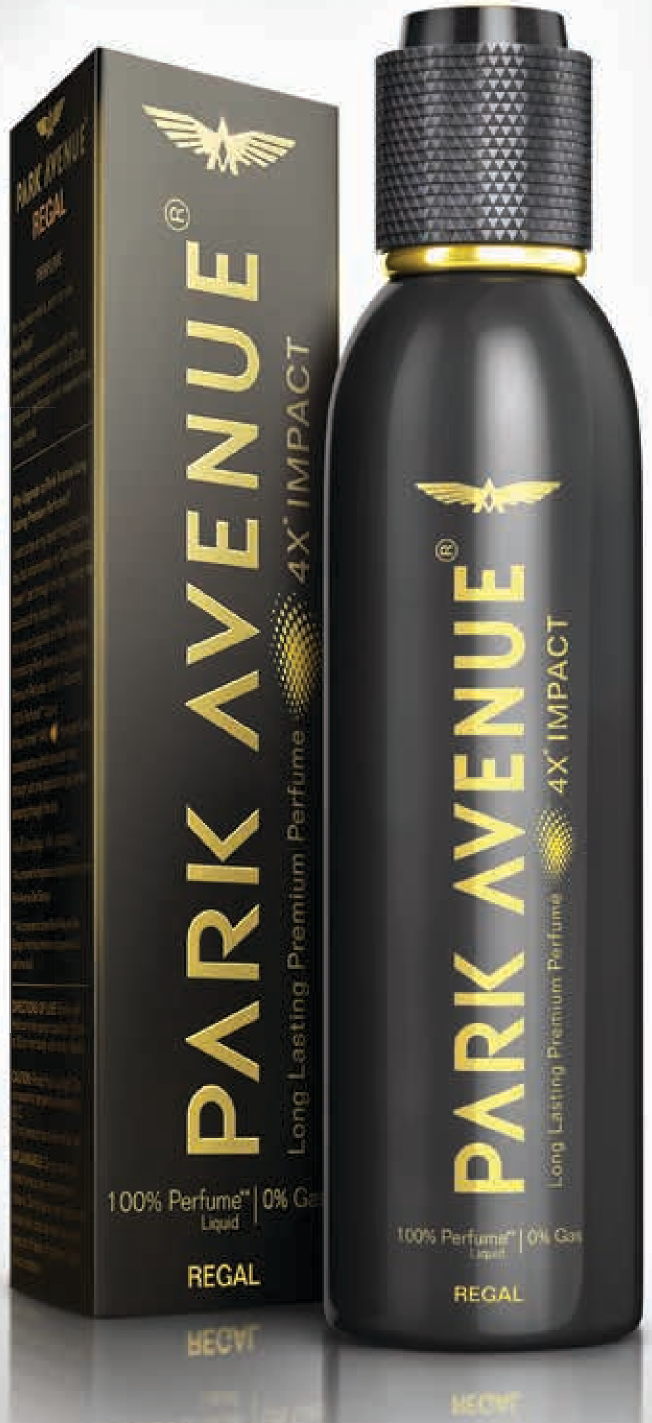
Perfume Liquid*

Natural Aromatic Oils



*As compared to other Park Avenue Deo Sprays which have a mixture of propellant & perfume liquid.

DIRECTORS

RAJEEV BAKSHI, *Chairman* (w.e.f. 20.07.2016)
GAUTAM HARI SINGHANIA
DR. VIJAYPAT SINGHANIA
NABANKUR GUPTA
H. SUNDER (upto 28.04.2017)
R. NARAYANAN
GEETHAA GHANECKAR
MAHENDRA DOSHI (w.e.f. 27.10.2016)

BANKERS

BANK OF INDIA
ICICI BANK
HDFC BANK LTD.

AUDITORS

MESSRS A. F. FERGUSON & CO.
Chartered Accountants

SECRETARIAL AUDITORS

Ashish Bhatt & Associates

INTERNAL AUDITORS

Mahajan & Aibana
Chartered Accountants

REGISTERED OFFICE

NEW HIND HOUSE,
NAROTTAM MORARJEE MARG,
BALLARD ESTATE,
MUMBAI 400 001.

ADMINISTRATIVE OFFICE

JEKEGRAM,
POKHARAN ROAD NO. 1,
THANE 400 606 (MAHARASHTRA).

CORPORATE IDENTIFICATION NUMBER (CIN)

U99999MH1964PLC012865

CONTENTS

BOARD'S REPORT

TO
THE MEMBERS,

Your Directors have pleasure in placing before you their Fifty - Third Annual Report for the year ended March 31, 2017.

1. FINANCIAL HIGHLIGHTS / OPERATIONAL PERFORMANCE

At Standalone level, the Gross Revenue from operations stood at Rs. 269.47 crore compared with Rs.286.22 crore in the previous year. The Net Loss for the year stood at (0.50) against Profit of Rs.7.99 crore reported in the previous year.

At Consolidated level, the Gross Revenue from operations stood at Rs. 269.47 crore The Consolidated Net Loss for the year stood at Rs. (0.67) crores.

During the year the Company's brand Park Avenue held market share in a challenging deo market scenario. The Company introduced Impact perfumed deo at the Premium end of the market and response has been encouraging.

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

2. DIVIDEND

In view of losses incurred during the year, no dividend has been recommended for the FY 2016-17.

3. RESERVES

Your Company has not transferred any amount to the reserves of the Company.

4. SUBSIDIARIES

JKHC International FZE, the wholly-owned subsidiary (WoS) of the Company is engaged in the business of trading of its own branded deodorants and perfumes viz Park Avenue in the overseas market. This Company incurred a Loss of Rs. (0.18) crores (Previous Year: Loss of Rs. (1.35) crore).

5. CONSOLIDATED ACCOUNTS

In accordance with the requirements of Indian Accounting Standard (Ind AS 110) – Consolidated Financial Statements, the Consolidated Accounts of the Company have been prepared. Pursuant to Section 129(3) of the Companies Act, 2013 read with Rules made thereunder, a statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures is given in Form AOC-1 and forms an integral part of this Annual Report.

6. AUDITORS

(a) Statutory Auditors

Messrs. A.F. Fergusson & Co., Chartered Accountants, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and due to other commitments, they have expressed their unwillingness to be re-appointed as Auditors of the Company.

The Board of Directors places on record its appreciation to the services rendered by Messrs. A.F. Fergusson & Co., Chartered Accountants as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s Price Waterhouse Chartered Accountants LLP (ICAI Firm Registration Number 012754N/N500016) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 and rules made thereunder.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification in the standalone or in the consolidated financial statements by the statutory auditors for the year under review.

(b) Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. Ashish Bhatt & Associates, a firm of Company Secretaries in Practice (C.P.No.2956) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is set out as "ANNEXURE A" and forms part of this Report. There is no secretarial audit qualification for the year under review.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures.

The Company has entrusted the internal and operational audit to M/s Mahajan & Aibara Chartered Accountants LLP, a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken.

8. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2017 was Rs. 98 Lac. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2017, none of the Directors of the Company hold shares or convertible instruments of the Company in their individual capacity.

9. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There are no Loans, Guarantees and Investments under the provisions of Section 186 of the Companies Act, 2013 given by the Company.

11. DIRECTORS AND THEIR MEETINGS

A. Directors

The Board has appointed Mr. Rajeev Bakshi (DIN: 00044621) as an Additional Director with effect from July 20, 2016. The Board has also appointed Mr. Mahendra Doshi (DIN: 00123243) as an Additional Director and designated him as an Independent Director of the Company with effect from October 27, 2016 for a period of 5 years.

In terms of Section 161 of the Companies Act, 2013, Mr. Rajeev Bakshi and Mr. Mahendra Doshi holds office up to the date of ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing their names for the office of Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Rajeev Bakshi and Mr. Mahendra Doshi as a Director, for the approval by the shareholders of the Company.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Dr. Vijaypat Singhania, Director of the Company retire by rotation, and being eligible, offers himself for re-appointment.

Mr. H. Sunder has decided to relinquish his office of Director from the Company with effect from April 28, 2017. The Board has placed on record its sincere appreciation and gratitude for contributions made by him during his tenure as Director.

During the year, Four Board Meetings were held viz. 25.04.2016, 20.07.2016, 27.10.2016, and 24.01.2017. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. Attendance of Directors at Board Meetings is given herein below:

Sr. No.	Name of Director	Date of Board Meeting			
		25.04.2016	20.07.2016	27.10.2016	24.01.2017
1	Shri Rajeev Bakshi [1]	-	✓	✓	✓
2	Shri Gautam Hari Singhania	✓	✓	-	✓
3	Dr. Vijaypat Singhania	-	-	✓	-
4	Shri Nabankur Gupta	✓	-	✓	✓
5	Shri Mahendra Doshi [2]	-	-	-	✓
6	Shri H. Sunder	✓	✓	✓	✓
7	Shri R. Narayanan	✓	✓	✓	✓
8	Smt. Geethaa Ghaneckar	✓	✓	✓	✓

[1] Appointed w.e.f. 20.07.2016. [2] Appointed w.e.f. 27.10.2016.

B. Declaration by Independent Directors

The Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

C. Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has approved Annual Performance Evaluation Mechanism to cover its own performance, the Directors individually as well as the evaluation of the working of its Committees. This will also cover the evaluation of Independent Directors. The performance evaluation of the Non- Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

12. COMMITTEES OF THE BOARD

With a view to have a more focused attention on the business and for better governance and accountability, the Board constituted the following mandatory committees:

(a) Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rule, 2014, the Audit Committee has been constituted on August 11, 2015.

The Composition of the Audit Committee is as under:

1. Shri Nabankur Gupta : Independent Director, Chairman
2. Shri R. Narayanan : Independent Director, Member
3. Shri H. Sunder : Non-executive Director, Member

The terms of reference of Audit Committee are as under:

i. the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

ii. review and monitor the auditor's independence and performance, and effectiveness of audit process;

iii. examination of the financial statement and the auditors' report thereon;

iv. approval or any subsequent modification of transactions of the company with related parties;

v. scrutiny of inter-corporate loans and investments;

vi. valuation of undertakings or assets of the company, wherever it is necessary;

vii. evaluation of internal financial controls and risk management systems;

viii. monitoring the end use of funds raised through public offers and related matters.

During the year, four Audit Committee meetings were held viz. 25.04.2016, 20.07.2016, 27.10.2016 and 24.01.2017. Attendance of Directors at the Audit Committee Meeting is given below:

Sr. No.	Name of Director	Date of Audit Committee Meeting			
		25.04.2016	20.07.2016	27.10.2016	24.01.2017
1.	Shri Nabankur Gupta	✓	-	✓	✓
2.	Shri R. Narayanan	✓	✓	✓	✓
3.	Shri H. Sunder	✓	✓	✓	✓

(b) Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Board of Directors has constituted the Nomination and Remuneration Committee on August 11, 2015. The Board of Directors has framed a Nomination and Remuneration policy.

The Composition of the Nomination and Remuneration Committee is as under:

1. Shri Nabankur Gupta : Independent Director, Chairman
2. Shri R. Narayanan : Independent Director, Member
3. Shri H. Sunder : Non-executive Director, Member

The terms of reference of Nomination and Remuneration Committee are as under:

1. to help in determining the appropriate size, diversity and composition of the Board;

2. to recommend to the Board appointment/re-appointment and removal of Directors;

3. to frame criteria for determining qualifications, positive attributes and independence of Directors;

4. to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);

5. to create an evaluation framework for Independent Directors and the Board;

6. to assist the Board in fulfilling responsibilities entrusted from time-to-time;

7. delegation of any of its powers to any Member of the Committee..

During the year, two Nomination and Remuneration Committee meetings were held on 20.07.2016 and 27.10.2016. Attendance of the Directors at the Nomination and Remuneration Committee is given below:

Sr. No.	**Name of Director**	**Date of Nomination & Remuneration Committee Meeting**	
		20.07.2016	**27.10.2016**
1.	Shri Nabankur Gupta	-	✓
2.	Shri R. Narayanan	✓	✓
3.	Shri H. Sunder	✓	✓

(c) Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013 and the Rule 3 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted the Corporate Social Responsibility (CSR) Committee on August 11, 2015.

The Composition of the CSR Committee is as under:

1. Shri Nabankur Gupta : Independent Director, Chairman
2. Dr. Vijaypat Singhania : Non-executive Director, Member
3. Shri H. Sunder : Non-executive Director, Member

The terms of reference of CSR Committee are as under:

a) To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;

b) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;

c) To monitor the CSR Policy of the Company from time to time;

d) Any other matter the CSR Committee may deem appropriate post the approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

During the year, one CSR Committee meeting was held on 24.01.2017 Attendance of Directors at the CSR Committee Meeting is given below:

Sr. No.	**Name of Director**	**Date of Committee Meeting**
		24.01.2017
1.	Shri Nabankur Gupta	✓
2.	Dr. Vijaypat Singhania	-
3.	Shri H. Sunder	✓

A disclosure as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as “ANNEXURE B” to this Report.

13. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm’s length basis and in the ordinary course of business and the provisions of Section 188 of the Companies Act, 2013 are not attracted. The Company has developed a Related Party Transactions Manual and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

14. RISK MANAGEMENT

The Company is exposed to risks from market fluctuations of foreign exchange rates, interest rates, commodity prices, business risks, compliance risks and human resource risks. These risks are assessed and steps as appropriate are taken to mitigate the risks.

15. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. that in the preparation of the Annual Financial Statements for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. that such accounting policies had been applied consistently and reasonable judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the Annual Financial Statements have been prepared on a going concern basis;

e. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the Company has no manufacturing facility, information pursuant Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, on conservation of energy and technology absorption is not furnished.

Foreign Exchange Earnings in terms of actual inflows during the year was Nil and Foreign Exchange Outgo during the year in terms of actual outflows was Nil.

17. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure C" to this Report.

18. PARTICULARS OF EMPLOYEES

Information in accordance with Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2017 is not provided since it is not a listed Company.

19. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this Policy. No Complaints have been received during the year under the review.

20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant or material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

21. ACKNOWLEDGEMENT

Your Directors express their warm appreciation to all the employees for their dedication and contribution. Your Directors also express their appreciation for the co-operation, support and valuable guidance received from banks, Central and State Government Authorities, customers and suppliers.

For and on behalf of the Board
J.K. Helene Curtis Ltd.

Place: Mumbai
Date: April 27, 2017

Rajeev Bakshi
Chairman
DIN: 00044621

ANNEXURE "A" TO THE BOARD REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

   The CSR Policy was approved by the Board of Directors at its Meeting held on January 19, 2015. A gist of the programs that the Company can undertake under the CSR policy is mentioned below. The weblink thereto is www.jkhc.com

   The Company has proposed to undertake projects for upliftment and development of lesser privileged women section of the society, protection of national heritage which includes restoration of buildings and sites of historical importance

2. **Composition of the CSR Committee.**

   1. Shri. Nabankur Gupta : Independent Director, Chairman
   2. Dr. Vijaypat Singhania : Non-executive Director, Member
   3. Shri. H. Sunder : Non-executive Director, Member

3. **Average net profit of the Company for last three financial years: Rs. 1528.51 Lac**

4. **Prescribed CSR Expenditure (2 % of the amount as in item 3 above): Rs. 31 Lac.**

5. **Details of CSR spend for the financial year**

   a) Total amount to be spent for the financial year: 74.00 Lac *

   * Amount of Rs 74 Lac includes the amount of Rs 43 Lac available out of the CSR Contribution of Financial Year 2015-16 and Rs. 31 Lac available out of the CSR Contribution of Financial Year 2016-17.

   b) Amount unspent, if any: 30.07 Lac

   c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	CSR project or Activity Identified	Sector in Which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs. In lac)	Amount spent on the projects programs Sub - heads : 1) Direct expenditure on projects (2) overheads: (Rs. In lac)	Cumulative expenditure upto to the reporting period (Rs. In lac)	Amount spent: Direct or through implementing agency (Rs. In lac)
1	Restoration and renovation of Conservation Laboratory in the Asiatic Society of Mumbai	Restoration of buildings and sites of historical importance	Mumbai-Maharashtra	13.93	13.93	13.93	13.93
2	Apne Aap Women's Collective – An Initiative of Sahachari Foundation for upliftment of the lesser privileged women section of the society	Empowerment of Women	Mumbai-Maharashtra	30.00	30.00	30.00	30.00
	TOTAL			**43.93**	**43.93**	**43.93**	**43.93**

6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof the company shall provide the reasons for not spending the amount in its Board report:**

   There were no suitable CSR projects, which could meet the Company's internal guidelines. In the past, the Company spent its CSR entitlement on rural development project and in the current year approved projects for women upliftment and restoration of building of historical importance. The Company is continuously making efforts to find out suitable CSR projects in which the Company can make CSR contribution in Project Program mode.

7. The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy, will be in compliance with CSR objectives and Policy of the Company.

For **J. K. Helene Curtis Limited**

Nabankur Gupta	**Rajeev Bakshi**
Chairman of CSR Committee	**Director**
Din: 00020125	Din: 00044621

ANNEXURE "B" TO THE BOARD'S REPORT
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

TO,
THE MEMBERS,
J. K. HELENE CURTIS LIMITED
NEW HIND HOUSE,
NAROTTAM MORARJEE MARG,
BALLARD ESTATE, MUMBAI- 400 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by. J. K. Helene Curtis Limited (hereinafter called the company) The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (Not applicable to the Company during audit period);

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under. (Not applicable to the Company during audit period);

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment External Commercial Borrowings (Not applicable to the Company during audit period);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of lndia Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(Not applicable to the Company during audit period)

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, (Not applicable to the Company during audit period);

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations , 2009 (Not applicable to the Company during audit period);

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during audit period);

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);

  (f) The Securities and Exchange Board of lndia (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during audit period);

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period) ; and

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(Not applicable to the Company during audit period);

(vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities of the Company are not listed on any Stock Exchange hence no comment is made about Listing Agreements entered into by the Company with Stock Exchange(s);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of -Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not passed any special resolutions which are having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Ashish Bhatt & Associates

Ashish Bhatt
Practicing Company Secretary
FCS No: 4650
C.P. No. 2956

Place : Thane
Date : April 27, 2017

ANNEXURE I

LIST OF APPLICABLE LAWS TO THE COMPANY

Under the Major Group and Head

1. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
2. Acts as prescribed under Direct Tax and Indirect Tax;
3. Labour Welfare Act of respective States;
4. Trade Marks Act, 1999;
5. Copy Right Act, 1957;
6. Designs Act, 2000;
7. Legal Metrology Act, 2009;
8. Indian Stamp Act, 1899;
9. Sale of Goods Act, 1930;
10. Competition Act, 2002;
11. Acts as prescribed under Shop and Establishment Act of various local authorities.

For Ashish Bhatt & Associates

Ashish Bhatt
Practicing Company Secretary
FCS No: 4650
C.P. No. 2956

Place : Thane
Date : April 27, 2017

ANNEXURE "C" TO THE BOARD'S REPORT
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

CIN	U99999MH1964PLC012865
Registration Date	09/03/1964
Name of the Company	J.K. HELENE CURTIS LIMITED
Category/Sub-category of the Company	Company limited by shares/ Indian Non-Government Company
Address of the Registered office & contact details	New Hind House, Narottam Morarji Marg, Mumbai 400038
Whether listed company	No
Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Body Deodorant	3050	53.62%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

SN	Name and Address of the Company	CIN/GLN	Holding, Subsidiary And Associate	% of shares held	Applicable section
1	J. K. Investo Trade (India) Limited	U99999MH1947PLC005735	Holding Company	100%	2 (46)
2	JKHC International FZE	NA	Subsidiary	100%	2 (87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	9,80,000	9,80,000	100	-	9,80,000	9,80,000	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	**-**	**9,80,000**	**9,80,000**	**100**	**-**	**9,80,000**	**9,80,000**	**100**	**-**
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Others- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**-**	**9,80,000**	**9,80,000**	**100**	**-**	**9,80,000**	**9,80,000**	**100**	**-**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**-**	**9,80,000**	**9,80,000**	**100**	**-**	**9,80,000**	**9,80,000**	**100**	**-**

ii) Shareholding of Promoters-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	J K Investo Trade (India) Ltd and its nominees	980,000	100%	-	980,000	100%	-	-

iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-

iv) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Particulars For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-

v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

The Company has Nil indebtedness (including interest outstanding/accrued but not due for payment).

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A Remuneration to Managing Director, Whole-time Directors and/or Manager:

The Company does not have any Managing Director, Whole-time Directors or Manager.

B. Remuneration to other directors:

Rs. in Lakhs

SN.	Particulars of Remuneration	Name of Directors					Total Amount
		Shri Nabankur Gupta	**Shri R. Narayanan**	**Shri Mahendra Doshi**	**-**	**-**	
3	Independent Directors						
	Fee for attending board committee meetings	4.00	-	1.00			5.00
	Commission	-	-	-			-
	Others, please specify	-	-	-			-
	Total (1)	4.00	-	1.00			5.00
4	Other Non-Executive Directors	**Dr. Vijaypat Singhania**	**Shri Gautam Hari Singhania**	**Shri H. Sunder**	**Smt. Geethaa Ghaneckar**	**Shri Rajeev Bakshi**	
	Fee for attending board committee meetings	1.00	3.00	-	-	3.00	7.00
	Commission	-		-	-	-	-
	Others, please specify	-	-	-	-	45.00	45.00
	Total (2)	**1.00**	**3.00**	**-**	**-**	**48.00**	**52.00**
	Total (B)=(1+2)	**-**	**-**	**-**	**-**	**-**	**57.00**
	Total Managerial Remuneration	**-**	**-**	**-**	**-**	**-**	**-**
	Overall Ceiling as per the Act	-	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

The Company does not have any Key Managerial Personnel.

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

FORM AOC - I

(Pursuant to first proviso to sub-section (3) of Section 129 read with
Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

PART "A": SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in Rs Lacs)

Sr No.	Particulars	
1	Sl.No.	1
2	Name of the subsidiary	JKHC International FZE
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same reporting Period (1st April 2016 to 31st March 2017)
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	AED INR 17.66 = 1AED
5	Share capital	INR 178.43 Lakhs
6	Reserves & surplus	INR (-) 170.00 Lakhs
7	Total assets	INR 50.76 Lakhs
8	Total Liabilities	INR 50.76 Lakhs
9	Investments	Nil
10	Turnover	Nil
11	Profit before taxation	INR Loss (-) 17.54 Lakhs
12	Provision for taxation	Nil
13	Profit after taxation	INR Loss (-) 17.54 Lakhs
14	Proposed Dividend	Nil
15	% of shareholding	100 % by J. K. Helene Curtis Limited

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations.
2. Names of subsidiaries which have been liquidated or sold during the year.

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures	**Name1**	**Name2**	**Name3**
1. Latest audited Balance Sheet Date	-	-	-
2. Shares of Associate / Joint Ventures held by the company on the year end	-	-	-
No.	-	-	-
Amount of Investment in Associates / Joint Venture	-	-	-
Extend of Holding %	-	-	-
3. Description of how there is significant influence	-	-	-
4. Reason why the associate / joint venture is not consolidated	-	-	-
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	-	-	-
6. Profit / Loss for the year	-	-	-
i. Considered in Consolidation	-	-	-
ii. Not Considered in Consolidation	-	-	-

For and on behalf of the Board of
J K Helene Curtis Limited

Nabankur Gupta
Director
DIN: 00020125

Rajeev Bakshi
Director
DIN: 00044621

Place: Mumbai
Date: April 27, 2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF J. K. HELENE CURTIS LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of J. K. Helene Curtis Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS 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.

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 controls, 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 our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable 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 purposes 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, the Cash Flow Statement and 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 Indian Accounting Standards prescribed under Section 133 of the Act.

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

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in Note 31 to its standalone Ind AS financial statements.

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

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

   iv. The Company has provided requisite disclosures in Note 32 to its standalone Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the Management of the Company, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us.

2. As required by the Companies (Auditor’s Report) Order, 2016 (“CARO 2016”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of CARO 2016.

For **A. F. FERGUSON & CO.**
Chartered Accountants
(Firm’s Registration No. 112066W)

Rajesh K Hiranandani
(Partner)
(Membership No. 36920)

Place : Mumbai
Date : 4th June 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 J. K. HELENE CURTIS LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the 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 Act.

Auditor's 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **A. F. FERGUSON & CO.**
Chartered Accountants
(Firm's Registration No. 112066W)

Rajesh K Hiranandani
(Partner)
(Membership No. 36920)

Place : Mumbai
Date : 4th June 2017

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties and hence reporting under clause 3(i)(c) of CARO 2016 is not applicable.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) 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 ("the Act").

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 in respect of making investments. According to the information and explanations given to us, the Company has not granted any loans or provided guarantees and hence reporting under clause 3(iv) of CARO 2016, to the extent it relates to loans and guarantees, is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit and the provisions of Sections 73 to 76 of the Act are not applicable and hence reporting under clause 3(v) of CARO 2016 is also not applicable.

(vi) In respect of maintenance of Cost records under Section 148(1) of the Act, having regard to the nature of the Company's business / activities, reporting under clause 3(vi) of CARO 2016 is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax and Excise Duty which have not been deposited as on March 31, 2017 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs. in Lakhs)	Amount Unpaid (Rs. in Lakhs)
The Medical & Toilet Preparations (Excise Duties) Rules 1956 & Act, 1955	Excise Duty	Commissioner of State Excise, Maharashtra, Mumbai	FY 1994-1995 to FY 1996-1997	47.35	47.35
The Central Excise Act, 1944	Excise Duty	Commissioner of Central Excise, Thane	August 2010 to July 2015	390.48	390.48
The Income-tax Act, 1961	Income Tax	Income Tax Appellate Tribunal, Mumbai	AY 2012-13 and AY 2014-2015	14.13	14.13
		Commissioner of Income Tax (Appeals), Mumbai	AY 2014-2015	4.18	4.18

(viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3(viii) of CARO 2016 is not applicable to the Company.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of CARO 2016 is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has not paid managerial remuneration during the year and hence reporting under clause 3(ix) of CARO 2016 is not applicable.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of Section 192 of the Act are not applicable.

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

For **A. F. FERGUSON & CO.**
Chartered Accountants
(Firm's Registration No. 112066W)

Rajesh K Hiranandani
(Partner)
(Membership No. 36920)

Place : Mumbai
Date : 4th June 2017

Balance Sheet as at 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

Particulars	Notes	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
ASSETS				
Non-current assets				
(a) Property, plant and equipment	4	390.98	420.43	415.58
(b) Capital work in progress		7.71	-	-
(c) Intangible assets	5	9.70	6.94	-
(d) Financial assets				
(i) Investments				
Investment in a subsidiary	6.1 (A)	178.43	178.43	178.43
Other Investments	6.1 (B)	22,761.07	14,547.85	15,118.08
(ii) Other financial assets	7.1	8.74	8.74	13.08
(e) Deferred tax assets (Net)	12	497.16	496.86	414.34
(f) Non-current tax assets (Net)	18.1	199.85	90.02	103.10
(g) Other non-current assets	8.1	3.32	13.45	50.55
Total non-current assets		**24,056.96**	**15,762.72**	**16,293.16**
Current assets				
(a) Inventories	9	2,360.40	2,964.60	2,647.50
(b) Financial assets				
(i) Current investments	6.2	-	-	401.06
(ii) Trade receivables	10	1,439.91	1,268.95	969.70
(iii) Cash and cash equivalents	11	795.59	306.33	679.29
(iv) Other financial assets	7.2	28.09	34.91	27.73
(c) Other current assets	8.2	1,009.41	1,460.12	1,497.36
Total current assets		**5,633.40**	**6,034.91**	**6,222.64**
TOTAL ASSETS		**29,690.36**	**21,797.63**	**22,515.80**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	13.1	98.00	98.00	98.00
(b) Other equity	13.2	24,409.05	16,237.92	16,831.53
Total equity		**24,507.05**	**16,335.92**	**16,929.53**
Liabilities				
Non-current liabilities				
(a) Provisions	14.1	787.90	837.42	874.92
Total non-current liabilities		**787.90**	**837.42**	**874.92**
Current liabilities				
(a) Financial liabilities				
(i) Trade payables	15	3,160.12	3,400.73	3,454.83
(ii) Other financial liabilities	16	71.00	71.00	71.00
(b) Provisions	14.2	774.16	838.66	822.18
(c) Current tax liabilities (Net)	18.2	11.01	11.01	11.63
(d) Other current liabilities	17	379.12	302.89	351.71
Total current liabilities		**4,395.41**	**4,624.29**	**4,711.35**
TOTAL LIABILITIES		**29,690.36**	**21,797.63**	**22,515.80**

See accompanying notes to the standalone financial statements

In terms of our report attached

For J. K. Helene Curtis Limited

For A. F. Ferguson & Co.
Chartered Accountants

H. Sunder
Director
DIN: 00020583

Nabankur Gupta
Director
DIN:00020125

Rajesh K Hiranandani
Partner
(Membership No. 36920)
Place: Mumbai
Date: 4th June 2017

Vishal Jain
Chief Financial Officer

Place: Mumbai
Date: 27th April 2017

Statement of Profit and Loss for the year ended 31st March 2017

(All amounts are in Rs. Lakhs unless otherwise stated)

	Particulars	Notes	Year ended 31st March 2017	Year ended 31st March 2016
I	**Revenue from operations**	19	26,946.74	28,621.51
II	**Other income**	20	146.17	174.82
III	**Total income (I + II)**		**27,092.91**	**28,796.33**
IV	**Expenses**			
	Purchases of stock-in-trade		15,189.70	17,210.61
	Changes in inventories of traded goods	21	604.20	(317.10)
	Employee benefits expense	22	1,751.34	1,799.22
	Depreciation and amortisation expense	23	81.19	97.73
	Advertisement and sales promotion		5,863.98	5,391.78
	Other expenses	24	3,650.80	3,444.06
	Total expenses (IV)		**27,141.21**	**27,626.30**
V	**Profit/(Loss) before tax**		(48.30)	1,170.03
VI	**Tax expense**			
	Current tax		1.80	453.46
	Deferred tax credit		(0.30)	(82.52)
			1.50	370.94
VII	**Profit/(Loss) for the year**		(49.80)	799.09
VIII	**Other Comprehensive Income/(Loss)**			
	Items that will not be reclassified to profit or loss			
	(a) Remeasurements of defined benefit plans		11.15	36.74
	(b) Equity instruments through other comprehensive income		8,213.22	(1,416.73)
			8,224.37	**(1,379.99)**
	Income tax relating to item (VIII) (a) above		(3.44)	(12.71)
	Other Comprehensive Income/(Loss) for the year		8,220.93	(1,392.70)
IX	**Total Comprehensive Income/(Loss) for the year (VII + VIII)**		8,171.13	(593.61)
X	**Earnings per equity share of Rs. 10 each**	26		
	Basic (Rs.)		(5.08)	81.54
	Diluted (Rs.)		(5.08)	81.54

See accompanying notes to the standalone financial statements

In terms of our report attached

For J. K. Helene Curtis Limited

For A. F. Ferguson & Co.
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DIN: 00020583

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Partner
(Membership No. 36920)
Place: Mumbai
Date: 4th June 2017

Vishal Jain
Chief Financial Officer
Place: Mumbai
Date: 27th April 2017

Statement of Cash Flow for the year ended 31st March 2017

(All amounts are in Rs. Lakhs unless otherwise stated)

	Particulars	**Year ended 31st March 2017 Amount**	**Year ended 31st March 2016 Amount**
A	**Cash flow from operating activities**		
	Profit/ (Loss) before tax	(48.30)	1,170.03
	Adjustments for:		
	Depreciation and amortisation	81.19	97.73
	Loss on sale of fixed assets	0.14	0.19
	Interest income	(11.93)	(12.38)
	Dividend from non-current investments	(107.76)	(101.98)
	Dividend from current investments	(5.04)	(23.31)
	Interest on Income tax refund	-	(6.38)
	Provision for doubtful trade receivables	59.14	9.70
	Provision for doubtful advances	6.25	-
	Provision for doubtful capital advances	7.86	-
	Provision for compensated absences	1.87	(15.03)
		31.72	**(51.46)**
	Operating profit before working capital changes	**(16.58)**	**1,118.57**
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	604.19	(317.09)
	Trade receivables	(230.10)	(308.96)
	Other financial assets	6.82	(2.83)
	Other current assets	455.61	73.98
	Long-term loans and advances	2.29	37.11
		838.81	**(517.79)**
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	(240.61)	(54.10)
	Other current liabilities	76.23	(48.83)
	Provisions	(115.89)	(6.00)
		(280.27)	**(108.93)**
	Cash flow from operations		
	Direct tax paid (net of refund)	(115.08)	(447.34)
	Net cash flow from operating activities	**426.88**	**44.51**
B	**Cash flow from investing activities:**		
	Purchase of fixed assets	(54.86)	(103.38)
	Proceeds from sale of fixed assets	0.53	1.82
	Purchase of non-current investments	-	(846.49)
	Purchase of current investment	(1,100.00)	-
	Redemption of current investment	1,100.00	-
	Purchase of intangible assets	(8.02)	(8.15)
	Dividend from non-current investments	107.76	101.98
	Dividend from current investments	5.04	23.31
	Interest received	11.93	12.38
	Net cash generated from/(used) in investing activities	**62.38**	**(818.53)**

Statement of Cash Flow for the year ended 31st March 2017 (Continue)

(All amounts are in Rs. Lakhs unless otherwise stated)

Particulars	**Year ended 31st March 2017 Amount**	**Year ended 31st March 2016 Amount**
C Cash flow from financing activities:	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**489.26**	**(774.02)**
Cash and cash equivalents at the commencement of the year, comprising :		
Cash on hand	1.54	0.33
Cheques in hand	-	35.91
Balances with banks	294.37	369.37
Balance of term deposits	10.42	273.68
	306.33	**679.29**
Add: Current investments considered as part of cash and cash equivalents	-	401.06
	306.33	**1,080.35**
Cash and cash equivalents at the end of the year, comprising :		
Cash on hand	0.52	1.54
Balances with banks in current accounts	794.91	294.37
Balance of term deposits	0.16	10.42
	795.59	306.33
Net increase/(decrease) in cash and cash equivalents	**489.26**	**(774.02)**

See accompanying notes to the standalone financial statements

In terms of our report attached

For J. K. Helene Curtis Limited

For A. F. Ferguson & Co.
Chartered Accountants

H. Sunder
Director
DIN: 00020583

Nabankur Gupta
Director
DIN:00020125

Rajesh K Hiranandani
Partner
(Membership No. 36920)
Place: Mumbai
Date: 4th June 2017

Vishal Jain
Chief Financial Officer

Place: Mumbai
Date: 27th April 2017

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

Statement of changes in equity

A Equity share capital

	Amount
As at 1st April 2015	98.00
Changes in equity	-
As at 31st March 2016	98.00
Changes in equity	-
As at 31st March 2017	98.00

B Other equity

		Reserves and surplus		**Other Comprehensive Income (OCI)**	**Total**
		General Reserves	**Retained Earnings**	**Equity instruments through OCI**	
	Balance as at 1st April 2015	**1,838.39**	**8,223.01**	**6,770.13**	**16,831.53**
	Profit for the year	-	799.09	-	799.09
	Other Comprehensive Income/(Loss) for the year, net of income tax, where applicable	-	24.03	(1,416.73)	(1,392.70)
	Total Comprehensive Income/(Loss) for the year	-	823.12	(1,416.73)	(593.61)
	Balance as at 31st March 2016	**1,838.39**	**9,046.13**	**5,353.40**	**16,237.92**
	Loss for the year	-	(49.80)	-	(49.80)
	Other Comprehensive Income for the year, net of income tax, where applicable	-	7.71	8,213.22	8,220.93
	Total Comprehensive Income/(Loss) for the year	-	(42.09)	8,213.22	8,171.13
	Balance as at 31st March 2017	**1,838.39**	**9,004.04**	**13,566.62**	**24,409.05**

See accompanying notes to the standalone financial statements

In terms of our report attached

For A. F. Ferguson & Co.
Chartered Accountants

Rajesh K Hiranandani
Partner
(Membership No. 36920)
Place: Mumbai
Date: 4th June 2017

For J. K. Helene Curtis Limited

H. Sunder
Director
DIN: 00020583

Nabankur Gupta
Director
DIN:00020125

Vishal Jain
Chief Financial Officer

Place: Mumbai
Date: 27th April 2017

Notes to the Standalone financial statements for the year ended 31st March 2017

1 General information

J.K. Helene Curtis Limited is a Company limited by shares, incorporated in India is a part of the Raymond Group in India and subsidiary of J.K.Investo Trade (India) Limited, with an experience of over 40 years in the Personal Grooming and Toiletries Industry. The varied portfolio of brands namely, Park Avenue, Premium, Monarch and Tru Tone span across the Personal Grooming and Home Care categories. The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

Basis for presentation and preparation of the standalone financials statement including the principal accounting policies are set out below.

2 Statement of significant accounting policies

2.1 Statement of compliance

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting standards) Rules, 2015. These financial statements for the year ended 31st March 2017 are the first financials with comparatives prepared under Ind AS.

Upto the year ended 31st March 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is 1st April 2015. Refer note 2.15 for the details of first time adoption exceptions/exemptions availed by the Company.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April 2015 being the date of transition to Ind AS.

2.2 Basis of preparation and presentation

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

ii) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

iii) Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Foreign currencies

The Company's financial statements are presented in INR, which is also Company's functional currency. In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for the customer returns, rebates and other similar allowances.

2.4.1 Sale of goods

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

i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

iii) the amount of revenue can be measured reliably;

iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and

v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4.2 Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate.

Interest on income-tax refunds are recognized on receipt basis.

2.5 Advertisement costs

Expenditure on advertisement and promotion is charged to revenue in the year in which it is incurred.

2.6 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating Lease

Payments made under operating leases are charged to the profit or loss over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase, such increases are recognised in the year in which such benefits accrue.

2.7 Retirement and other benefits to employees

2.7.1 Defined contribution plans:

i) Superannuation

The eligible employees of the Company are entitled to receive post employment benefits in respect of superannuation scheme in which the Company makes yearly contribution at 13% of employees' eligible salary. The contributions are made to Life Insurance Corporation of India (LIC) under Superannuation Scheme. Superannuation Scheme is classified as Defined Contribution Plan as the Company has no further obligations beyond making the contribution.

The Company's contributions to the Defined Contribution Plans are charged to the profit or loss as incurred.

ii) Provident and family pension fund

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to the Regional Provident Fund Commissioner. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Company has no further obligations beyond making the contribution.

2.7.2 Defined benefit plan

iii) Gratuity

The company has obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lumpsum payment to vested employees, at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days salary payable for each completed year of continuous service or part thereof in excess of 6 months on basis of last drawn eligible salary. Vesting occurs upon completion of 5 years of service. The company makes annual contribution to gratuity fund established as a trust for this purpose. The Company determines for gratuity benefit payable in future and the cost of providing benefits using the projected unit credit method on the basis of an independent actuarial valuation carried out at the year end. Remeasurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost;

- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

iv) Compensated absences

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment/availment. The liability is determined based on the number of days of unutilised leave at each balance sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses are recognised in profit or loss.

2.8 Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

2.8.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.8.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.8.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.9 Property, plant and equipment

All property, plant and equipment are stated at cost of acquisition, less accumulated depreciation and impairments, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipments recognised as of 1st April 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives. Depreciation is provided on a straight line basis over the estimated useful life as prescribed in Schedule II to the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation on additions/deletions during the year is provided from the month in which the asset is capitalized up to the month in which the asset is disposed off.

Estimated useful lives of the assets are as follows:

Class of asset	Useful life
Plant and machinery	15 years
Moulds	8 years
Office equipment	5 years
Furniture and fixtures	10 years
Electrical Equipment	10 years
Vehicles	8 years
Servers	6 years
Computers	3 years

Assets individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.10 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised on straight line basis over their estimated useful lives. The estimated useful life of software is 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Amortisation on additions/deletions during the year is provided from the month in which the asset is capitalised up to the month in which the asset is disposed off.

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

2.11 Inventories

Inventories are valued at lower of cost (weighted average basis) and net realizable value. Cost formulae used in determining cost is “Moving weighted average” basis. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

2.12 Provisions

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions (excluding retirement benefits) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.13 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from fair value of the financial assets and financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.13.1 Financial assets

2.13.1.1 i. Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and

- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

ii. Measurement

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

The Company subsequently measures all equity investments at fair value through other comprehensive income.

iii. Income Recognition

Dividends:

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.13.1.2 Impairment of financial assets/other financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For 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 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.13.2 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss.

2.14 Earning per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.15 First-time adoption - mandatory exceptions, optional exemptions

2.15.1 Overall principle

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

i) Deemed cost for property, plant and equipments and intangible assets

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

ii) Equity investments at FVTOCI

The Company has designated investment in equity shares of Raymond Limited as at FVTOCI on the basis of facts and circumstances that existed at the transition date.

3 Critical accounting judgements and key sources of estimation uncertainty

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Although the Company regularly assesses these estimates, actual results could differ materially from these estimates. Changes in estimates are recorded in the year in which they become known. Actual results may differ from the Management's estimates if these results differ from historical experience or other assumptions do not turn out to be substantially accurate, even if such assumptions were reasonable when made.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

3.1 Provision for replacement

Provision for replacement relates to expired goods which are likely to be returned against the sales made during the year. The estimate has been made on the basis of historical returned trends.

3.2 Net realisable value for inventory valuation

Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

3.3 Income tax

Significant judgement is required in determining the provision for income taxes. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. In calculating the tax expense for the current period and earlier years, the Company has disallowed certain expenditure pertaining to exempt income based on tax assessments. The matters are pending with tax authorities.

3.4 Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

3.5 Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

3.6 Measurement of defined benefit obligations

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis. The assumptions used in determining the net interest cost/(income) for defined benefit plans include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

3.7 Provision for secondary claims

Provision for secondary discount relates to schemes offered to trade partners which are yet to be reimbursed by the Company. The estimate has been made on the basis of schemes run during the said period.

3.8 Provision for financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets. The provision for financial assets depends on whether there has been a significant increase in credit risk.

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

4 Property, plant and equipment

Carrying amount of:	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Plant and equipment *	268.68	305.97	271.86
Office equipment	0.44	0.56	0.65
Furniture and fixtures	42.03	47.63	54.73
Electrical Equipment	16.04	16.88	19.79
Vehicles	2.52	1.60	13.69
Computers and Servers	61.27	47.79	54.86
Total	**390.98**	**420.43**	**415.58**

Particulars	Plant and equipment *	Office equipment	Furniture and fixtures	Electrical equipment	Vehicles	Computers and servers	Total
I. Gross carrying amount							
Balance as at 1st April 2016	353.03	0.65	54.73	19.79	11.26	77.07	516.53
Additions	9.66	-	0.06	1.71	-	35.72	47.15
Disposals	-	-	-	-	-	1.04	1.04
Balance as at 31st March 2017	**362.69**	**0.65**	**54.79**	**21.50**	**11.26**	**111.75**	**562.64**
II. Accumulated depreciation							
Balance as at 1st April 2016	47.06	0.09	7.10	2.91	9.66	29.28	96.10
Depreciation expense for the year	46.95	0.12	5.66	2.55	(0.92)	21.57	75.93
Eliminated on disposal of assets	-	-	-	-	-	0.37	0.37
Balance as at 31st March 2017	**94.01**	**0.21**	**12.76**	**5.46**	**8.74**	**50.48**	**171.66**
III. Net carrying amount (I-II)	**268.68**	**0.44**	**42.03**	**16.04**	**2.52**	**61.27**	**390.98**

Particulars	Plant and equipment *	Office equipment	Furniture and fixtures	Electrical equipment	Vehicles	Computers and servers	Total
I. Gross carrying amount							
Deemed cost as at 1st April 2015	271.86	0.65	54.73	19.79	13.69	54.86	415.58
Additions	81.17	-	-	-	-	22.21	103.38
Disposals	-	-	-	-	2.43	-	2.43
Balance as at 31st March 2016	**353.03**	**0.65**	**54.73**	**19.79**	**11.26**	**77.07**	**516.53**
II. Accumulated depreciation							
Depreciation expense for the year	47.06	0.09	7.10	2.91	10.08	29.28	96.52
Eliminated on disposal of assets	-	-	-	-	0.42	-	0.42
Balance as at 31st March 2016	**47.06**	**0.09**	**7.10**	**2.91**	**9.66**	**29.28**	**96.10**
III. Net carrying amount (I-II)	**305.97**	**0.56**	**47.63**	**16.88**	**1.60**	**47.79**	**420.43**

*Including moulds

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

5 Intangible assets

Particulars	Software
I. Gross carrying amount	
Balance as at 1st April 2016	8.15
Additions	8.02
Disposals	-
Balance as at 31st March 2017	**16.17**
II. Accumulated depreciation	
Balance as at 1st April 2016	1.21
Amortisation expense for the year	5.26
Eliminated on disposal of assets	-
Balance as at 31st March 2017	**6.47**
III. Net carrying amount (I-II)	**9.70**

Particulars	Software
I. Gross carrying amount	
Deemed cost as at 1st April 2015	-
Additions	8.15
Disposals	-
Balance as at 31st March 2016	**8.15**
II. Accumulated depreciation	
Balance as at 1st April 2015	-
Amortisation expense for the year	1.21
Eliminated on disposal of assets	-
Balance as at 31st March 2016	**1.21**
III. Net carrying amount (I-II)	**6.94**

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

6 Investments

		As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
		Quantity	**Amount**	**Quantity**	**Amount**	**Quantity**	**Amount**
6.1	**Non-current**						
A	**Investments in subsidiary (at cost)**						
	Investment in subsidiary - JKHC International FZE (Equity shares of Rs.10 each fully paid up)	7	178.43	7	178.43	7	178.43
	Total (A)		**178.43**		**178.43**		**178.43**
B	**Other Investments**						
	Investments in equity instruments at fair value through other comprehensive income						
	Quoted investments						
	Raymond Limited (Equity shares of Rs.10 each fully paid up)	3,592,050	22,761.02	3,592,050	14,547.80	3,399,208	15,118.03
	(Refer note 28)						
	Unquoted investments						
	Radha Krshna Films Limited (Equity shares of Rs.10 each fully paid up)	2,000,000	200.00	2,000,000	200.00	2,000,000	200.00
	Less: Provision for impairment in value of Investments *		(200.00)		(200.00)		(200.00)
	Bombay Mercantile Co-operative Bank Limited (Equity shares of Rs.10 each fully paid up)	500	0.05	500	0.05	500	0.05
	Total (B)		**22,761.07**		**14,547.85**		**15,118.08**
	Total non-current investments (A+B)		**22,939.50**		**14,726.28**		**15,296.51**

* The Company had invested in unquoted equity shares of Radha Krshna Films aggregating to Rs. 200 Lakhs. Since the net worth of the Radha Krshna Films has been eroded, the management has made provision for impairment in the value of investment. Further, the management has considered fair value of this investment to be 'Nil'.

6.2	**Current**						
	Unquoted investments						
	Investments in Mutual Funds at fair value through profit and loss	**-**	**-**	**-**	**-**	**39,645**	**401.06**
	Kotak Floater Short Term - Daily Dividend units of Rs. 1,000 each	**-**	**-**	**-**	**-**	**39,645**	**401.06**
	Total current investments	**-**	**-**	**-**	**-**	**39,645**	**401.06**
	TOTAL AGGREGATE AMOUNT OF QUOTED INVESTMENTS (AT COST) (A)		**9,194.40**		**9,194.40**		**8,347.90**
	TOTAL AGGREGATE AMOUNT OF UNQUOTED INVESTMENTS (AT COST) (B)		**378.48**		**378.48**		**779.54**
	TOTAL INVESTMENTS AT COST (A) + (B)		**9,572.88**		**9,572.88**		**9,127.44**
	Aggregate market value of quoted investments		**22,761.02**		**14,547.80**		**15,118.03**
	Aggregate amount of impairment in value of unquoted investments		**(200.00)**		**(200.00)**		**(200.00)**

Notes to the Standalone financial statements for the year ended 31st March 2017

(All amounts are in Rs. Lakhs unless otherwise stated)

7 Other financial assets

(Unsecured, considered good unless otherwise stated)

		As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
7.1	**Non-current**			
	Security deposits for rented premises	8.74	8.74	13.08
	Non-current total	8.74	8.74	13.08
7.2	**Current**			
	Interest receivable	3.65	2.24	0.23
	Earnest money deposits	7.02	7.06	7.06
	Advance to related party	-	8.35	7.52
	Security deposits for rented premises	17.42	17.26	12.92
	Current total	**28.09**	**34.91**	**27.73**

8 Other assets

(Unsecured, considered good unless otherwise stated)

		As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
8.1	**Non-current**			
	Capital advances			
	Considered good	3.32	13.43	19.22
	Considered doubtful	7.86	-	-
		11.18	13.43	19.22
	Less: Allowance for doubtful capital advances	(7.86)	-	-
		3.32	13.43	19.22
	Advance to supplier	-	-	0.50
	Prepaid expenses	-	0.02	10.01
	VAT receivable	-	-	20.82
	Total	**3.32**	**13.45**	**50.55**
8.2	**Current**			
	Advances to suppliers			
	Considered good	927.67	1,375.78	1,166.98
	Considered doubtful	6.25	-	-
		933.92	1,375.78	1,166.98
	Less: Allowance for doubtful advances	(6.25)	-	-
		927.67	1,375.78	1,166.98
	Prepaid expenses	2.65	13.94	13.72
	Excess contribution to gratuity fund	69.84	57.22	21.45
	Advances to staff	6.29	7.60	8.04
	Other advances	2.96	5.58	2.92
	Recoverable from employee [Refer footnote (i)]	-	-	284.25
	Total	**1,009.41**	**1,460.12**	**1,497.36**

Note:

(i) In the month of September 2015, the Management of the Company noticed a fraud on the Company based on the allegations from a whistle blower that select employees from the procurement team were indulging in irregularities, which included collusion with select vendors for personal gain in the nature of pay-offs. Accordingly, the Management conducted an investigation through an independent agency and inter-alia on the basis of the enquiries made and confessions by the alleged employees, an amount of Rs. 423.25 lakhs has been ascertained as recoverable from the alleged employees, relating to the financial years 2012-13, 2013-14 and 2014-15. Out of the said amount of Rs. 423.25 lakhs, an amount of Rs. 284.25 lakhs has been recovered in the subsequent period. This has been accounted as per Ind AS 8 “Accounting Policies, Changes in Accounting Estimates.

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

9 Inventories

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Traded goods	2,360.40	2,964.60	2,647.50
Total	**2,360.40**	**2,964.60**	**2,647.50**

Cost of inventory recognised as an expense during the year was Rs.15,793.90 Lakhs (for the year ended 31st March 2016: Rs.16,893.51 Lakhs).

Inventory write downs are accounted, considering the nature of inventory, ageing and net realisable value. Further cost of inventory recognised as an expense includes Rs. 243.62 Lakhs (during the year ended 31st March 2016 Rs.77.57 Lakhs) in respect of write down of inventories and has been reduced by Rs. 64.70 Lakhs (during the year ended 31st March 2016 Rs. 176.75 Lakhs) in respect of the reversal of such write-downs. Previous write downs have been reversed as a result of sales.

The mode of valuation of inventories has been stated in note 2.11

10 Trade receivables
(Unsecured, unless treated otherwise stated)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Current			
Considered good	1,439.91	1,268.95	969.70
Considered doubtful	70.27	11.13	7.81
	1,510.18	1,280.08	977.51
Less: Allowance (Expected credit loss) for bad and doubtful trade receivables	(70.27)	(11.13)	(7.81)
Total current	**1,439.91**	**1,268.95**	**969.70**

Credit period of customers is ranging from 60 to 90 days. No interest is charged on overdue trade receivables.

Concentration of credit risk: Of the trade receivables balance as at 31st March 2017 of Rs.676.64 Lakhs (as at 31st March 2016 of Rs.491.17 Lakhs; as at 1st April 2015 of Rs.344.60 Lakhs) is due from Canteen Stores Department; Rs.93.00 Lakhs (as at 31st March 2016 of Rs.55.88 Lakhs; as at 1st April 2015 of Rs.44.87 Lakhs) is due from Metro Cash & Carry India Private Limited; Rs.76.98 Lakhs (as at 31st March 2016 of Rs.87.33 Lakhs; as at 1st April 2015 of Rs.61.37 Lakhs) is due from Reliance Retail Limited and Rs.80.99 Lakhs (as at 31st March 2016 of Rs.22.98 Lakhs; as at 1st April 2015 of Rs.15.45 Lakhs) is due from Aditya Birla Retail Limited, the Company's largest customer. There are no other customers who represent more than 5% of the total balance of trade receivables.

The Company has computed the expected credit loss allowance for trade receivables based on the provision matrix which takes into account the past trends of doubtful receivables, write off and adjusted for forward looking information.

Refer note 28.5 for disclosures related to credit risk.

Ageing of provision (%) on gross trade receivables	As at 31st March 2017	As at 31st March 2016
Not due	-	-
0-3 months	-	-
3-6 months	-	-
6 months to 12 months	34.17%	2.25%
beyond 12 months	90.96%	47.62%

Ageing of trade receivables	As at 31st March 2017	As at 31st March 2016
Not due	829.23	383.38
0-3 months	433.20	759.37
3-6 months	148.26	77.24
6 months to 12 months	35.63	38.53
beyond 12 months	63.86	21.56
Total	**1,510.18**	**1,280.08**

(All amounts are in Rs. Lakhs unless otherwise stated)

The movement in allowance (Expected credit loss) for bad and doubtful trade receivables is as follows:

	Year ended 31st March 2017	Year ended 31st March 2016
Balance as at beginning of the year	11.13	7.81
Allowance during the year (Net)	59.14	9.70
Allowance utilised during the year	-	6.38
Balance as at the end of the year	**70.27**	**11.13**

11 Cash and cash equivalents

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Cash on hand	0.52	1.54	0.33
Cheques on hand	-	-	35.91
Balances with Banks			
In current accounts	794.91	294.37	369.37
Term deposits	0.16	10.42	273.68
Total	**795.59**	**306.33**	**679.29**

12 Deferred tax assets (net)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Deferred tax assets	532.07	533.07	537.45
Deferred tax liabilities	(34.91)	(36.21)	(123.11)
Total	**497.16**	**496.86**	**414.34**

	Opening balance	Recognised in profit or loss	Recognised in Equity	Closing balance
Year ended 31st March 2017				
Deferred tax assets in relation to:				
- Provision for bonus	9.09	(1.57)	-	7.52
- Provision for leave encashment	15.06	0.86	-	15.92
- Provision for doubtful trade receivables	3.78	17.93	-	21.71
- Provision for doubtful advances	-	4.36	-	4.36
- Provision for replacement	505.14	(22.58)	-	482.56
Total deferred tax assets	533.07	(1.00)	-	532.07
Deferred tax liabilities in relation to:				
- Tangible and intangible assets	(36.21)	1.30	-	(34.91)
	(36.21)	1.30	-	(34.91)
Net assets/(liabilities)	**496.86**	**0.30**	**-**	**497.16**

Year ended 31st March 2016				
Deferred tax assets in relation to:				
- Provision for bonus	11.47	(2.38)	-	9.09
- Provision for leave encashment	20.17	(5.11)	-	15.06
- Provision for doubtful trade receivables	2.61	1.17	-	3.78
- Provision for replacement	503.20	1.94	-	505.14
Total deferred tax assets	537.45	(4.38)	-	533.07
Deferred tax liabilities in relation to:				
- Tangible and intangible assets	(26.48)	(9.73)	-	(36.21)
- Others	(96.63)	96.63	-	-
	(123.11)	86.90	-	(36.21)
Net assets/(liabilities)	**414.34**	**82.52**	**-**	**496.86**

For the FY 2016-17 there are no amounts of deductible temporary differences, unused tax losses or unused tax credits for which no deferred tax asset is recognised in the balance sheet.

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

13.1 Equity Share capital

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Authorised			
1,000,000 equity shares of Rs.10 each	100.00	100.00	100.00
(As at 31.03.16:1,000,000; As at 01.04.15:1,000,000)			
Issued, subscribed and fully paid up			
980,000 equity shares of Rs.10 each	98.00	98.00	98.00
(As at 31.03.16:980,000; As at 01.04.15:980,000)			
	98.00	**98.00**	**98.00**

(a) The entire equity shares are held by J. K. Investo Trade (India) Limited, the holding company, and its nominees. The Company has only one class of shares, namely, equity shares.

(b) Terms/rights and restrictions attached to equity shares:

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

13.2 Other Equity

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
General reserves	1,838.39	1,838.39	1,838.39
Reserve for equity instrument through other comprehensive income	13,566.62	5,353.40	6,770.13
Retained earnings	9,004.04	9,046.13	8,223.01
	24,409.05	**16,237.92**	**16,831.53**

13.2.1 General reserves

	As at 31st March 2017	As at 31st March 2016
Balance at beginning of year	1,838.39	1,838.39
Movements	-	-
Balance at end of year	**1,838.39**	**1,838.39**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit or loss.

13.2.2 Reserve for equity instrument through other comprehensive income

	As at 31st March 2017	As at 31st March 2016
Balance at beginning of year	5,353.40	6,770.13
Fair value gain/(loss) on investment in equity instrument designated at fair value through other comprehensive income	8,213.22	(1,416.73)
Balance at end of year	**13,566.62**	**5,353.40**

This reserve represents the cumulative gains/losses arising on the revaluation of equity instrument measured at fair value through other comprehensive income.

13.2.3 Retained earnings

	As at 31st March 2017	As at 31st March 2016
Balance at beginning of year	9,046.13	8,223.01
Profit/(Loss) for the year	(49.80)	799.09
Add: Remeasurement of defined benefit obligations, net of tax	7.71	24.03
	(42.09)	823.12
Balance at end of year	**9,004.04**	**9,046.13**

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

14 Provisions

		As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
14.1	**Non-current**			
	- Compensated absences	35.52	33.28	44.64
	- Provision for replacement [Refer footnote (ii)]	752.38	804.14	830.28
	Total	**787.90**	**837.42**	**874.92**

14.2	**Current**			
	- Compensated absences	10.68	11.05	14.71
	- Provision for secondary discount [Refer footnote (i)]	107.94	150.76	157.30
	- Provision for replacement [Refer footnote (ii)]	655.54	676.85	650.17
	Total	**774.16**	**838.66**	**822.18**

Notes:

(i)

The movement in provision for secondary discount	Year ended 31st March 2017	Year ended 31st March 2016
Balance as at beginning of the year	150.76	157.30
Add: Provision for the year	1,402.74	1,015.23
Less: Utilisation for the year	(1,445.56)	(1,021.77)
Balance as at the end of the year	**107.94**	**150.76**

Provision for secondary discount relates to schemes offered to trade partners which are yet to be reimbursed by the Company. The estimate has been made on the basis of schemes run during the said period.

(ii)

The movement in provision for replacement	Year ended 31st March 2017	Year ended 31st March 2016
Balance as at beginning of the year	1,480.99	1,480.45
Add: Provision for the year	777.17	830.64
Less: Utilisation for the year	(850.24)	(830.10)
Balance as at the end of the year	**1,407.92**	**1,480.99**

Provision for replacement relates to expired or damaged goods which are likely to be returned against the sales. The estimate has been made on the basis of historical trend of returns.

15 Trade payables

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Trade payables to:			
Micro and small enterprises	1,996.83	2,014.80	1,968.83
Other than micro and small enterprises	1,163.29	1,385.93	1,486.00
Total	**3,160.12**	**3,400.73**	**3,454.83**

(i) Dues to micro and small enterprises

The disclosure in respect of Micro and Small Enterprises to whom the Company owes dues as at the year end takes into account only those creditors who have responded to the enquiries made by the Company for the purpose of determining its creditors who are micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. There is no delay in making payments to Micro and Small Enterprises beyond the appointed day. The foregoing representation has been relied upon by the auditors.

(ii) The average credit period on purchases of goods is 50 days.

16 Other financial liabilities

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Current			
Deposits from dealers, agents, etc.	71.00	71.00	71.00
Total	**71.00**	**71.00**	**71.00**

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

17 Other liabilities

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Current			
Advance from customers	186.46	132.17	107.98
Cash discount	14.53	30.80	-
Statutory dues	178.13	139.92	243.73
Total	**379.12**	**302.89**	**351.71**

18 Tax assets and liabilities

		As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
18.1	**Non-current tax assets**			
	Income tax paid net of provision there against	199.85	90.02	103.10
	Total	**199.85**	**90.02**	**103.10**
18.2	**Current tax liabilities**			
	Income tax provision net of advance tax there against	11.01	11.01	11.63
	Total	**11.01**	**11.01**	**11.63**

19 Revenue from Operations

	Year ended 31st March 2017	Year ended 31st March 2016
Sale of products	26,946.74	28,621.51
Total	**26,946.74**	**28,621.51**

20 Other income

		Year ended 31st March 2017	Year ended 31st March 2016
(a)	**Interest income**		
	Interest on deposits with bank	10.53	10.37
	Interest on loans and advances	1.40	2.01
	Interest on income tax refund	-	6.38
		11.93	18.76
(b)	**Dividend income**		
	Dividend from equity investments	107.76	101.98
	Dividend from investments in mutual funds	5.04	23.31
		112.80	125.29
(c)	**Others**	21.44	30.77
		146.17	**174.82**

21 Changes in inventories of traded goods

	Year ended 31st March 2017	Year ended 31st March 2016
Opening inventories	2,964.60	2,647.50
Closing inventories	2,360.40	2,964.60
Changes in inventory of traded goods	**604.20**	**(317.10)**

22 Employee benefits expense

	Year ended 31st March 2017	Year ended 31st March 2016
Salaries	1,658.16	1,713.55
Contribution to provident and other funds (Refer note 27.1)	84.89	77.71
Staff welfare expenses	8.29	7.96
Total	**1,751.34**	**1,799.22**

Notes to the Standalone financial statements for the year ended 31st March 2017

(All amounts are in Rs. Lakhs unless otherwise stated)

23 Depreciation and amortisation expense

	Year ended 31st March 2017	Year ended 31st March 2016
Depreciation of property, plant and equipment (Refer note 4)	75.93	96.52
Amortisation of intangible assets (Refer note 5)	5.26	1.21
Total	**81.19**	**97.73**

24 Other expenses

	Year ended 31st March 2017	Year ended 31st March 2016
Rent	139.66	141.50
Insurance	41.16	31.89
Repairs and maintenance others	64.86	48.13
Rates and taxes	285.31	391.89
Commission to selling agents	585.34	476.96
Freight, clearing and forwarding charges, octroi, etc	1,137.43	1,101.52
Legal and professional expenses	357.31	333.20
Travelling and conveyance	400.12	456.83
Communication charges	58.36	59.34
Printing and stationary expenses	20.93	16.32
Electricity expenses	40.04	39.90
Sales conference expenses	40.83	50.08
Director fees	12.00	11.00
Commission to non executive directors (Including service tax)	-	41.00
Provision for doubtful trade receivables	59.14	9.70
Provision for doubtful advances	6.25	-
Provision for doubtful capital advances	7.86	-
Listing fees	34.85	10.99
Expenditure on corporate social responsibility	43.93	-
Miscellaneous expenses	315.42	223.81
Total	**3,650.80**	**3,444.06**

Included in the legal and professional expenses are the below:

	Year ended 31st March 2017	Year ended 31st March 2016
Payment to auditors:		
a) For audit	14.50	11.45
b) For other services	8.75	3.25
c) For reimbursement of expenses	0.52	0.82
	23.77	**15.52**

25 Income taxes

25.1 Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before tax:

	Year ended 31st March 2017	Year ended 31st March 2016
Profit/(Loss) before tax	(48.30)	1,170.03
Enacted income tax rate applicable to the Company:	30.90%	34.61%
Income tax expenses calculated at enacted tax rate i.e. 30.90% (for the year ended 31st March 2016: 34.61%)	(14.92)	404.92
Differences due to:		
Effect of income that is exempt from taxation	(34.86)	(43.42)
Effect of expenses that are not deductible in determining taxable profits	52.17	9.81
Effect of deferred tax balance due to the change in income tax rate 30.90% (As at 31st March 2016: 34.61%; as at 1st April 2015: 33.99%)	(0.89)	(0.37)
Income tax expenses recognised in statement of profit and loss	**1.50**	**370.94**

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

25.2 Income tax recognised in other comprehensive income

	Year ended 31st March 2017	Year ended 31st March 2016
Remeasurement of defined benefit plans	11.15	36.74
Income tax expenses recognised in statement of other comprehensive income as remeasurement of defined benefit plans	**(3.44)**	**(12.71)**

The tax rates used for the year 2016-17 and 2015-16 for reconciliation above are the corporate tax rates of 30.90% and 34.61% respectively payable by corporate entities in India on taxable profits under the Indian tax law.

26 Earnings per equity share

	Year ended 31st March 2017	Year ended 31st March 2016
Profit/(Loss) for the year (Rs. in lakhs)	(49.80)	799.09
"Weighted average number of equity shares outstanding during the year	980,000	980,000
Earnings per equity share (in Rs.) (nominal value of equity share Rs. 10 per share)	**(5.08)**	**81.54**

27 Employee benefits

27.1 Defined Contribution Plan

The Company's contribution to Provident Fund, Family Pension Fund, Employees State Insurance Corporation, Labour Welfare Fund and Superannuation Fund aggregating FY 2016-17 is Rs.84.89 Lakhs (FY 2015-16 is Rs. 77.71 Lakhs) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

27.2 Defined Benefit Plan

The Company sponsors funded defined benefit plan for qualifying employees. The defined benefit plan is administered by a separate fund i.e. legally separated from the entity.

Under the plan, the employees are entitled to post-retirement lump sum gratuity payment amounting to 4.81% of final salary for each year of service until the retirement age of 60 years.

The Company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees.

The scheme provides for lump sum payment to vested employees at retirement or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months.

The ceiling limit for gratuity payment is restricted to Rs. 1,000,000. Vesting occurs upon completion of five years of service.

27.2.1 This plan typically scposes the company to actuarial susits such as:

i)	Investment risk	Investments is done by the Company through trust which in turn invests with Life Insurance Corporation of India (LIC).
ii)	Interest risk	As per rate declared by LIC interest is received on yearly basis. Any change in the interest rate will change the plan liability. The interest rate considered is 7.57%.
iii)	Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such increase in the salary of the plan participants will increase the plan's liability.
iv)	Longevity risk	The present value of the defined benefit plan liability is calculated by reference to rates given under Indian Assured Lives Mortality (2006-08) Ultimate of plan participants both during and after their employment. An increase/decrease in the life expectancy of the plan participants will increase/decrease the plan's liability.

(All amounts are in Rs. Lakhs unless otherwise stated)

27.2.2 The principle assumptions used for the purpose of actuarial valuation were as follows:

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Financial Assumptions			
Discount rate	7.57%	8.05%	7.80%
Salary Escalation Rate	7.50%	7.50%	7.50%
Expected Return on Plan Assets	7.57%	8.05%	7.80%
Demographic Assumptions			
Average longevity	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition Rate			
For ages 45 years and below	2.00% p.a.	2.00% p.a.	2.00% p.a.
For ages 46 years and above	1.00% p.a.	1.00% p.a.	1.00% p.a.

27.2.3 Amounts recognised in statement of profit and loss including other comprehensive income in respect of the defined benefit plan are as follows:

	Year ended 31st March 2017	Year ended 31st March 2016
Current service cost	16.22	17.16
Net interest expense/Income	(4.61)	(1.67)
Components of defined benefit cost recognised in profit and loss	**11.61**	**15.49**
Return on plan assets	1.91	(1.22)
Actuarial (gains)/losses arising from changes in financial assumptions	3.98	(2.14)
Actuarial (gains)/losses arising from experience adjustments	(17.04)	(33.38)
Components of defined benefit cost recognised in Other Comprehensive Income	(11.15)	(36.74)
Total	**0.46**	**(21.25)**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the standalone statement of profit and loss. (Refer Note 22)

The remeasurement of the net defined benefit liability is included in other comprehensive income.

27.2.4 The amount included in balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Present value of funded defined benefit obligation	(62.81)	(67.31)	(92.94)
Fair value of plan assets	132.65	124.53	114.39
Plan asset net of defined benefit obligation	**69.84**	**57.22**	**21.45**

27.2.5 Movements in the present value of the defined benefit obligation and fair value of plan assets are as follows:

	Year ended 31st March 2017			Year ended 31st March 2016		
	Plan Assets	Plan liabilities	Net Assets/ (Liabilities)	Plan Assets	Plan liabilities	Net Assets/ (Liabilities)
Opening defined benefit obligation and fair value of plan assets	124.53	67.31	57.22	114.39	92.94	21.45
Current service cost	-	16.22	(16.22)	-	17.16	(17.16)
Return on plan assets	(1.91)	-	(1.91)	1.22	-	1.22
Interest cost	-	5.42	(5.42)	-	7.25	(7.25)
Interest income	10.03	-	10.03	8.92	-	8.92
Actuarial (gain)/loss arising from changes in financial assumptions	-	3.98	(3.98)	-	(2.14)	2.14
Actuarial (gain)/loss arising from experience adjustments	-	(17.04)	17.04	-	(33.38)	33.38
Employer contributions	-	-	-	14.52	-	14.52
Benefit payments	-	(13.08)	13.08	(14.52)	(14.52)	-
Closing defined benefit obligation and fair value of plan assets	**132.65**	**62.81**	**69.84**	**124.53**	**67.31**	**57.22**

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

Category of plan assets

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Insurance Fund	132.65	124.53	114.39
Total	**132.65**	**124.53**	**114.39**

The actual return on plan assets was Rs. 8.12 Lakhs (For the year ended 31st March 2016 was Rs. 10.14 Lakhs).

27.2.6 Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Change in assumption %	Increase in assumption	Decrease in assumption
Discount Rate	1%	(7.91)	9.55
Salary Escalation Rate	1%	9.46	(7.98)
Employee Turnover	1%	(0.51)	0.51

The sensitivity analysis presented above may not be representative of the actual change and the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the same the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

27.2.7 The defined benefit obligations shall mature after year end 31st March 2017 as follows:

Year ending 31 March	Defined benefit obligation
2018	1.43
2019	0.97
2020	1.12
2021	1.25
2022	3.43
Thereafter upto 2028	17.31

28 Financial instruments

28.1 Categories of financial instruments

Particulars	As at 31st March 2017				As at 31st March 2016				As at 1st April 2015			
	Amortised Cost	FVOCI	FVPL	Total	Amortised Cost	FVOCI	FVPL	Total	Amortised Cost	FVOCI	FVPL	Total
Non-current assets												
Investments *												
Equity shares (Raymond Ltd)	-	22,761.02	-	22,761.02	-	14,547.80	-	14,547.80	-	15,118.03	-	15,118.03
Equity shares (Others)	-	0.05	-	0.05	-	0.05	-	0.05	-	0.05	-	0.05
Others financial assets												
Security deposits for rented premises	8.74	-	-	8.74	8.74	-	-	8.74	13.08	-	-	13.08

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

Particulars	As at 31st March 2017				As at 31st March 2016				As at 1st April 2015			
	Amortised Cost	FVOCI	FVPL	Total	Amortised Cost	FVOCI	FVPL	Total	Amortised Cost	FVOCI	FVPL	Total
Current assets												
Investment in Mutual Funds	-	-	-	-	-	-	-	-	-	-	401.06	401.06
Trade receivables	1,439.91	-	-	1,439.91	1,268.95	-	-	1,268.95	969.70	-	-	969.70
Cash and cash equivalents	795.59	-	-	795.59	306.33	-	-	306.33	679.29	-	-	679.29
Others current financial asset												
Interest receivable	3.65	-	-	3.65	2.24	-	-	2.24	0.23	-	-	0.23
Earnest money deposits	7.02	-	-	7.02	7.06	-	-	7.06	7.06	-	-	7.06
Advance to related party	-	-	-	-	8.35	-	-	8.35	7.52	-	-	7.52
Security deposits for rented premises	17.42	-	-	17.42	17.26	-	-	17.26	12.92	-	-	12.92
Current liabilities												
Trade payables	3,160.12	-	-	3,160.12	3,400.73	-	-	3,400.73	3,454.83	-	-	3,454.83
Other financial liabilities												
Deposits from dealers, agents, etc.	71.00	-	-	71.00	71.00	-	-	71.00	71.00	-	-	71.00

* Excluding investment aggregating Rs.178.43 Lakhs in a subsidiary measured at cost.

28.2 Financial risk management framework

The Company financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board. The details of different types of risk and management policy to address these risks are listed below:

28.3 Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits.

28.4 Other price risk

The Company is not exposed to any other price risks.

28.5 Credit risk

28.5.1 Credit risk management

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the company. Based on management assessment the company categorises an advance or receivable for write off when a debtor fails to make contractual payments. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

28.6 Liquidity risk

28.6.1 Liquidity risk management

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time, or at a reasonable price. The processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

28.6.2 Maturity patterns of other Financial Liabilities as at 31st March 2017

Particulars	0-3 months	3-6 months	6-12 months	beyond 12 months	Total
Trade payable	3,130.77	-	20.84	-	3,151.61
Payable related to capital goods	8.51	-	-	-	8.51
Other Financial liabilities (Current and Non Current)	71.00	-	-	-	71.00
Total	**3,210.28**	**-**	**20.84**	**-**	**3,231.12**

28.7 Capital management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

28.8 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

28.8.1 Fair value of financial assets and liabilities that are measured at fair value - recurring item

Financial assets/ financial liabilities measured at Fair value	Fair value as at			Fair value hierarchy	Valuation technique(s) and key input(s)
	31st March 2017	31st March 2016	1st April 2015		
Financial assets					
Investment in equity instruments at FVTOCI (quoted) (Refer note 6)*	22,761.02	14,547.80	15,118.03	Level 1	Quoted bid prices in an active market
Investment in Mutual Funds at FVTPL (Refer note 6)	-	-	401.06	Level 1	Net asset value in an active market

* Listed equity securities in Raymond Limited domiciled in India.

28.8.2 Fair value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)

The management consider that the carrying amounts of financial assets and financial liabilities recognised in the standalone financial statement approximate their fair values.

The carrying amounts of trade receivables, current investment, earnest money deposit, interest receivable, advance to related party, cash and cash equivalents, trade payables and deposit from dealers are considered to be the same as their fair values, due to their short-term nature.

The difference between the fair values and carrying amount for security deposits is insignificant and hence the carrying value approximates the fair value of such balances.

29 Related parties disclosures

(1) Related party and relationship

(a) Holding company

J. K. Investo Trade (India) Limited

(b) Enterprises which can exercise significant influence, directly or indirectly, and with whom there are transactions.

(i) Raymond Limited

(ii) Raymond Apparel Limited [subsidiary of (b)(i)]

(iii) J.K. Ansell Limited [subsidiary of (a)]

(c) Wholly owned subsidiary

JKHC International FZE

(d) Key management personnel

The authority and responsibility for planning, directing and controlling the activities of the Company is collectively managed by the Board of Directors.

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

(2) Transactions carried out with the related parties in (1) above, in ordinary course of business:

Particulars	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st March 2015
Sales of goods			
Raymond Limited	348.14	159.97	141.99
Raymond Apparel Limited	137.30	135.41	105.05
- J.K.Ansell Limited	-	-	0.52
Expenses			
- Raymond Limited			
- Royalty paid	0.34	5.90	6.27
- Rent and other service charges paid	136.64	137.75	176.12
- Purchase of merchandise	-	2.39	20.43
- Raymond Apparel Limited			
- Purchase of merchandise	33.64	79.89	46.81
- JKHC international FZE			
- Expenses paid on behalf of the subsidiary	-	-	0.05
Directors' fees	12.00	11.00	8.00
Commission to non-executive directors	-	41.00	8.00
Outstanding			
Payables			
- Raymond Limited	68.21	13.25	14.65
- Raymond Apparel Limited	7.28	-	-
- Directors	-	41.00	8.00
Receivables			
- Raymond Limited	25.78	26.86	10.07
- Raymond Apparel Limited	16.38	-	-
- JKHC international FZE	-	8.35	7.52

30 Commitments

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for	11.03	7.57	15.58

31 Contingent liabilities (to the extent not provided for)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Contingent Liabilities			
(a) Income tax matters disputed and under appeal including TDS demand on account of mismatch	63.10	17.45	17.95
(b) Excise demands where the Company is in appeal and has obtained stay orders from the appellate authorities	437.83	437.83	47.35
(c) Other money for which the Company is contingently liable	186.25	50.91	50.91

The Company has received an inquiry letter from a large institution dated 18th April 2017, requesting the Company to comment on the letter sent to them by an Non Governmental Organisation (NGO) relating to sourcing benefits (pertaining to goods supplied by the Company) not passed to the large institution. The Company is in the process of responding to this letter.

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

32 Specified bank notes (Amount in Rupees)

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	151,000.00	110,751.24	261,751.24
(+) Permitted receipts	-	453,893.00	453,893.00
(-) Permitted payments	122,000.00	360,889.00	482,889.00
(-) Amount deposited in banks	29,000.00	305.00	29,305.00
Closing cash in hand as on 30.12.2016	**-**	**203,450.24**	**203,450.24**

33 First Time Ind AS Adoption reconciliations

33.1 Effect of Ind AS adoption on the standalone balance sheet as at 31st March 2016 and 1st April 2015

Particulars	As at 31st March 2016 (End of the last period presented under previous GAAP)			As at 1st April 2015 (Date of transition)		
	Previous GAAP	**Effect of transition to Ind AS**	**As per Ind AS Balance sheet**	**Previous GAAP**	**Effect of transition to Ind AS**	**As per Ind AS Balance sheet**
ASSETS						
Non-current assets						
(a) Property, plant and equipment	420.43	-	420.43	415.58	-	415.58
(b) Intangible assets	6.94	-	6.94	-	-	-
(c) Financial assets						
(i) Non-current investments	9,194.45	5,353.40	14,547.85	8,347.95	6,770.13	15,118.08
(ii) Investment in a subsidiary	178.43	-	178.43	178.43	-	178.43
(iii) Others financial assets	8.74	-	8.74	13.08	-	13.08
(d) Deferred tax assets (Net)	-	496.86	496.86	7.76	406.58	414.34
(e) Non-current tax assets (Net)	90.02	-	90.02	103.10	-	103.10
(f) Other non-current assets	13.45	-	13.45	50.55	-	50.55
Total non-current assets	**9,912.46**	**5,850.26**	**15,762.72**	**9,116.45**	**7,176.71**	**16,293.16**
Current assets						
(a) Inventories	2,964.60	-	2,964.60	2,647.50	-	2,647.50
(b) Financial assets						
(i) Current investments	-	-	-	401.06	-	401.06
(ii) Trade receivables	1,268.95	-	1,268.95	969.70	-	969.70
(iii) Cash and cash equivalents	306.33	-	306.33	679.29	-	679.29
(iv) Others financial asset	34.91	-	34.91	27.73	-	27.73
(c) Other current assets	1,460.12	-	1,460.12	1,213.10	284.26	1,497.36
Total current assets	**6,034.91**	**-**	**6,034.91**	**5,938.38**	**284.26**	**6,222.64**
TOTAL ASSETS	**15,947.37**	**5,850.26**	**21,797.63**	**15,054.83**	**7,460.97**	**22,515.80**

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

Particulars	As at 31st March 2016 (End of the last period presented under previous GAAP)			As at 1st April 2015 (Date of transition)		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance sheet
EQUITY AND LIABILITIES						
Equity						
(a) Equity share capital	98.00	-	98.00	98.00	-	98.00
(b) Other equity	11,860.37	4,377.55	16,237.92	10,851.01	5,980.52	16,831.53
Total equity	11,958.37	4,377.55	16,335.92	10,949.01	5,980.52	16,929.53
Non-current liabilities						
(a) Provisions	33.28	804.14	837.42	44.64	830.28	874.92
(b) Deferred tax liabilities (Net)	8.28	(8.28)	-	-	-	-
Total non-current liabilities	**41.56**	**795.86**	**837.42**	**44.64**	**830.28**	**874.92**
Current liabilities						
(a) Financial liabilities						
(i) Trade payables	3,400.73	-	3,400.73	3,454.83	-	3,454.83
(ii) Other financial liabilities	71.00	-	71.00	71.00	-	71.00
(b) Provisions	161.81	676.85	838.66	172.01	650.17	822.18
(c) Current tax liabilities (Net)	11.01	-	11.01	11.63	-	11.63
(d) Other current liabilities	302.89	-	302.89	351.71	-	351.71
Total current liabilities	**3,947.44**	**676.85**	**4,624.29**	**4,061.18**	**650.17**	**4,711.35**
TOTAL LIABILITIES	**15,947.37**	**5,850.26**	**21,797.63**	**15,054.83**	**7,460.97**	**22,515.80**

33.2 Effect of Ind AS adoption on the standalone statement of profit and loss for the year ended 31st March 2016

		For the year ended 31st March 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Statement of Profit or Loss
I	**Revenue from operations**	28,802.92	(181.41)	28,621.51
II	**Other income**	459.08	(284.26)	174.82
III	**Total income (I + II)**	**29,262.00**	**(465.67)**	**28,796.33**
IV	Expenses			
	Purchases of stock-in-trade	17,210.61	-	17,210.61
	Changes in inventories of traded goods	(317.10)	-	(317.10)
	Employee benefits expense	1,762.48	36.74	1,799.22
	Depreciation and amortization expenses	97.73	-	97.73
	Advertisement and sales promotion	5,391.78	-	5,391.78
	Other expenses	3,624.93	(180.87)	3,444.06
	Total expenses (IV)	**27,770.43**	**(144.13)**	**27,626.30**
V	**Profit before tax**	1,491.57	(321.54)	1,170.03
VI	**Tax expense**			
	Current tax	466.17	(12.71)	453.46
	Deferred tax charge/(credit)	16.04	(98.55)	(82.52)
		482.21	(111.27)	370.94
VII	**Profit for the year**	**1,009.36**	**(210.27)**	**799.09**

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

		For the year ended 31st March 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Statement of Profit or Loss
VIII	**Other Comprehensive Loss**			
	Items that will not be reclassified to profit or loss			
	(a) Remeasurement of defined benefit plans	-	36.74	36.74
	(b) Equity instruments through other comprehensive income	-	(1,416.73)	(1,416.73)
		-	(1,379.99)	(1,379.99)
	Income tax relating to item (VIII) (a) above	-	(12.71)	(12.71)
	Other Comprehensive Loss for the year	-	(1,367.28)	(1,392.70)
IX	**Total Comprehensive Income/(Loss) for the year (VII +VIII)**	**1,009.36**	**(1,602.97)**	**(593.61)**

33.3 First Time Ind AS Adoption reconciliations

33.3.1 Reconciliation of Total Equity as at 31st March 2016 and 1st April 2015:

	As at 31st March 2016	As at 1st April 2015
Total equity (shareholders' funds) under previous GAAP	**11,958.37**	**10,949.01**
Ind AS: Adjustments increase/(decrease):		
(a) Gain on fair valuation of investment in equity instrument designated at FVTOCI [Refer note 33.4 (c)]	5,353.40	6,770.13
(b) Provision for replacement [Refer note 33.4 (d)]	(1,480.99)	(1,480.45)
(c) Adjustment on account of prior period item [Refer footnote to note 8 and note 33.4 (e)]	-	284.26
(d) Deferred tax asset on above Ind AS adjustments in item (b) and (c)	505.14	406.58
Total increase due to Ind AS Adjustments	**4,377.55**	**5,980.52**
Equity as reported under Ind AS	**16,335.92**	**16,929.53**

33.3.2 Reconciliation of Total Comprehensive Income for the year ended 31st March 2016:

	Year Ended 31st March 2016
Profit/ (Loss) as per previous GAAP	**1,009.36**
Ind AS: Adjustment (increase)/decrease:	
(a) Provision for replacement [Refer note 33.4 (d)]	(0.53)
(b) Adjustment on account of prior period item [Refer footnote to note 8 and note 33.4 (e)]	(284.26)
(c) Tax on account on above prior period item	98.55
(d) Remeasurment of defined benefit plan transferred to Other Comprehensive Income [Refer note 33.4 (b)]	(36.74)
(e) Tax relating to remeasurment of defined benefit plan [Refer note 33.4 (b)]	12.71
Total adjustment in profit or loss	**(210.27)**
Profit under Ind AS	**799.09**
Other Comprehensive Income/(Loss)	
(a) Equity instruments through Other Comprehensive Income	(1,416.73)
(b) Remeasurment of defined benefit plan transferred to Other Comprehensive Income [Refer note 33.4 (b)]	36.74
(c) Tax relating to remeasurment of defined benefit plan [Refer note 33.4 (b)]	(12.71)
Total Comprehensive Loss under Ind AS	**(593.61)**

33.4 The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March 2016 as compared with the previous GAAP.

Notes to the Standalone financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

Notes explaining 'Effect of transition to Ind AS':

(a) Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains, or losses are required to be presented in other comprehensive income.

(b) Under previous GAAP, actuarial gain and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of profit or loss. The actuarial gains for the year ended 31st March 2016 were Rs. 36.74 Lakhs and the tax effect thereon Rs.12.71 Lakhs. The change does not affect total equity, but there is decrease in profit before tax of Rs.36.74 Lakhs and in total profit of Rs.24.03 Lakhs for the year ended 31st March 2016.

(c) Under previous GAAP, long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, these financial assets have been classified as FVTOCI. On the date of transition to Ind AS, these financial assets have been measured at their fair value which is higher than cost as per previous GAAP, resulting in an increase in carrying amount by Rs. 5,353.40 Lakhs as at 31st March 2016 and by Rs. 6,770.13 Lakhs as at 1st April 2015. The effect of these changes is an increase in total equity as at 31st March 2016 of Rs.5,353.40 Lakhs (Rs. 6,770.13 Lakhs as at 1st April 2015). These changes do not affect profit before tax or total profit for the year ended 31st March 2016 and 1st April 2015 because the investments have been classified as FVTOCI.

(d) Under previous GAAP, replacement on revenue were booked on actual basis. Under Ind AS, replacement on revenue have been made at a rate derived based on trend analysis on gross revenue. On the date of transition to Ind AS, balance of such provision was Rs. 1,480.45 Lakhs and the deferred tax asset on such provision was Rs.503.20 Lakhs. The effect of these change is decrease in total equity as at 31st March 2016 of Rs. 977.60 Lakhs (Rs.977.25 Lakhs as on 1st April 2015). These changes result in decraese in profit after tax for the year ended 31st March 2016 by Rs. 0.35 Lakhs.

(e) Miscellaneous income for the year ended 31st March 2016 of Rs. 284.26 Lakhs on recovery of fraud in earlier years has been moved to year in which fraud took place i.e., year ended 31st March 2016 and tax impact on the same has been recorded in deferred tax of respective years.

(f) Retained earnings as at 1st April 2015 has been adjusted consequent to the above Ind AS transition adjustments.

34 Approval of financial statements

The financial statements were approved for issue by the Board of directors on 27th April 2017.

For J.K.Helene Curtis Limited

H. Sunder	**Nabankur Gupta**
Director	Director
DIN:00020583	DIN:00020125

Vishal Jain
Chief Financial Officer

Place: Mumbai
Date: 27th April 2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF J. K. HELENE CURTIS LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of J. K. Helene Curtis Limited (hereinafter referred to as "the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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 consolidated 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 consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated 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 the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiary referred to below in the Other Matter paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2017, and their consolidated loss, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matter

We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of Rs.50.76 Lakhs as at March 31, 2017, total revenues of Rs. NIL and net cash out flow amounting to Rs. 4.95 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the report of the other auditors.

Our opinion on the consolidated Ind AS financial statements above is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit 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 purposes of our audit of the aforesaid consolidated Ind AS financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

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

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”, which is based on the auditors’ report of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent’s internal financial controls over financial reporting.

(g) With respect to the other matter to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, as amended, in 01our opinion and to the best of our information and according to the explanations given to us:

   i. The impact of pending litigations on the consolidated financial position of the Group is disclosed in Note 31 to the consolidated Ind AS financial statements.

   ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

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

   iv. The Parent has provided requisite disclosures in Note 32 to its consolidated Ind AS financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the Management we report that the disclosures are in accordance with the relevant books of account maintained by the Parent for the purpose of preparation of the consolidated Ind AS financial statements and as produced to us by the Management of the Parent.

For **A. F. FERGUSON & CO.**
Chartered Accountants
(Firm’s Registration No. 112066W)

Rajesh K Hiranandani
(Partner)
(Membership No. 36920)

Place : Mumbai
Date : 4th June 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of J. K. Helene Curtis Limited (hereinafter referred to as "the Parent"). The subsidiary is incorporated outside India and hence the requirement of reporting on internal financial controls over financial reporting is not applicable with respect to the subsidiary.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent 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. 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 the Parent'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.

Auditor's 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **A. F. FERGUSON & CO.**
Chartered Accountants
(Firm's Registration No. 112066W)

Rajesh K Hiranandani
(Partner)
(Membership No. 36920)

Place : Mumbai
Date : 4th June 2017

Consolidated balance sheet as at 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

Particulars	Notes	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
ASSETS				
Non-current assets				
(a) Property, plant and equipment	4	392.41	426.17	425.07
(b) Capital work in progress		7.71	-	-
(c) Intangible assets	5	9.70	6.94	-
(d) Financial assets				
(i) Investments	6.1	22,761.07	14,547.85	15,118.08
(ii) Others financial assets	7.1	8.74	8.74	13.08
(e) Deferred tax assets (Net)	12	497.16	496.86	414.34
(f) Non-current tax assets (Net)	18.1	199.85	90.02	103.10
(g) Other non-current assets	8.1	3.32	13.45	50.55
Total non-current assets		**23,879.96**	**15,590.03**	**16,124.22**
Current assets				
(a) Inventories	9	2,360.66	2,964.86	2,647.76
(b) Financial assets				
(i) Current investments	6.2	-	-	401.06
(ii) Trade receivables	10	1,439.91	1,268.95	969.70
(iii) Cash and cash equivalents	11	832.95	371.36	745.27
(iv) Others financial assets	7.2	28.09	32.57	20.21
(c) Other current assets	8.2	1,021.13	1,464.64	1,617.73
Total current assets		**5,682.74**	**6,102.38**	**6,401.73**
TOTAL ASSETS		**29,562.70**	**21,692.41**	**22,525.95**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	13.1	98.00	98.00	98.00
(b) Other equity	13.2	24,239.04	16,085.44	16,806.92
Total equity		**24,337.04**	**16,183.44**	**16,904.92**
Liabilities				
Non-current liabilities				
(a) Provisions	14.1	787.90	837.42	874.93
Total non-current liabilities		**787.90**	**837.42**	**874.93**
Current liabilities				
(a) Financial liabilities				
(i) Trade payables	15	3,202.47	3,448.02	3,489.58
(ii) Other financial liabilities	16	71.00	71.00	71.00
(b) Provisions	14.2	774.16	838.66	822.18
(c) Current tax liabilities (Net)	18.2	11.01	11.01	11.63
(d) Other current liabilities	17	379.12	302.86	351.71
Total current liabilities		**4,437.76**	**4,671.55**	**4,746.10**
TOTAL LIABILITIES		**29,562.70**	**21,692.41**	**22,525.95**

See accompanying notes to the consolidated financial statements

In terms of our report attached

For J. K. Helene Curtis Limited

For A. F. Ferguson & Co.
Chartered Accountants

H. Sunder
Director
DIN: 00020583

Nabankur Gupta
Director
DIN:00020125

Rajesh K Hiranandani
Partner
(Membership No. 36920)
Place: Mumbai
Date: *4th June 2017*

Vishal Jain
Chef Financial Officer
DIN:00020125
Place: Mumbai
Date: *27th April 2017*

Consolidated statement of profit and loss for the year ended 31st March 2017

(All amounts are in Rs. Lakhs unless otherwise stated)

	Particulars	Notes	Year ended 31st March 2017	Year ended 31st March 2016
I	**Revenue from operations**	19	26,946.74	28,737.72
II	**Other income**	20	146.17	174.82
III	**Total income (I + II)**		**27,092.91**	**28,912.54**
IV	**Expenses**			
	Purchases of stock-in-trade		15,189.70	17,300.19
	Changes in inventories of traded goods	21	604.20	(317.10)
	Employee benefits expense	22	1,751.34	1,799.22
	Depreciation and amortisation expense	23	85.55	102.00
	Advertisement and sales promotion		5,863.98	5,453.24
	Other expenses	24	3,663.99	3,540.45
	Total expenses (IV)		**27,158.76**	**27,878.00**
V	**Profit/(Loss) before tax**		**(65.85)**	**1,034.54**
VI	**Tax expense**			
	Current tax		1.80	453.46
	Deferred tax credit		(0.30)	(82.52)
			1.50	370.94
VII	**Profit/(Loss) for the year**		**(67.35)**	**663.60**
VIII	**Other Comprehensive Income/(Loss)**			
A	**Items that will not be reclassified to profit or loss**			
	(a) Remeasurements of defined benefit plans		11.15	36.74
	(b) Equity instruments through other comprehensive income		8,213.22	(1,416.73)
			8,224.37	**(1,379.99)**
B	**Income tax relating to item (VIII) (a) above**		(3.44)	(12.71)
	Exchange differences translating the financial statements of foreign operations		0.02	7.62
	Other Comprehensive Income/(Loss) for the year		**8,220.95**	**(1,385.08)**
IX	**Total Comprehensive Income/(Loss) for the year (VII + VIII)**		**8,153.60**	**(721.48)**
X	**Earnings per equity share of Rs. 10 each**	26		
	Basic (Rs.)		(6.87)	67.71
	Diluted (Rs.)		(6.87)	67.71

See accompanying notes to the consolidated financial statements

In terms of our report attached

For A. F. Ferguson & Co.
Chartered Accountants

Rajesh K Hiranandani
Partner
(Membership No. 36920)
Place: Mumbai
Date: *4th June 2017*

For J. K. Helene Curtis Limited

H. Sunder
Director
DIN: 00020583

Nabankur Gupta
Director
DIN:00020125

Vishal Jain
Chef Financial Officer
DIN:00020125
Place: Mumbai
Date: *27th April 2017*

Statement of Consolidated Cash Flow for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

	Particulars	Year ended 31st March 2017 Amount	Year ended 31st March 2016 Amount
A	**Cash flow from operating activities**		
	Profit before tax	65.83	1,034.64
	Adjustments for:		
	Depreciation and amortisation	85.55	102.00
	Loss on sale of fixed assets	0.14	0.19
	Interest income	(11.93)	(18.76)
	Dividend from non-current investments	(107.76)	(101.98)
	Dividend from current investments	(5.04)	(23.31)
	Interest on Income tax refund	-	(6.38)
	Provision for doubtful trade receivables	59.14	9.70
	Provision for doubtful capital advances	7.86	-
	Provision for doubtful advances	6.25	-
	Provision for compensated absences	1.87	(15.03)
		36.08	**(53.57)**
	Operating profit before working capital changes	**(29.77)**	**980.97**
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	604.20	(317.10)
	Trade receivables	(230.10)	(308.96)
	Other current financial assets	4.49	(8.02)
	Other current assets	448.43	197.68
	Long-term loans and advances	2.27	37.10
		829.29	**(399.30)**
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	(245.54)	(41.57)
	Other current liabilities	76.25	(48.84)
	Provisions	(115.89)	(6.00)
		(285.18)	**(96.41)**
	Cash flow from operations		
	Direct tax paid (net of refund)	(115.08)	(447.34)
	Net cash flow from operating activities	**399.26**	**37.92**
B	**Cash flow from investing activities:**		
	Purchase of fixed assets	(54.90)	(104.11)
	Proceeds from sale of fixed assets	0.52	1.82
	Purchase of intangible assets	(8.02)	(8.15)
	Purchase of non-current investments	-	(846.50)
	Purchase of current investment	(1,100.00)	-
	Redemption of current investment	1,100.00	-
	Dividend from non-current investments	107.76	101.98
	Dividend from current investments	5.04	23.31
	Interest received	11.93	18.76
	Net cash generated from / (used) in investing activities	**62.33**	**(812.89)**

Statement of Consolidated Cash Flow for the year ended 31st March 2017 (Continue)

(All amounts are in Rs. Lakhs unless otherwise stated)

Particulars	Year ended 31st March 2017 Amount	Year ended 31st March 2016 Amount
C Cash flow from financing activities:	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**461.59**	**(774.97)**
Cash and cash equivalents at the commencement of the year, comprising :		
Cash on hand	1.54	0.33
Cheques in hand	-	35.91
Balances with banks	359.40	435.35
Balance of term deposits	10.42	273.68
	371.36	**745.27**
Add: Current investments considered as part of cash and cash equivalents	-	401.06
	371.36	**1,146.33**
Cash and cash equivalents at the end of the year, comprising :		
Cash on hand	0.52	1.54
Balances with banks in current accounts	832.27	359.40
Balance of term deposits	0.16	10.42
	832.95	371.36
Net increase/(decrease) in cash and cash equivalents	**461.59**	**(774.97)**

See accompanying notes to the consolidated financial statements

In terms of our report attached

For J. K. Helene Curtis Limited

For A. F. Ferguson & Co.
Chartered Accountants

H. Sunder
Director
DIN: 00020583

Nabankur Gupta
Director
DIN:00020125

Rajesh K Hiranandani
Partner
(Membership No. 36920)
Place: Mumbai
Date: *4th June 2017*

Vishal Jain
Chef Financial Officer
DIN:00020125
Place: Mumbai
Date: *27th April 2017*

Notes to the Consolidated financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)
Statement of changes in equity

A Equity share capital

	Amount
As at 1st April 2015	98.00
Changes in equity	-
As at 31st March 2016	**98.00**
Changes in equity	-
As at 31st March 2017	**98.00**

B Other equity

		Reserves and surplus		Other Comprehensive Income (OCI)		Total
		General Reserves	Retained Earnings	Equity instruments through OCI	FCTR	
	Balance as at 1st April 2015	**1,838.39**	**8,198.95**	**6,770.13**	**(0.55)**	**16,806.92**
	Profit for the year	-	663.60	-	-	663.60
	Other Comprehensive Income/(Loss) for the year, net of income tax, where applicable	-	24.03	(1,416.73)	7.62	(1,385.08)
	Total Comprehensive Income/(Loss) for the year	-	687.63	(1,416.73)	7.62	(721.48)
	Balance as at 31st March 2016	**1,838.39**	**8,886.58**	**5,353.40**	**7.07**	**16,085.44**
	Loss for the year	-	(67.35)	-	-	(67.35)
	Other Comprehensive Income for the year, net of income tax, where applicable	-	7.71	8,213.22	0.02	8,220.95
	Total Comprehensive Income/(Loss) for the year	-	(59.64)	8,213.22	0.02	8,153.60
	Balance as at 31st March 2017	**1,838.39**	**8,826.94**	**13,566.62**	**7.09**	**24,239.04**

See accompanying notes to the consolidated financial statements

In terms of our report attached

For J. K. Helene Curtis Limited

For A. F. Ferguson & Co.
Chartered Accountants

H. Sunder
Director
DIN: 00020583

Nabankur Gupta
Director
DIN:00020125

Rajesh K Hiranandani
Partner
(Membership No. 36920)
Place: Mumbai
Date: *4th June 2017*

Vishal Jain
Chef Financial Officer
DIN:00020125
Place: Mumbai
Date: *27th April 2017*

Notes to the Consolidated financial statements for the year ended 31st March 2017

1 General information

J.K. Helene Curtis Limited is a Company limited by shares, incorporated in India is a part of the Raymond Group in India and subsidiary of J.K.Investo Trade (India) Limited, with an experience of over 40 years in the Personal Grooming and Toiletries Industry. The varied portfolio of brands namely, Park Avenue, Premium, Monarch and Tru Tone span across the Personal Grooming and Home Care categories. The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

Basis for presentation and preparation of the standalone financials statement including the principal accounting policies are set out below.

2 Statement of significant accounting policies

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting standards) Rules, 2015. These financial statements for the year ended 31st March 2017 are the first financials with comparatives prepared under Ind AS.

Upto the year ended 31st March 2016, the Group prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is 1st April 2015. Refer note 2.15 for the details of first time adoption exceptions/exemptions availed by the Group.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April 2015 being the date of transition to Ind AS.

2.2 Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

ii) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

iii) Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Basis of consolidation

The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent across the Group.

The consolidated financial statements relate to J.K.Helene Curtis Limited (‘the Company’) and its only wholly owned subsidiary Company, namely, JKHC International FZE, UAE (the Company and its subsidiary collectively referred as ‘the Group’).

The consolidated financial statements have been prepared on the following basis:

(a) The financial statements of the subsidiary used in the consolidation is drawn upto the same reporting date as that of the Company i.e., 31st March 2017.

(b) The financial statements of the Company and its subsidiary have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

2.4 Foreign currencies

The Group's financial statements are presented in INR, which is also Group's functional currency. In preparing the financial statements, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.5 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for the customer returns, rebates and other similar allowances.

2.5.1 Sale of goods

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

i) the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;

ii) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

iii) the amount of revenue can be measured reliably;

iv) it is probable that the economic benefits associated with the transaction will flow to the Group; and

v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5.2 Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate.

Interest on income-tax refunds are recognized on receipt basis.

2.6 Advertisement costs

Expenditure on advertisement and promotion is charged to revenue in the year in which it is incurred.

2.7 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating Lease

Payments made under operating leases are charged to the profit or loss over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase, such increases are recognised in the year in which such benefits accrue.

2.8 Retirement and other benefits to employees

2.8.1 Defined contribution plans:

i) Superannuation

The eligible employees of the Group are entitled to receive post employment benefits in respect of superannuation scheme in which the Group makes yearly contribution at 13% of employees' eligible salary. The contributions are made to Life Insurance Corporation of India (LIC) under Superannuation Scheme. Superannuation Scheme is classified as Defined Contribution Plan as the Group has no further obligations beyond making the contribution. The Group's contributions to the Defined Contribution Plans are charged to the profit or loss as incurred.

ii) Provident and family pension fund

The eligible employees of the Group are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the Group make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to the Regional Provident Fund Commissioner. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Company has no further obligations beyond making the contribution.

Notes to the Consolidated financial statements for the year ended 31st March 2017

2.8.2 Defined benefit plan

iii) Gratuity

The Group has obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lumpsum payment to vested employees, at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days salary payable for each completed year of continuous service or part thereof in excess of 6 months on basis of last drawn eligible salary. Vesting occurs upon completion of 5 years of service. The Group makes annual contribution to gratuity fund established as a trust for this purpose. The Group determines gratuity benefit payable in future and the cost of providing benefits using the projected unit credit method on the basis of an independent actuarial valuation carried out at the year end. Remeasurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost;
- net interest expense or income; and
- remeasurement.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

iv) Compensated absences

The Group provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment/availment. The liability is determined based on the number of days of unutilised leave at each balance sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses are recognised in profit or loss.

2.9 Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

2.9.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.9.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.9.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.10 Property, plant and equipment

All property, plant and equipment are stated at cost of acquisition, less accumulated depreciation and impairments, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1st April 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives. Depreciation is provided on a straight line basis over the estimated useful life as prescribed in Schedule II to the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation on additions/deletions during the year is provided from the month in which the asset is capitalized up to the month in which the asset is disposed off.

Estimated useful lives of the assets are as follows:

Class of asset	Useful life
Plant and machinery	15 years
Moulds	8 years
Office equipment	5 years
Furniture and fixtures	10 years
Electrical Equipment	10 years
Vehicles	8 years
Servers	6 years
Computers	3 years

Assets individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.10 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised on straight line basis over their estimated useful lives. The estimated useful life of software is 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Amortisation on additions/deletions during the year is provided from the month in which the asset is capitalised up to the month in which the asset is disposed off.

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as of 1st April 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.11 Inventories

Inventories are valued at lower of cost (weighted average basis) and net realizable value. Cost formulae used in determining cost is "Moving weighted average" basis. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

2.13 Provisions

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions (excluding retirement benefits) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from fair value of the financial assets and financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.14.1 Financial assets

2.14.1.1 i. Classification

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

ii. Measurement

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

The Group subsequently measures all equity investments at fair value through other comprehensive income.

iii. Income Recognition

Dividends:

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

2.14.1.2 Impairment of financial assets/others financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For 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 11 and Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.14.2 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss.

2.15 Earning per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.16 First-time adoption - mandatory exceptions, optional exemptions

2.16.1 Overall principle

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

i) Deemed cost for property, plant and equipments and intangible assets

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

ii) Equity investments at FVTOCI

The Group has designated investment in equity shares of Raymond Limited as at FVTOCI on the basis of facts and circumstances that existed at the transition date.

3 Critical accounting judgements and key sources of estimation uncertainty

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Although the Company regularly assesses these estimates, actual results could differ materially from these estimates. Changes in estimates are recorded in the year in which they become known. Actual results may differ from the Management’s estimates if these results differ from historical experience or other assumptions do not turn out to be substantially accurate, even if such assumptions were reasonable when made.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

3.1 Provision for replacement

Provision for replacement relates to expired goods which are likely to be returned against the sales made during the year. The estimate has been made on the basis of historical returned trends.

3.2 Net realisable value for inventory valuation

Net realisable value represents the estimated selling price for inventories less all estimated cost necessary to make the sale.

3.3 Income tax

Significant judgement is required in determining the provision for income taxes. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. In calculating the tax expense for the current period and earlier years, the group has disallowed certain expenditure pertaining to exempt income based on tax assessments. The matters are pending with tax authorities.”

3.4 Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

3.5 Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

3.6 Measurement of defined benefit obligations

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis. The assumptions used in determining the net interest cost/(income) for defined benefit plans include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

3.7 Provision for secondary claims

Provision for secondary discount relates to schemes offered to trade partners which are yet to be reimbursed by the Company. The estimate has been made on the basis of schemes run during the said period.

3.8 Provision for financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets. The provision for financial assets depends on whether there has been a significant increase in credit risk.

(All amounts are in Rs. Lakhs unless otherwise stated)

4 **Property, plant and equipment**

Carrying amount of:	**As at 31st March 2017**	**As at 31st March 2016**	**As at 1st April 2015**
Plant and equipment*	270.09	311.71	281.35
Office equipment	0.44	0.56	0.65
Furniture and fixtures	42.03	47.63	54.73
Electrical Equipment	16.04	16.88	19.79
Vehicles	2.52	1.60	13.69
Computers and Servers	61.29	47.79	54.86
Total	**392.41**	**426.17**	**425.07**

Particulars	**Plant and equipment ***	**Office equipment**	**Furniture and fixtures**	**Electrical equipment**	**Vehicles**	**Computers and servers**	**Total**
I. Gross carrying amount							
Balance as at 1st April 2016	363.52	0.65	54.73	19.79	11.26	77.07	527.02
Additions	9.69	-	0.06	1.71	-	35.73	47.19
Disposals	-	-	-	-	-	1.03	1.03
Effect of foreign currency exchange difference	(0.27)	-	-	-	-	-	(0.27)
Balance as at 31st March 2017	**372.94**	**0.65**	**54.79**	**21.50**	**11.26**	**111.77**	**572.91**
II. Accumulated depreciation							
Balance as at 1st April 2016	51.69	0.09	7.10	2.91	9.66	29.28	100.73
Depreciation expense for the year	51.31	0.12	5.66	2.55	(0.92)	21.57	80.29
Eliminated on disposal of assets	-	-	-	-	-	0.37	0.37
Effect of foreign currency exchange difference	(0.15)	-	-	-	-	-	(0.15)
Balance as at 31st March 2017	**102.85**	**0.21**	**12.76**	**5.46**	**8.74**	**50.48**	**180.50**
III. Net carrying amount (I-II)	**270.09**	**0.44**	**42.03**	**16.04**	**2.52**	**61.29**	**392.41**

Particulars	**Plant and equipment ***	**Office equipment**	**Furniture and fixtures**	**Electrical equipment**	**Vehicles**	**Computers and servers**	**Total**
I. Gross carrying amount							
Deemed cost as at 1st April 2015	281.35	0.65	54.73	19.79	13.69	54.86	425.07
Additions	81.17	-	-	-	-	22.21	103.38
Disposals	-	-	-	-	2.43	-	2.43
Effect of foreign currency exchange difference	0.73	-	-	-	-	-	0.73
Balance as at 31st March 2016	**363.25**	**0.65**	**54.73**	**19.79**	**11.26**	**77.07**	**526.75**
II. Accumulated depreciation							
Depreciation expense for the year	51.33	0.09	7.10	2.91	10.08	29.28	100.79
Effect of foreign currency exchange difference	0.21	-	-	-	-	-	0.21
Eliminated on disposal of assets	-	-	-	-	0.42	-	0.42
Balance as at 31st March 2016	**51.54**	**0.09**	**7.10**	**2.91**	**9.66**	**29.28**	**100.58**
III. Net carrying amount (I-II)	**311.71**	**0.56**	**47.63**	**16.88**	**1.60**	**47.79**	**426.17**

*Including moulds

Notes to the Consolidated financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

5 Intangible assets

Particulars	Software
I. Gross carrying amount	
Balance as at 1st April 2016	8.15
Additions	8.02
Disposals	-
Balance as at 31st March 2017	**16.17**
II. Accumulated depreciation	
Balance as at 1st April 2016	1.21
Amortisation expense for the year	5.26
Eliminated on disposal of assets	-
Balance as at 31st March 2017	**6.47**
III. Net carrying amount (I-II)	**9.70**

Particulars	Software
I. Gross carrying amount	
Deemed cost as at 1st April 2015	-
Additions	8.15
Disposals	-
Balance as at 31st March 2016	**8.15**
II. Accumulated depreciation	
Balance as at 1st April 2015	-
Amortisation expense for the year	1.21
Eliminated on disposal of assets	-
Balance as at 31st March 2016	**1.21**
III. Net carrying amount (I-II)	**6.94**

Notes to the Consolidated financial statements for the year ended 31st March 2017

(All amounts are in Rs. Lakhs unless otherwise stated)

6 Investments

		As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount
6.1	**Non-current** **Quoted investments**						
A	**Investments in equity instruments at fair value through other comprehensive income**						
	Raymond Limited (Equity shares of Rs.10 each fully paid up) (A) (Refer note 28)	3,592,050	22,761.02	3,592,050	14,547.80	3,399,208	15,118.03
	Unquoted investments						
B	**Investments in equity instruments at fair value through other comprehensive income**						
	Radha Krshna Films Limited (Equity shares of Rs.10 each fully paid up)	2,000,000	200.00	2,000,000	200.00	2,000,000	200.00
	Less: Provision for impairment in value of Investments *		(200.00)		(200.00)		(200.00)
	Bombay Mercantile Co-operative Bank Limited (Equity shares of Rs.10 each fully paid up)	500	0.05	500	0.05	500	0.05
	Total (B)		0.05		0.05	-	0.05
	Total non-current investments (A+B)		**22,761.07**		**14,547.85**	**-**	**15,118.08**

* The Company had invested in unquoted equity shares of Radha Krshna Films aggregating to Rs. 200 Lakhs. Since the net worth of the Radha Krshna Films has been eroded, the management has made provision for impairment in the value of investment. Further, the management has considered fair value of this investment to be 'Nil'.

6.2	**Current**						
	Unquoted investments						
	Investments in Mutual Funds at fair value through profit and loss	**-**	**-**	**-**	**-**	**39,645**	**401.06**
	Kotak Floater Short Term - Daily Dividend units of Rs. 1,000 each	**-**	**-**	**-**	**-**	**39,645**	**401.06**
	Total current investments	**-**	**-**	**-**	**-**	**39,645**	**401.06**
	TOTAL AGGREGATE AMOUNT OF QUOTED INVESTMENTS (AT COST) (A)		**9,194.40**		**9,194.40**		**8,347.90**
	TOTAL AGGREGATE AMOUNT OF UNQUOTED INVESTMENTS (AT COST) (B)		**200.05**		**200.05**		**601.11**
	TOTAL INVESTMENTS AT COST (A) + (B)		**9,394.45**		**9,394.45**		**8,949.01**
	Aggregate market value of quoted investments		**22,761.02**		**14,547.80**		**15,118.03**
	Aggregate amount of impairment in value of unquoted investments		**(200.00)**		**(200.00)**		**(200.00)**

Notes to the Consolidated financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

7 Other financial assets

(Unsecured, considered good unless otherwise stated)

		As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
7.1	**Non-current**			
	Security deposits for rented premises	8.74	8.74	13.08
	Non-current total	**8.74**	**8.74**	**13.08**
7.2	**Current**			
	Interest receivable	3.65	2.24	0.23
	Earnest money deposits	7.02	7.06	7.06
	Advance to related party	-	6.01	-
	Security deposits for rented premises	17.42	17.26	12.92
	Current total	**28.09**	**32.57**	**20.21**

8 Other assets

		As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
8.1	**Non-current**			
	Capital advances			
	Considered good	3.32	13.43	19.22
	Considered doubtful	7.86	-	-
		11.18	13.43	19.22
	Less: Allowance for doubtful capital advances	(7.86)	-	-
		3.32	13.43	19.22
	Advance to supplier	-	-	0.50
	Prepaid expenses	-	0.02	10.01
	VAT receivable	-	-	20.82
	Total	**3.32**	**13.45**	**50.55**
8.2	**Current**			
	Advances to suppliers			
	Considered good	934.81	1,375.77	1,222.78
	Considered doubtful	6.25	-	-
		941.06	1,375.77	1,222.78
	Less: Allowance for doubtful advances	(6.25)	-	-
		934.81	1,375.77	1,222.78
	Prepaid expenses	7.23	18.47	22.36
	Excess contribution to gratuity fund	69.84	57.22	21.45
	Advances to staff	6.29	7.60	8.04
	Other advances	2.96	5.58	58.85
	Recoverable from employee [Refer footnote (i)]	-	-	284.25
	Total	**1,021.13**	**1,464.64**	**1,617.73**

Note:

(i) In the month of September 2015, the Management of the Company noticed a fraud on the Company based on the allegations from a whistle blower that select employees from the procurement team were indulging in irregularities, which included collusion with select vendors for personal gain in the nature of pay-offs. Accordingly, the Management conducted an investigation through an independent agency and inter-alia on the basis of the enquiries made and confessions by the alleged employees, an amount of Rs. 423.25 lakhs has been ascertained as recoverable from the alleged employees, relating to the financial years 2012-13, 2013-14 and 2014-15. Out of the said amount of Rs. 423.25 lakhs, an amount of Rs. 284.25 lakhs has been recovered in the subsequent period. This has been accounted as per Ind AS 8 “Accounting Policies , Changes in Accounting Estimates”.

9 Inventories

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Traded goods	2,360.66	2,964.86	2,647.76
Total	**2,360.66**	**2,964.86**	**2,647.76**

Cost of inventory recognised as an expense during the year was Rs.15,793.90 Lakhs (for the year ended 31st March 2016: Rs.16,983.09 Lakhs)

Inventory write downs are accounted, considering the nature of inventory, ageing and net realisable value. Further cost of inventory recognised as an expense includes Rs.243.62 Lakhs (during the year ended 31st March 2016 Rs.77.57 Lakhs) in respect of write down of inventories and has been reduced by Rs.64.70 Lakhs (during the year ended 31st March 2016 Rs.176.75 Lakhs) in respect of the reversal of such write-downs. Previous write downs have been reversed as a result of sales.

The mode of valuation of inventories has been stated in note 2.11

10 Trade receivables

(Unsecured, unless treated otherwise stated)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Current			
Considered good	1,439.91	1,268.95	969.70
Considered doubtful	70.27	11.13	7.81
	1,510.18	1,280.08	977.51
Less: Allowance (Expected credit loss) for bad and doubtful trade receivables	(70.27)	(11.13)	(7.81)
Total current	**1,439.91**	**1,268.95**	**969.70**

Credit period of customers is ranging from 60 to 90 days. No interest is charged on overdue trade receivables.

Concentration of credit risk: Of the trade receivables balance as at 31st March 2017 of Rs.676.64 Lakhs (as at 31st March 2016 of Rs.491.17 Lakhs; as at 1st April 2015 of Rs.344.60 Lakhs) is due from Canteen Stores Department; Rs.93.00 Lakhs (as at 31st March 2016 of Rs.55.88 Lakhs; as at 1st April 2015 of Rs.44.87 Lakhs) is due from Metro Cash & Carry India Private Limited; Rs.76.98 Lakhs (as at 31st March 2016 of Rs.87.33 Lakhs; as at 1st April 2015 of Rs.61.37 Lakhs) is due from Reliance Retail Limited and Rs.80.99 Lakhs (as at 31st March 2016 of Rs.22.98 Lakhs; as at 1st April 2015 of Rs.15.45 Lakhs) is due from Aditya Birla Retail Limited, the Group's largest customer. There are no other customers who represent more than 5% of the total balance of trade receivables.

The Group has computed the expected credit loss allowance for trade receivables based on the provision matrix which takes into account the past trends of doubtful receivables, write off and adjusted for forward looking information.

Refer note 28.5 for disclosures related to credit risk.

Ageing of provision (%) on gross trade receivables	As at 31st March 2017	As at 31st March 2016
Not due	-	-
0-3 months	-	-
3-6 months	-	-
6 months to 12 months	34.17%	2.25%
beyond 12 months	90.96%	47.59%

Ageing of trade receivables	As at 31st March 2017	As at 31st March 2016
Not due	829.23	383.38
0-3 months	433.20	759.37
3-6 months	148.26	77.24
6 months to 12 months	35.63	38.53
beyond 12 months	63.86	21.56
Total	**1,510.18**	**1,280.08**

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(All amounts are in Rs. Lakhs unless otherwise stated)

The movement in allowance (Expected credit loss) for bad and doubtful trade receivables is as follows:

	Year ended 31st March 2017	Year ended 31st March 2016
Balance as at beginning of the year	11.13	7.81
Allowance during the year (Net)	59.14	9.70
Allowance utilised during the year	-	6.38
Balance as at the end of the year	**70.27**	**11.13**

11 Cash and cash equivalents

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Cash on hand	0.52	1.54	0.33
Cheques on hand	-	-	35.91
Balances with Banks			
In current accounts	832.27	359.40	435.35
Term deposits	0.16	10.42	273.68
Total	**832.95**	**371.36**	**745.27**

12 Deferred tax assets (net)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Deferred tax assets	532.07	533.07	537.45
Deferred tax liabilities	(34.91)	(36.21)	(123.11)
Total	**497.16**	**496.86**	**414.34**

	Opening balance	Recognised in profit or loss	Recognised in Equity	Closing balance
Year ended 31st March 2017				
Deferred tax assets in relation to:				
- Provision for bonus	9.09	(1.57)	-	7.52
- Provision for leave encashment	15.06	0.86	-	15.92
- Provision for doubtful trade receivables	3.78	17.93	-	21.71
- Provision for doubtful advances	-	4.36	-	4.36
- Provision for replacement	505.14	(22.58)	-	482.56
Total deferred tax assets	533.07	(1.00)	-	532.07
Deferred tax liabilities in relation to:				
- Tangible and intangible assets	(36.21)	1.30	-	(34.91)
	(36.21)	1.30	-	(34.91)
Net assets/(liabilities)	**496.86**	**0.30**	**-**	**497.16**
Year ended 31st March 2016				
Deferred tax assets in relation to:				
- Provision for bonus	11.47	(2.38)	-	9.09
- Provision for leave encashment	20.17	(5.11)	-	15.06
- Provision for doubtful trade receivables	2.61	1.17	-	3.78
- Provision for replacement	503.20	1.94	-	505.14
Total deferred tax assets	537.45	(4.38)	-	533.07
Deferred tax liabilities in relation to:				
- Tangible and intangible assets	(26.48)	(9.73)	-	(36.21)
- Others	(96.63)	96.63	-	-
	(123.11)	86.90	-	(36.21)
Net assets/(liabilities)	**414.34**	**82.52**	**-**	**496.86**

For the FY 2016-17 there are no amounts of deductible temporary differences, unused tax losses or unused tax credits for which no deferred tax asset is recognised in the balance sheet.

Notes to the Consolidated financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

13.1 Equity Share capital

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Authorised			
1,000,000 equity shares of Rs.10 each	100.00	100.00	100.00
(As at 31.03.16:1,000,000; As at 01.04.15:1,000,000)			
Issued, subscribed and fully paid up			
980,000 equity shares of Rs.10 each	98.00	98.00	98.00
(As at 31.03.16:980,000; As at 01.04.15:980,000)			
	98.00	**98.00**	**98.00**

(a) The entire equity shares are held by J. K. Investo Trade (India) Limited, the holding company, and its nominees. The Group has only one class of shares, namely, equity shares.

(b) Terms/rights and restrictions attached to equity shares:

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

13.2 Other Equity

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
General reserve	1,838.39	1,838.39	1,838.39
Reserve for equity instrument through other comprehensive income	13,566.62	5,353.40	6,770.13
Foreign currency translation reserve	7.09	7.07	(0.55)
Retained earnings	8,826.94	8,886.58	8,198.95
	24,239.04	**16,085.44**	**16,806.92**

13.2.1 General reserves

	As at 31st March 2017	As at 31st March 2016
Balance at beginning of year	1,838.39	1,838.39
Movements	-	-
Balance at end of year	**1,838.39**	**1,838.39**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit or loss.

13.2.2 Reserve for equity instrument through other comprehensive income

	As at 31st March 2017	As at 31st March 2016
Balance at beginning of year	5,353.40	6,770.13
Fair value gain/(loss) on investment in equity instrument designated at fair value through other comprehensive income	8,213.22	(1,416.73)
Balance at end of year	**13,566.62**	**5,353.40**

This reserve represents the cumulative gains/losses arising on the revaluation of equity instrument measured at fair value through other comprehensive income.

13.2.3 Foreign currency translation reserve

	As at 31st March 2017	As at 31st March 2016
Balance at beginning of year	7.07	(0.55)
Effect of foreign exchange rate variations during the year	0.02	7.62
Balance at end of year	**7.09**	**7.07**

Notes to the Consolidated financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

This reserve represents exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency (i.e.: Rs.) are recognised directly in other comprehensive income and accumulated in foreign currency translation reserve.

13.2.4 Retained earnings

	As at 31st March 2017	As at 31st March 2016
Balance at beginning of year	8,886.58	8,198.95
Profit/(Loss) for the year	(67.35)	663.60
Add: Remeasurement of defined benefit obligations, net of tax	7.71	24.03
	(59.64)	687.63
Balance at end of year	**8,826.94**	**8,886.58**

14 Provisions

		As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
14.1	**Non-current**			
	- Compensated absences	35.52	33.28	44.65
	- Provision for replacement [Refer footnote (ii)]	752.38	804.14	830.28
		787.90	**837.42**	**874.93**
14.2	**Current**			
	- Compensated absences	10.68	11.05	14.71
	- Provision for secondary discount [Refer footnote (i)]	107.94	150.76	157.30
	- Provision for replacement [Refer footnote (ii)]	655.54	676.85	650.17
	Total	**774.16**	**838.66**	**822.18**

Notes:

(i)

The movement in provision for secondary discount	Year ended 31st March 2017	Year ended 31st March 2016
Balance as at beginning of the year	150.76	157.30
Add: Provision for the year	1,402.74	1,015.23
Less: Utilisation for the year	(1,445.56)	(1,021.77)
Balance as at the end of the year	**107.94**	**150.76**

'Provision for secondary discount relates to schemes offered to trade partners which are yet to be reimbursed by the Company. The estimate has been made on the basis of schemes run during the said period.

(ii)

The movement in provision for replacement	Year ended 31st March 2017	Year ended 31st March 2016
Balance as at beginning of the year	1,480.99	1,480.45
Add: Provision for the year	777.18	830.64
Less: Utilisation for the year	(850.25)	(830.10)
Balance as at the end of the year	**1,407.92**	**1,480.99**

'Provision for replacement relates to expired or damaged goods which are likely to be returned against the sales. The estimate has been made on the basis of historical trend of returns.

15 Trade payables

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Trade payables to:			
Micro and small enterprises	1,996.83	2,014.80	1,968.83
Other than micro and small enterprises	1,205.64	1,433.22	1,520.75
Total	**3,202.47**	**3,448.02**	**3,489.58**

(i) Dues to micro and small enterprises

The disclosure in respect of Micro and Small Enterprises to whom the Company owes dues as at the year end takes into account only those creditors who have responded to the enquiries made by the Company for the purpose of determining its creditors who are micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. There is no delay in making payments to Micro and Small Enterprises beyond the appointed day. The foregoing representation has been relied upon by the auditors.

(ii) The average credit period on purchases of goods is 50 days.

(All amounts are in Rs. Lakhs unless otherwise stated)

16 **Other financial liabilities**

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Current			
Deposits from dealers, agents, etc.	71.00	71.00	71.00
Total	**71.00**	**71.00**	**71.00**

17 **Other liabilities**

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Current			
Advance from customers	186.46	132.14	107.98
Cash discount	14.53	30.80	-
Statutory dues	178.13	139.92	243.73
Total	**379.12**	**302.86**	**351.71**

18 **Tax assets and liabilities**

		As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
18.1	**Non-current tax assets**			
	Income tax paid net of provision there against	199.85	90.02	103.10
	Total	**199.85**	**90.02**	**103.10**
18.2	**Current tax liabilities**			
	Income tax provision net of advance tax there against	11.01	11.01	11.63
	Total	**11.01**	**11.01**	**11.63**

19 **Revenue from Operations**

	Year ended 31st March 2017	Year ended 31st March 2016
Sale of products	26,946.74	28,737.72
Total	**26,946.74**	**28,737.72**

20 **Other income**

		Year ended 31st March 2017	Year ended 31st March 2016
(a)	**Interest income**		
	Interest on deposits with bank	10.53	10.37
	Interest on loans and advances	1.40	2.01
	Interest on income tax refund	-	6.38
		11.93	18.76
(b)	**Dividend income**		
	Dividend from equity investments	107.76	101.98
	Dividend from investments in mutual funds	5.04	23.31
		112.80	125.29
(c)	**Others**	21.44	30.77
	Total (a)+(b)+(c)	**146.17**	**174.82**

21 **Changes in inventories of stock-in-trade**

	Year ended 31st March 2017	Year ended 31st March 2016
Opening inventories	2,964.60	2,647.50
Closing inventories	2,360.40	2,964.60
Total	**604.20**	**(317.10)**

Notes to the Consolidated financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

22 Employee benefits expense

	Year ended 31st March 2017	Year ended 31st March 2016
Salaries	1,658.16	1,713.55
Contribution to provident and other funds (Refer note 27.1)	84.89	77.71
Staff welfare expenses	8.29	7.96
Total	**1,751.34**	**1,799.22**

23 Depreciation and amortisation expense

	Year ended 31st March 2017	Year ended 31st March 2016
Depreciation of property, plant and equipment (Refer note 4)	80.29	100.79
Amortisation of intangible assets (Refer note 5)	5.26	1.21
Total	**85.55**	**102.00**

24 Other expenses

	Year ended 31st March 2017	Year ended 31st March 2016
Rent	139.66	141.50
Insurance	41.16	31.89
Repairs and maintenance others	64.86	48.13
Rates and taxes	285.31	391.89
Commission to selling agents	585.34	476.96
Freight, clearing and forwarding charges, octroi, etc	1,137.43	1,102.44
Legal and professional expenses	363.47	339.26
Travelling and conveyance	400.12	456.84
Communication charges	58.36	59.34
Printing and stationary expenses	20.93	16.32
Electricity expenses	40.04	39.90
Sales conference expenses	40.83	50.08
Director fees	12.00	11.00
Commission to non executive directors (including service tax)	-	41.00
Provision for doubtful trade receivable	59.14	9.70
Provision for doubtful capital advance	7.86	-
Provision for doubtful advance	6.25	-
Listing fees	34.85	93.34
Expenditure on corporate social responsibility	43.93	-
Miscellaneous expenses	322.45	230.86
Total	**3,663.99**	**3,540.45**

Included in the legal and professional expenses are the below:

	Year ended 31st March 2017	Year ended 31st March 2016
Payment to auditors:		
a) For audit	14.50	11.45
b) For other services	8.75	3.25
c) For reimbursement of expenses	0.52	0.82
	23.77	**15.52**

25 Income taxes

25.1 Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before tax:

	Year ended 31st March 2017	Year ended 31st March 2016
Profit/(Loss) before tax	(65.85)	1,034.54
Enacted income tax rate applicable to the Company:	30.90%	34.61%
Income tax expenses calculated at enacted tax rate i.e. 30.90% (for the year ended 31st March 2016: 34.61%)	(20.35)	358.03
Effect of income that is exempt from taxation	(34.86)	(43.42)
Effect of expenses that are not deductible in determining taxable profits	52.17	9.81
Effect of subsidiary loss in other jurisdictions	5.43	46.90
Effect of deferred tax balance due to the change in income tax rate 30.90% (As at 31st March 2016: 34.61%; as at 1st April 2015: 33.99%)	(0.89)	(0.38)
	1.50	**370.94**

25.2 Income tax recognised in other comprehensive income

	Year ended 31st March 2017	Year ended 31st March 2016
Remeasurement of defined benefit plans	11.15	36.74
Income tax expenses recognised in statement of other comprehensive income as remeasurement of defined benefit plans	**(3.44)**	**(12.71)**

The tax rates used for the year 2016-17 and 2015-16 for reconciliation above are the corporate tax rates of 30.90% and 34.61% respectively payable by corporate entities in India on taxable profits under the Indian tax law.

26 Earnings per equity share

	Year ended 31st March 2017	Year ended 31st March 2016
Profit/(Loss) for the year (Rs. in lakhs)	(67.35)	663.60
Weighted average number of equity shares outstanding during the year	980,000	980,000
Earnings per equity share (in Rs.) (nominal value of equity share Rs. 10 per share)	**(6.87)**	**67.71**

27 Employee benefits

27.1 Defined Contribution Plan

The Company's contribution to Provident Fund, Family Pension Fund, Employees State Insurance Corporation, Labour Welfare Fund and Superannuation Fund aggregating FY 2016-17 is Rs.84.89 Lakhs (FY 2015-16 is Rs.77.71 Lakhs) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

27.2 Defined Benefit Plan

The Company sponsors funded defined benefit plan for qualifying employees. The defined benefit plan is administered by a separate fund i.e. legally separated from the entity.

Under the plan, the employees are entitled to post-retirement lump sum gratuity payment amounting to 4.81% of final salary for each year of service until the retirement age of 60 years.

The Company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees.

The scheme provides for lump sum payment to vested employees at retirement or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months.

The ceiling limit for gratuity payment is restricted to Rs. 1,000,000. Vesting occurs upon completion of five years of service.

27.2.1 This plan typically exposes the Company to actuarial risk such as:

i) Investment risk — Investments is done by the Company through trust which in turn invests with Life Insurance Corporation of India (LIC).

ii) Interest risk — As per rate declared by LIC interest is received on yearly basis. Any change in the interest rate will change the plan liability. The interest rate considered is 7.57%.

iii) Salary risk — The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such increase in the salary of the plan participants will increase the plan's liability.

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(All amounts are in Rs. Lakhs unless otherwise stated)

iv) Longevity risk — The present value of the defined benefit plan liability is calculated by reference to rates given under Indian Assured Lives Mortality (2006-08) Ultimate of plan participants both during and after their employment. An increase/decrease in the life expectancy of the plan participants will increase/decrease the plan's liability.

27.2.2 The principle assumptions used for the purpose of actuarial valuation were as follows:

	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st April 2015
Financial Assumptions			
Discount rate	7.57%	8.05%	7.80%
Salary Escalation Rate	7.50%	7.50%	7.50%
Expected return on plan assets	7.57%	8.05%	7.80%
Demographic Assumptions			
Average longevity	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition Rate			
For ages 45 years and below	2.00% p.a.	2.00% p.a.	2.00% p.a.
For ages 46 years and above	1.00% p.a.	1.00% p.a.	1.00% p.a.

27.2.3 Amounts recognised in statement of profit and loss including other comprehensive income in respect of the defined benefit plan are as follows:

	Year ended 31st March 2017	Year ended 31st March 2016
Current service cost	16.22	17.16
Net interest expense/income	(4.61)	(1.67)
Components of defined benefit cost recognised in profit and loss	**11.61**	**15.49**
Return on plan assets	1.91	(1.22)
Actuarial (gains)/losses arising from changes in financial assumptions	3.98	(2.14)
Actuarial (gains)/losses arising from experience adjustments	(17.04)	(33.38)
Components of defined benefit cost recognised in Other Comprehensive Income	(11.15)	(36.74)
Total	**0.46**	**(21.25)**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the consolidated statement of profit and loss. (Refer note 22)

The remeasurement of the net defined benefit liability is included in other comprehensive income.

27.2.4 The amount included in balance sheet arising from the Group's obligation in respect of its defined benefit plans is as follows:

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Present value of funded defined benefit obligation	(62.81)	(67.31)	(92.94)
Fair value of plan assets	132.65	124.53	114.39
Plan asset net of plan defined benefit obligation	**69.84**	**57.22**	**21.45**

27.2.5 Movements in the present value of the defined benefit obligation and fair value of plan assets are as follows:

	Year ended 31st March 2017			Year ended 31st March 2016		
	Plan Assets	Plan liabilities	Net Assets/ (Liabilities)	Plan Assets	Plan liabilities	Net Assets/ (Liabilities)
Opening defined benefit obligation and fair value of plan assets	124.53	67.31	57.22	114.39	92.94	21.45
Current service cost	-	16.22	(16.22)	-	17.16	(17.16)
Return on plan assets	(1.91)	-	(1.91)	1.22	-	1.22
Interest cost	-	5.42	(5.42)	-	7.25	(7.25)
Interest income	10.03	-	10.03	8.92	-	8.92
Actuarial (gain)/loss arising from changes in financial assumptions	-	3.98	(3.98)	-	(2.14)	2.14
Actuarial (gain)/loss arising from experience adjustments	-	(17.04)	17.04	-	(33.38)	33.38
Employer contributions	-	-	-	14.52	-	14.52
Benefit payments	-	(13.08)	13.08	(14.52)	(14.52)	-
Closing defined benefit obligation and fair value of plan assets	**132.65**	**62.81**	**69.84**	**124.53**	**67.31**	**57.22**

Category of plan assets

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Insurance Fund	132.65	124.53	114.39
Total	**132.65**	**124.53**	**114.39**

The actual return on plan assets was Rs. 8.12 Lakhs (For the year ended 31st March 2016 was Rs. 10.14 Lakhs).

27.2.6 Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Change in assumption %	Increase in assumption	Decrease in assumption
Discount Rate	1%	(7.91)	9.55
Salary Escalation Rate	1%	9.46	(7.98)
Employee Turnover	1%	(0.51)	0.51

The sensitivity analysis presented above may not be representative of the actual change and the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the same the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

27.2.7 The defined benefit obligations shall mature after year end 31st March 2017 as follows:

Year ending 31 March	Defined benefit obligation
2018	1.43
2019	0.97
2020	1.12
2021	1.25
2022	3.43
Thereafter upto 2028	17.31

Notes to the Consolidated financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

28 Financial instruments

28.1 Categories of financial instruments

Particulars	As at 31st March 2017				As at 31st March 2016				As at 1st April 2015			
	Amortised Cost	FVOCI	FVPL	Total	Amortised Cost	FVOCI	FVPL	Total	Amortised Cost	FVOCI	FVPL	Total
Non-current assets												
Investments												
Equity shares (Raymond Ltd)	-	22,761.02	-	22,761.02	-	14,547.80	-	14,547.80	-	15,118.03	-	15,118.03
Equity shares (Others)	-	0.05	-	0.05	-	0.05	-	0.05	-	0.05	-	0.05
Others financial assets												
Security deposits for rented premises	8.74	-	-	8.74	8.74	-	-	8.74	13.08	-	-	13.08
Current assets												
Currunt investments	-	-	-	-	-	-	-	-	-	-	401.06	401.06
Trade receivables	1,439.91	-	-	1,439.91	1,268.95	-	-	1,268.95	969.70	-	-	969.70
Cash and cash equivalents	832.95	-	-	832.95	371.36	-	-	371.36	745.27	-	-	745.27
Others current financial asset												
Interest receivable	3.65	-	-	3.65	2.24	-	-	2.24	0.23	-	-	0.23
Earnest money deposits	7.02	-	-	7.02	7.06	-	-	7.06	7.06	-	-	7.06
Advance to related party	-	-	-	-	6.01	-	-	6.01	-	-	-	-
Security deposits for rented premises	17.42	-	-	17.42	17.26	-	-	17.26	12.92	-	-	12.92
Current liabilities												
Trade payables	3,202.47	-	-	3,202.47	3,448.02	-	-	3,448.02	3,489.58	-	-	3,489.58
Other financial liabilities												
Deposits from dealers, agents, etc.	71.00	-	-	71.00	71.00	-	-	71.00	71.00	-	-	71.00

28.2 Financial risk management framework

The Group financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Managing Board. The details of different types of risk and management policy to address these risks are listed below:

28.3 Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits.

28.4 Other price risk

The Group is not exposed to any other price risks.

28.5 Credit risk

28.5.1 Credit risk management

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Based on management assessment the Group categorises an advance or receivable for write off when a debtor fails to make contractual payments. Where loans or receivables have been written off, the Group continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

(All amounts are in Rs. Lakhs unless otherwise stated)

28.6 Liquidity risk

28.6.1 Liquidity risk management

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time, or at a reasonable price. The processes and policies related such risk are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

28.6.2 Maturity patterns of other Financial Liabilities as at 31st March 2017

Particulars	0-3 months	3-6 months	6-12 months	beyond 12 months	Total
Trade payable	3,173.12	-	20.84	-	3,193.96
Payable related to capital goods	8.51	-	-	-	8.51
Other Financial liabilities (Current and Non Current)	71.00	-	-	-	71.00
Total	**3,252.63**	**-**	**20.84**	**-**	**3,273.47**

28.7 Capital management

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders.

The capital structure of the group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

28.8 Fair value measurements

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

28.8.1 Fair value of financial assets and liabilities that are measured at fair value - recurring item

Financial assets/ financial liabilities measured at Fair value	Fair value as at			Fair value hierarchy	Valuation technique(s) and key input(s)
	31st March 2017	31st March 2016	1st April 2015		
Financial assets					
Investment in equity instruments at FVTOCI (quoted) (Refer note 6)*	22,761.02	14,547.80	15,118.03	Level 1	Quoted bid prices in an active market
Investment in Mutual Funds at FVTPL (Refer note 6)	-	-	401.06	Level 1	Net asset value in an active market

* Listed equity securities in Raymond Limited domiciled in India.

28.8.2 Fair value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)

The management consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statement approximate their fair values.

The carrying amounts of trade receivables, current investment, earnest money deposit, interest receivable, advance to related party, cash and cash equivalents, trade payables and deposit from dealers are considered to be the same as their fair values, due to their short-term nature.

The difference between the fair values and carrying amount for security deposits is insignificant and hence the carrying value approximates the fair value of such balances.

Notes to the Consolidated financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

29 Related parties disclosures

(1) Related party and relationship

(a) Holding company

J. K. Investo Trade (India) Limited

(b) Enterprises which can exercise significant influence, directly or indirectly, and with whom there are transactions.

(i) Raymond Limited

(ii) Raymond Apparel Limited [subsidiary of (b)(i)]

(iii) J.K. Ansell Limited [subsidiary of (a)]

(iv) Silver Spark Middle East FZE [subsidiary of (b)(i))]

(c) Wholly owned subsidiary

JKHC International FZE

(d) Key management personnel

The authority and responsibility for planning, directing and controlling the activities of the Company is collectively managed by the Board of Directors.

(2) Transactions carried out with the related parties in (1) above, in ordinary course of business:

Particulars	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st March 2015
Sales of goods			
Raymond Limited	348.14	159.97	141.99
Raymond Apparel Limited	137.30	135.41	105.05
- J.K.Ansell Limited	-	-	0.52
Expenses			
- Raymond Limited			
- Royalty paid	0.34	5.90	6.27
- Rent and other service charges paid	136.64	137.75	176.12
- Purchase of merchandise	-	2.39	20.43
- Raymond Apparel Limited			
- Purchase of merchandise	33.64	79.89	46.81
- Silver Spark Middle East FZE			
- Advance Given	-	6.00	-
Directors' fees	12.00	11.00	8.00
Commission to non-executive directors	-	41.00	8.00
Outstanding			
Payables			
- Raymond Limited	68.21	13.25	14.65
- Raymond Apparel Limited	7.28	-	-
- Directors	-	41.00	8.00
Receivables			
- Raymond Limited	25.78	26.86	10.07
- Raymond Apparel Limited	16.38	-	-
- Silver Spark Middle East FZE	-	6.00	-

(All amounts are in Rs. Lakhs unless otherwise stated)

30 Commitments

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for	11.03	7.57	15.58

31 Contingent liabilities (to the extent not provided for)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Contingent Liabilities			
(a) Income tax matters disputed and under appeal including TDS demand on account of mismatch	63.10	17.45	17.95
(b) Excise demands where the Group is in appeal and has obtained stay orders from the appellate authorities	437.83	437.83	47.35
(c) Other money for which the Group is contingently liable	186.25	50.91	50.91

The Group has received an inquiry letter from a large institution dated 18th April 2017, requesting the Group to comment on the letter sent to them by an Non Governmental Organisation (NGO) relating to sourcing benefits (pertaining to goods supplied by the Group) not passed to the large institution. The Group is in the process of responding to this letter.

32 Specified bank notes (Amount in Rupees)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	151,000.00	110,751.24	261,751.24
(+) Permitted receipts	-	453,893.00	453,893.00
(-) Permitted payments	122,000.00	360,889.00	482,889.00
(-) Amount deposited in banks	29,000.00	305.00	29,305.00
Closing cash in hand as on 30.12.2016	**-**	**203,450.24**	**203,450.24**

33 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

	Net Assets i.e Total Assets minus Total Liabilities		Share of Profit or Loss	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount
Parent				
J.K.Helene Curtis Limited	99.53%	24,223.24	73.95%	(49.81)
Subsidiaries				
Foreign				
JKHC International FZE	0.47%	113.80	26.05%	(17.54)

Notes to the Consolidated financial statements for the year ended 31st March 2017
(All amounts are in Rs. Lakhs unless otherwise stated)

34 First Time Ind AS Adoption reconciliations

34.1 Effect of Ind AS adoption on the consolidated balance sheet as at 31st March 2016 and 1st April 2015

Particulars	As at 31st March 2016 (End of the last period presented under previous GAAP)			As at 1st April 2015 (Date of transition)		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance sheet
ASSETS						
Non-current assets						
(a) Property, plant and equipment	426.17	-	426.17	425.07	-	425.07
(b) Intangible assets	6.94	-	6.94	-	-	-
(c) Financial assets						
(i) Non-current investments	9,194.45	5,353.40	14,547.85	8,347.95	6,770.13	15,118.08
(iii) Others financial assets	8.74	-	8.74	13.08	-	13.08
(d) Deferred tax assets (Net)	-	496.86	496.86	7.76	406.58	414.34
(e) Non-current tax assets (Net)	90.02	-	90.02	103.10	-	103.10
(f) Other non-current assets	13.45	-	13.45	50.55	-	50.55
Total non-current assets	**9,739.77**	**5,850.26**	**15,590.03**	**8,947.51**	**7,176.71**	**16,124.22**
Current assets						
(a) Inventories	2,964.86	-	2,964.86	2,647.76	-	2,647.76
(b) Financial assets						
(i) Current investments	-	-	-	401.06	-	401.06
(ii) Trade receivables	1,268.95	-	1,268.95	969.70	-	969.70
(iii) Cash and cash equivalents	371.36	-	371.36	745.27	-	745.27
(iv) Others financial asset	32.57	-	32.57	20.21	-	20.21
(c) Other current assets	1,464.64	-	1,464.64	1,333.47	284.26	1,617.73
Total current assets	**6,102.38**	**-**	**6,102.38**	**6,117.47**	**284.26**	**6,401.73**
TOTAL ASSETS	**15,842.15**	**5,850.26**	**21,692.41**	**15,064.98**	**7,460.97**	**22,525.95**
EQUITY AND LIABILITIES						
Equity						
(a) Equity share capital	98.00	-	98.00	98.00	-	98.00
(b) Other equity	11,707.89	4,377.55	16,085.44	10,826.40	5,980.52	16,806.92
Total equity	**11,805.89**	**4,377.55**	**16,183.44**	**10,924.40**	**5,980.52**	**16,904.92**
Liabilities						
Non-current liabilities						
(a) Provisions	33.28	804.14	837.42	44.65	830.28	874.93
(c) Deferred tax liabilities (Net)	8.28	(8.28)	-	-	-	-
Total non-current liabilities	**41.56**	**795.86**	**837.42**	**44.65**	**830.28**	**874.93**
Current liabilities						
(a) Financial liabilities						
(i) Trade payables	3,448.02	-	3,448.02	3,489.58	-	3,489.58
(ii) Other financial liabilities	71.00	-	71.00	71.00	-	71.00
(b) Provisions	161.81	676.85	838.66	172.01	650.17	822.18
(c) Current tax liabilities (Net)	11.01	-	11.01	11.63	-	11.63
(d) Other current liabilities	302.86	-	302.86	351.71	-	351.71
Total current liabilities	**3,994.70**	**676.85**	**4,671.55**	**4,095.93**	**650.17**	**4,746.10**
TOTAL LIABILITIES	**15,842.15**	**5,850.26**	**21,692.41**	**15,064.98**	**7,460.97**	**22,525.95**

(All amounts are in Rs. Lakhs unless otherwise stated)

34.2 Effect of Ind AS adoption on the consolidated statement of profit and loss for the year ended 31st March 2016

	Particulars	Year ended 31st March 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Statement of Profit or Loss
I	**Revenue from operations**	28,919.13	(181.41)	28,737.72
II	**Other income**	459.08	(284.26)	174.82
III	**Total income (I + II)**	**29,378.21**	**(465.67)**	**28,912.54**
IV	**Expenses**			
	Purchases of stock-in-trade	17,300.19	-	17,300.19
	Changes in inventories of traded goods	(317.10)	-	(317.10)
	Employee benefits expense	1,762.48	36.74	1,799.22
	Depreciation and amortization expense	102.00	-	102.00
	Advertisement and sales promotion	5,453.24	-	5,453.24
	Other expenses	3,721.33	(180.88)	3,540.45
	Total expenses (IV)	**28,022.14**	**(144.15)**	**27,878.00**
V	**Profit before tax**	1,356.07	(321.53)	1,034.54
VI	**Tax expense**			
	Current tax	466.17	(12.71)	453.46
	Deferred tax charge/(credit)	16.04	(98.55)	(82.52)
		482.21	(111.27)	370.94
VII	**Profit for the year**	**873.86**	**(210.26)**	**663.60**
VIII	**Other Comprehensive Loss**			
A	Items that will not be reclassified to profit or loss			
	(a) Remeasurement of defined benefit plans	-	36.74	36.74
	(b) Equity instruments through other comprehensive income	-	(1,416.73)	(1,416.73)
		-	(1,379.99)	(1,379.99)
	Income tax relating to item (VIII) (a) above	-	(12.71)	(12.71)
B	**Items that may br reclassified to profit or loss**			
	Exchange differences translating the financial statements of foreign operations	-	7.62	7.62
	Other Comprehensive Loss for the year	-	(1,385.08)	(1,385.08)
IX	**Total Comprehensive Income/(Loss) for the year (VII +VIII)**	**873.86**	**(1,595.34)**	**(721.48)**

34.3 First Time Ind AS Adoption reconciliations

34.3.1 Reconciliation of Total Equity as at 31st March 2016 and 1st April 2015:

Particulars	As at 31st March 2016	As at 1st April 2015
Total equity (shareholders' funds) under previous GAAP	**11,805.89**	**10,924.40**
Ind AS: Adjustments increase/(decrease):		
(a) Gain on fair valuation of investment in equity instrument designated at FVTOCI [Refer note 33.4 (c)]	5,353.40	6,770.13
(b) Provision for replacement [Refer note 33.4 (d)]	(1,480.99)	(1,480.45)
(c) Adjustment on account of prior period item [Refer footnote to note 8 and note 33.4 (e)]	-	284.26
(d) Deferred tax asset on above Ind AS adjustments in item (b) and (c)	505.14	406.58
Total increase due to Ind AS Adjustments	**4,377.55**	**5,980.52**
Equity as reported under Ind AS	**16,183.44**	**16,904.92**

Notes to the Consolidated financial statements for the year ended 31st March 2017

(All amounts are in Rs. Lakhs unless otherwise stated)

34.3.2 Reconciliation of Total Comprehensive Income for the year ended 31st March 2016:

		Year Ended 31st March 2016
Profit as per previous GAAP		**873.86**
Ind AS: Adjustment (increase)/decrease:		
(a)	Provision for replacement [Refer note 33.4 (d)]	(0.53)
(b)	Adjustment on account of prior period item [Refer footnote to note 8 and note 33.4 (e)]	(284.26)
(c)	Tax on account on above prior period item	98.56
(d)	Remeasurment of defined benefit plan transferred to Other Comprehensive Income [Refer note 33.4 (b)]	(36.74)
(e)	Tax relating to remeasurment of defined benefit plan [Refer note 33.4 (b)]	12.71
Total adjustment in profit or loss		**(210.26)**
Profit under Ind AS		**663.60**
Other Comprehensive Income/(Loss)		
(a)	Equity instruments through Other Comprehensive Income	(1,416.73)
(b)	Movement in foreign currency translation reserve	7.62
(c)	Remeasurment of defined benefit plan transferred to Other Comprehensive Income [Refer note 33.4 (b)]	36.74
(d)	Tax relating to remeasurment of defined benefit plan [Refer note 33.4 (b)]	(12.71)
Total Comprehensive Loss under Ind AS		**(721.48)**

34.4 The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March 2016 as compared with the previous GAAP.

Notes explaining ‘Effect of transition to Ind AS’:

(a) Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains, or losses are required to be presented in other comprehensive income.

(b) Under previous GAAP, actuarial gain and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of profit or loss. The actuarial gains for the year ended 31st March 2016 were Rs.36.74 Lakhs and the tax effect thereon Rs.12.71 Lakhs. The change does not affect total equity, but there is decrease in profit before tax of Rs.36.74 Lakhs, and in total profit of Rs.24.03 Lakhs for the year ended 31st March 2016.

(c) Under previous GAAP, long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, these financial assets have been classified as FVTOCI. On the date of transition to Ind AS, these financial assets have been measured at their fair value which is higher than cost as per previous GAAP, resulting in an increase in carrying amount by Rs. 5,353.40 Lakhs as at 31st March 2016 and by Rs. 6,770.13 Lakhs as at 1st April 2015. The effect of these changes is an increase in total equity as at 31st March 2016 of Rs.5,353.40 Lakhs (Rs. 6,770.13 Lakhs as at 1st April 2015). These changes do not affect profit before tax or total profit for the year ended 31st March 2016 and 1st April 2015 because the investments have been classified as FVTOCI.

(d) Under previous GAAP, replacement on revenue were booked on actual basis. Under Ind AS, replacement on revenue have been made at a rate derived based on trend analysis on gross revenue. On the date of transition to Ind AS, balance of such provision was Rs. 1,480.45 Lakhs and the deferred tax asset on such provision was Rs.503.20 Lakhs. The effect of these change is decrease in total equity as at 31st March 2016 of Rs. 977.60 Lakhs (Rs.977.25 Lakhs as on 1st April 2015). These changes result in decrease in profit after tax for the year ended 31st March 2016 by Rs. 0.35 Lakhs.

(e) Miscellaneous income for the year ended 31st March 2016 of Rs. 284.26 Lakhs on recovery of fraud in earlier years has been moved to year in which fraud took place i.e., year ended 31st March 2016 and tax impact on the same has been recorded in deferred tax of respective years.

(f) Retained earnings as at 1st April 2015 has been adjusted consequent to the above Ind AS transition adjustments.

35 Approval of financial statements

The financial statements were approved for issue by the Board of directors on 27th April 2017.

For J.K.Helene Curtis Limited

H. Sunder	**Nabankur Gupta**
Director	Director
DIN:00020583	DIN:00020125

Vishal Jain
Chief Financial Officer

Place: Mumbai
Date: 27th April 2017


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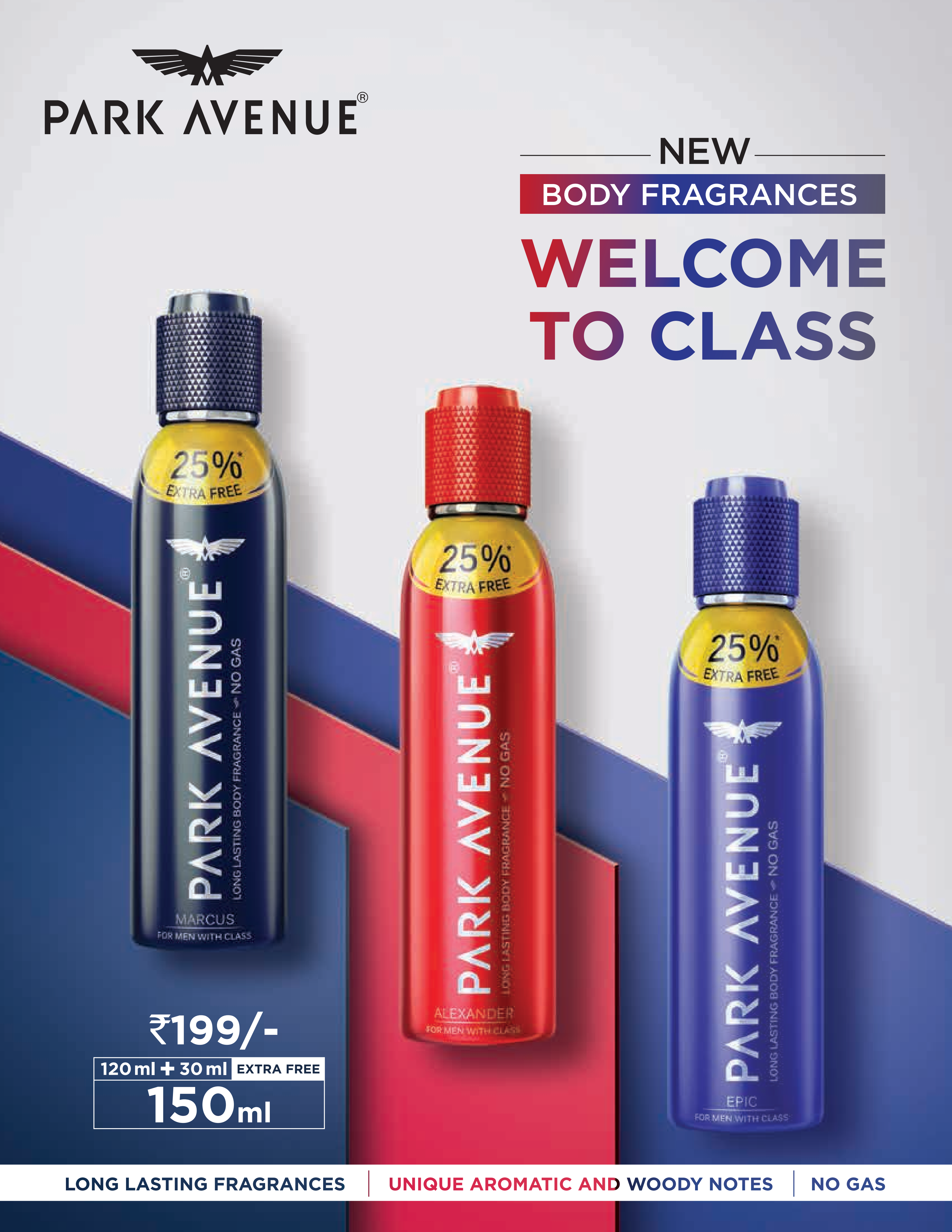
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P.O.Box 121128, SAIF Zone, U.A.E.

Audited Financial Statements
From April 01, 2016 to March 31,2017

CONTENTS

Independent Auditor's Report to the Sole Shareholder of
JKHC INTERNATIONAL FZE, P.O.Box 121128, SAIF Zone, U.A.E.

Report on the Financial Statements

We have audited the accompanying financial statements of JKHC INTERNATIONAL FZE, SAIF Zone, U.A.E., which comprises the Statement of Financial Position as at March 31, 2017, and the income statement, statement of changes in equity and cash flow statement for the year ended March 31,2017,and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with Indian Accounting Standards, and for such internal control as management determines is necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of JKHC INTERNATIONAL FZE, SAIF Zone, U.A.E. as at March 31, 2017 and of its financial performance and its cash flows for the year Ended March 31, 2017 in accordance with the recognition and measurement principles laid down in Indian Accounting Standards and comply with Sharjah Airport International Freezone Authority's Implementing Regulations issued pursuant to Emiri Decree No.2 of 1995 of H.H.Sheikh Sultan Bin Mohammed Al qassimi, The Ruler of Sharjah.

Parag Parekh & Co
Chartered Accountants
Dubai, United Arab Emirates
Dated : April 4, 2017

بـاراج بـاريـخ وشركاه لـمراجـعة الحسابـات
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JKHC INTERNATIONAL FZE
P.O.Box 121128, SAIF Zone, U.A.E.

Statement of Financial Position
As at March 31, 2017
All figures are expressed in UAE Dirhams

	Note		YE 31.3.2016
Property Plant and Equipment (Net)	Sch	7,901	31,800
Current Assets			
Stock		1,483	1,483
Bank Balances - Current accounts	3	211,520	360,512
Deposits, Advances & Prepayments		26,057	25,263
Due From Related Parties	4	40,470	33,300
Sub total	A	279,530	420,558
Current Liabilities			
Trade Payables		51,750	77,320
Due to J. K. Helene Curtis Limited, India		0	46,262
Provisions		187,956	184,926
Sub total	B	239,706	308,508
Net Current Assets	A - B	39,824	112,050
Net Assets		47,725	143,850
Shareholder's Equity			
Share Capital		150,000	150,000
Additional Capital		900,000	900,000
Accumulated Losses		-1,002,274	-906,150
Total		47,725	143,850

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation. These financial statements were approved on April 4, 2017 and signed on behalf of the Board by

Mr. Hariharan Sunder
Director

JKHC INTERNATIONAL FZE
P.O.Box 121128, SAIF Zone, U.A.E.

Income Statement
Year Ended March 31,2017
All figures are expressed in UAE Dirhams

	Note		YE 31.3.2016
Sales		0	713,824
Cost of sales	5	0	501,971
Gross Profit		0	211,853
Expenses			
Administration Costs		68,058	68,445
Selling Expenses		4,167	879,318
Depreciation		23,899	23,961
Sub total		96,124	971,724
Net Loss for the year		-96,124	-759,871

Financial Statements were authorised on behalf of the Board by

Mr. Hariharan Sunder
Director

JKHC INTERNATIONAL FZE
P.O.Box 121128, SAIF Zone, U.A.E.

Statement of Changes in Equity
Year Ended March 31,2017

All figures are expressed in UAE Dirhams

	Share Capital	Additional Capital	Accumulated Losses	Total
Balance as at 1.4.2016	150,000	900,000	-906,150	143,850
Transfer from income statement	0	0	-96,124	-96,124
Balance as at 31.03.2017	150,000	900,000	-1,002,274	47,725
Balance as at 1.4.2015	150,000	900,000	-146,279	903,721
Transfer from Income statement	0	0	-759,871	-759,871
Balance as at 31.3.2016	150,000	900,000	-906,150	143,850

JKHC INTERNATIONAL FZE
P.O.Box 121128, SAIF Zone, U.A.E.

Cash Flow Statement
Year Ended March 31,2017
All figures are expressed in UAE Dirhams

				YE 31.3.2016
I	**Cash Flow from Operating Activities**			
	Net Loss for the year		-96,124	-759,871
	Depreciation		23,899	23,961
	Changes in operating assets and liabilities		-72,225	-735,910
	Deposits, Advances & Prepayments		-794	354,141
	Due to J. K. Helene Curtis Limited, India		-46,262	0
	Stock		0	0
	Advance to suppliers		0	327,835
	Due From Related Parties		-7,170	-33,300
	Trade Payables		-25,570	53,570
	Provisions & Accruals		3,030	6,527
	Net Cash (used in) Operating Activities		-148,991	-27,137
II	**Cash Flow from Investing Activities**			
	Property, Plant and Equipment		0	-71,663
III	**Cash Flow from Financing Activities**		0	0
	Changes in Cash and Cash Equivalents	I+II+III	-148,991	-27,137
	Cash and Cash Equivalents at the beginning		360,512	387,649
	Cash and Cash Equivalents at the end		211,520	360,512
			0	0
	Non cash transactions		**Nil**	**Nil**

Accounting Policies and Explanatory Notes

Year Ended March 31,2017
All figures are expressed in UAE Dirhams

1a Legal Status

JKHC INTERNATIONAL FZE is incorporated with Limited Liability as per Certificate of Incorporation No 5420 and Licence Number 13084 both dated January 05, 2014 issued by Sharjah Airport International Free Zone Authority, UAE.

As per the Memorandum of Association and as per Share Certificate No. 5420 dated January 05, 2014, the following is the sole shareholder of the company.

	Nationality	*Shares*	*Value*
J. K. Helene Curtis Limited	India	1	150,000

Share capital of the company is AED 150,000/- divided into 1 share of AED 150,000/- each.

Company has issued 6 additional shares of AED 150,000/- each for the additional capital invested by the parent company.

1b Business Activities

The company is engaged in the business of trading of own branded deodorants and perfumes viz. Park Avenue.

The company has entered into agreement with manufacturers in UAE for contract manufacturing and supply of the above products as per their specifications.

2 Accounting Policies

The company prepares its financial statements in accordance with the Indian Generally Accepted Accounting principles for Small and Medium Sized Entities. Management chooses and applies its accounting policies consistently to similar transactions and events, unless otherwise stated.

a Accounting Basis

These financial Statements are prepared under the accrual basis of accounting. Under the accrual basis, transactions and events are recognised when they occur (and not as cash or its equivalent is received or paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

b. Measurement Basis

These Financial Statements have been prepared on historical cost basis.

c. Functional / Presentation Currency

The financial statements are prepared in UAE Dirhams, which is considered to be the company's principal trading currency.

d Property, Plant and Equipment

Property, plant and equipment is initially recognised at their purchase cost together with any incidental expenses of acquisition and excluding any borrowing costs incurred. Subsequently Property, plant & equipment is measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on property, plant and equipment has been computed from date of purchase on straight-line method at the annual rates estimated to write off the cost of the assets over its expected useful lives as under :

Moulds	33.33%

e Impairment of Tangible Assets

At each Statement of Financial Position date, the company reviews the carrying amount of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). An impairment loss is recognised in the income statement unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

f **Inventories**

Inventories of trading goods have been valued at lower of cost and net realisable value. Cost is determined by average method. Cost excludes all the expenses incurred in bringing the inventories to its current condition and location.

Net realisable value is the estimate of selling price in the ordinary course of business less selling expenses.

Provision is made for slow moving and non-moving items. Damaged and obsolete items are not considered in inventory .

g **Cash and Cash Equivalents**

Cash and Cash Equivalents for the purpose of cash flow statement comprises of cash, bank overdraft, bank current and call accounts, fixed deposits free from lien with a maturity date of 3 months or less from the date of deposit.

3 **Bank Balances**

Balances with Banks in :		
- Current account in UAE	211,520	360,512

4 **Related Parties**

The company in the normal course of business enters into transactions with other business enterprises that fall within the definition of Related Party. The company believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

Due From Silver Spark Middle East FZE, Saif Zone, Sharjah, UAE	0	33300
Due From Raymond Lifestyle International DMCC, Dubai, UAE	40470	0
	40470	33300

5 **Cost of Sales**

Opening Stock	1483	1483
Purchases	0	501971
Closing stock	-1483	-1483
	0	501971

6 Basic Financial Instruments

a Fair Values

The fair values of the concern's financial assets and financial liabilities approximate to their carrying values.

b Credit Risk, Interest Rate Risk and Exchange Rate Risk Exposure.

i Credit Risk

Financial assets, which potentially expose the company to credit risk, comprise mainly of bank current accounts.

The company's bank accounts are placed with high credit quality financial institutions.

ii Exchange Rate Risk

There is no significant exchange rate risk as substantially most of the transactions are denominated in U.A.E. Dirhams or US Dollars which are pegged to the UAE Dirhams.

7 Significant Events Occurring After the Balance Sheet Date

There were no significant events occurring after the balance sheet date which require disclosure in the financial statements.

8 Previous Year's Figures

Previous period's figures are re-grouped or re-arranged wherever necessary so as to confirm to the current year's presentation.

JKHC INTERNATIONAL FZE
P.O.Box 121128, SAIF Zone, U.A.E.

Property, Plant and Equipment Schedule
All figures are expressed in U.A.E.Dirhams

Year Ended March 31,2017

	Moulds
	31.3.2017
Rate of depreciation (SLM)	33.33%
Cost	
At on 01.04.2016	71,663
Additions	0
At at 31.3.2017	71,663
Depreciation	
At on 01.04.2016	39,863
Additions	23,899
At at 31.03.2017	63,762
Net Value	7,901

Note :
Moulds are being utilised for production at contractor's manufacturing unit.