

Bombay Store Retail Company Limited

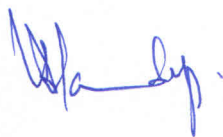
Balance Sheet as at 31st March 2017

		2016-17	2016-17	2015-16
	Notes	₹	₹	₹
EQUITY AND LIABILITIES				
SHAREHOLDERS FUNDS:				
Share Capital	2	500,000		500,000
Reserves & Surplus	3	(126,479,499)	(125,979,499)	(109,965,940)
NON CURRENT LIABILITIES:				
Long Term Borrowings	4		138,767,233	156,644,069
CURRENT LIABILITIES:				
1) Short Term Borrowings	5	-		-
2) Trade Payables	6	6,330,282		40,280,988
3) Other Current Liabilities	7	1,742,601		4,440,333
			8,072,883	44,721,321
			20,860,617	91,899,450
ASSETS				
NON CURRENT ASSETS:				
FIXED ASSETS				
Tangible Assets	8		2,076,417	9,094,240
Intangible Assets			30,561	52,133
LONG TERM LOANS & ADVANCES:				
	9		-	-
CURRENT ASSETS:				
1) Current Investment	10	55,496		51,623
2) Inventories	11	14,697,046		64,162,617
3) Trade Receivables	12	35,974		326,259
4) Cash & Cash Equivalents	13	283,628		1,409,656
5) Short Term Loans & Advances	14	3,681,496		16,802,922
			18,753,639	82,753,077
			20,860,617	91,899,450

Notes forming part of Financial Statements

1 -34

As per our Report of even dated
For M. D. PANDYA & ASSOCIATES
Chartered Accountants
Reg No. 107325W




A. D. Pandya
Partner
Membership No:33930



Madhu Chandak
Director



Manjri Chandak
Director



Jyoti Kabra
Director

MUMBAI, 10th August 2017

MUMBAI, 10th August 2017

Bombay Store Retail Company Limited**Statement of Profit and Loss for the year ended 31st March 2017**

		2016-17	2015-16
	Notes	₹	₹
INCOME :			
Revenue from operation	15	34,717,247	209,780,116
Other Income	16	6,330,133	9,099,865
Total Revenue		41,047,380	218,879,981
EXPENSES :			
Purchase Of Stock In Trade	17	52,519	131,329,564
Change in Inventories of Stock in Trade	18	49,187,427	34,707,752
Employee Benefit Expenses	19	27,401	12,407,685
Finance Cost	20	143,936	4,411,134
Selling, Administrative & Other expenses	21	6,490,878	53,135,599
Depreciation & amortisation expenses	8	1,658,778	4,339,634
		57,560,939	240,331,368
Profit before Exceptional Item		(16,513,559)	(21,451,387)
Exceptional Item	22	-	2,525,678
Profit/(Loss) before Tax		(16,513,559)	(23,977,065)
Provision for Tax		-	-
Profit/(Loss) after Tax		(16,513,559)	(23,977,065)
Less: Prior years tax adjustments		-	-
Profit/(Loss)for the year		(16,513,559)	(23,977,065)
Basic and diluted earning per share (in Rs.)		(330.27)	(479.54)

Notes forming part of Financial Statements 1 -34

As per our Report of even dated
For M. D. PANDYA & ASSOCIATES
Chartered Accountants
Reg No. 107325W

A. D. Pandya
Partner
Membership No:33930



Madhu Chandak
Director

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Director

Jyoti Kabra
Director

	2016-17		2015-16	
	₹	₹	₹	₹
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and extra-ordinary items		(16,514)		(21,451)
Add: Adjustments for :				
Depreciation	1,658		4,340	
Interest paid	1		2,506	
Interest received	-		-	
(Profit) / Loss on sales of Investment	-		-	
(Profit) / Loss on sales of fixed assets (net)	2,831		-	
Dividend received	(4)	4,486	(4)	6,842
Operating Profit before Working Capital Changes		(12,028)		(14,610)
Adjustments for :				
Increase / (Decrease) in Trade payables	(33,951)		(52,887)	
Increase / (Decrease) in Other Current Liabilities	(2,698)		(376)	
Increase / (Decrease) in Short Term Provisions	-		-	
(Increase) / Decrease in Inventories	49,465		34,659	
(Increase) / Decrease in Long Term Loans & advances	-		-	
(Increase) / Decrease in Short Term Loans & Advances	13,724		1,014	
(Increase) / Decrease in Trade & Other receivables	290	26,830	1,451	(16,139)
Cash Generated from Operations		14,802		(30,749)
Direct taxes paid		(603)		158
Cash Flow before exceptional items		14,199		(30,591)
Exceptional Items:				
Write down of fixed assets	-	-	(2,526)	(2,526)
Net Cash from Operating Activities	[A]	14,199		(33,117)
B CASH FLOW FROM INVESTMENT ACTIVITIES				
Purchase of Assets		(71)		(238)
Sales of Assets		2,620		-
Sales / (Purchases) of Investments		-		(4)
Interest received		-		-
Dividend received		4		4
Write down of fixed assets (Exceptional Item)		-		2,526
Net Cash from Investing Activities	[B]	2,553		2,287
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from borrowings		-		81,000
Repayments of borrowings		(17,877)		(50,000)
Interest paid		(1)		(2,506)
Net Cash Flow from Financial Activities	[C]	(17,878)		28,494
Net Cash increase/(Decrease) in cash and Cash equivalent (A+B+C)		(1,126)		(2,336)
Cash and Cash Equivalents (Opening) :				
Cash on Hand	261		984	
Balance with Banks	1,148	1,410	2,761	3,746
Cash and Cash Equivalents (Closing) :				
Cash on Hand	-		261	
Balance with Banks	284	284	1,148	1,410

Notes :

- 1 The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard - 3 (AS3) 'Cash Flow Statement' issued by the Institute of Chartered Accountant of India.
- 2 Cash and cash equivalent represent cash and bank balance only.
- 3 Previous year's figures have been regrouped or rearranged wherever necessary.

MUMBAI, 10th August 2017

AUDITORS' REPORT ON CASH FLOW STATEMENT

We have examined the attached Cash Flow Statement of Bombay Store Retail Company Limited for the year ended 31st March, 2017. The statement has been prepared as per AS-3 on Cash Flow Statement issued by Institute of Chartered Accountants of India under the "Indirect Method" and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report dated 10th August 2017 to the members of the Company."



For M D Pandya & Associates
Chartered Accountants
Reg No. 107325W

A D PANDYA
Partner

Membership No: 33930

MUMBAI, 10th August 2017

1 Company Background

The Company was incorporated in 2008. The Company is in business of retailing of variety of household, gifts, artefacts & other consumable products through its stores.

1.1 Significant Accounting Policies

- A. **Basis of Accounting:** The Financial Statements are prepared under historical cost conventions, on accrual basis of accounting and in accordance with the applicable mandatory Accounting Standards as notified under the relevant provisions of the Companies Act, 2013.
- B. **USE OF ESTIMATES:** The preparation of financial statements requires management to make certain estimates and assumptions that affect the amount reported in the financial statements and notes thereto. Differences between actual results and estimates are recognised in the period they materialise.
- C. **Fixed Assets**
- Tangible Fixed Assets are recorded at cost inclusive of Inward Freight, Duties, Taxes and Incidental Expenses related to acquisition of the Assets. In case final settlement of bills with contractors is pending, but the asset is complete and ready for use, capitalisation is done on estimation basis subject to necessary adjustments, including those arising out of settlement of arbitration / court cases, in the year of final settlement.
 - Depreciation: Depreciation on Tangible Fixed Assets has been provided on the written down value method at the rates specified in Schedule II of the Companies Act 2013 except in respect of the computers where useful life of 6 years estimated by management which is different than those prescribed in Schedule II.
 - Impairment: Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount.
- D. **Investments**
- Long term Investments are recorded in the books at cost inclusive of all expenses incidental to acquisition thereof. Long term Investments are stated at cost, provision for decline in value, other than temporary is made to recognize such decline.
 - Current Investments are valued at lower of cost or market value/net asset value.
- E. **Inventories:** Stock in trade of Merchandise is valued at cost or net realisable value whichever is lower. Cost includes direct expenses such as freight, taxes etc. Stock is valued on first-in-first-out basis.
- F. **Sales:**
Counter Sales in foreign exchange are converted in to Indian Rupees at the exchange rate ruling on the date of the transactions.
- G. **Employees' Benefits:**
- Defined Contribution Plan**
Employees Benefits in the Provident Fund, Family Pension Fund and ESIC which are defined contribution schemes, are charged to the Profit and Loss Account of the year when contribution accrue.
 - Defined Benefit Plan**
Annual Contribution towards Gratuity Liability is funded with the Life Insurance Corporation of India in accordance with their Gratuity scheme and is absorbed in the accounts. The Company does not retain any obligation to pay further amounts if insurer does not pay all future employee benefits so the plan is not treated as defined benefit plan.
 - No provision is made for encashment of unavailed leave payable on retirement of employees.
- H. **Taxation:**
Current Tax is determined as the amount of tax payable in respect of taxable income for the period computed in accordance with relevant provisions of Income Tax, 1961.
Deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future.

Notes to Financial Statements for the year ended 31st March 2017

2.3 Reconciliation of Shares outstanding at the beginning and end of the year:

2.4 Details of shareholders holding more than 5% of shares as at

3 RESERVES & SURPLUS

4 LONG TERM BORROWINGS

5 SHORT TERM BORROWINGS

6 TRADE PAYABLES

5.2 In the absence of any intimation from vendors regarding the status of their registration under the "Micro, small and Medium Enterprises Development Act, 2006", the Company is unable to comply with the disclosures required to be made under the said Act.

7 OTHER CURRENT LIABILITIES

Deposit	125,000	125,000
Other Payables	1,617,601	4,315,333
Total	1,742,601	4,440,333

Bombay Store Retail Company Limited
Notes 8 : Fixed Assets

SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK (AT COST)		DEPRECIATION		NET BLOCK	
		AS AT 01-Apr-16	ADDITIONS	DEDUCTIONS	AS AT 31-Mar-17	AS AT 01-Apr-16	AS AT 31-Mar-17
	TANGIBLE ASSETS						
1	Leasehold Improvement	563,536		563,536	-	546,766	-
2	Electrical Installations	5,388,735	71,400	5,316,434	143,701	3,021,789	42,149
3	Computers	319,882		277,062	42,820	249,512	4,275
4	Office & Other Equipments	1,356,513		1,296,017	60,496	932,709	8,381
5	Furniture & Fixtures	17,044,267		10,648,708	6,395,559	10,827,918	2,021,611
	Previous Year Rs	24,672,933	71,400	18,101,757	6,642,576	15,578,693	2,076,417
	Intangible Assets						
6	Software	107,861	-	-	-	55,728	30,561
	Previous Year Rs	107,861	-	-	107,861	55,728	30,561
		107,861			107,861	34,156	52,133
							73,705

Note:

8.1 Deduction during the year includes assets transferred to its Holding at a value mutually agreed during the year.

8.2 The company has recognised non cash write down of assets during the year Rs.1,372,787/- (Previous year Rs.2,525,678/-) (Refer Note No.24)

Bombay Store Retail Company Limited
Notes to Financial Statements for the year ended 31st March 2017

	2016-17	2015-16
	₹	₹
9 LONG TERM LOANS & ADVANCES		
Others	-	-
Total	-	-
10 CURRENT INVESTMENTS		
Current - Trade Unquoted		
769.13 (Previous Year 730.85)units of ₹ 100/- each of ICICI Prudential Liquid Plan - Daily Dividend Option	55,496	51,623
Total	55,496	51,623
11 INVENTORIES		
Stock in Trade - Merchandise		
At cost or net realisable value whichever is lower	14,697,046	64,162,617
(As per Inventories certified by a Director)	14,697,046	64,162,617
12 TRADE RECEIVABLES		
(Unsecured, Considered Good)		
Due for more than six months from the due date of payment	34,683	-
Others	1,291	326,259
Total	35,974	326,259
13 CASH AND CASH EQUIVALENTS		
Cash on Hand	-	261,478
Balance with Scheduled Banks :		
In Current Account	272,839	1,138,308
Other Bank balances : Deposit Accounts	10,789	9,870
Total	283,628	1,409,656
14 SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or value to be received	60,281	3,286,505
Advance payment of taxes (net)	724,930	121,807
Security & Other Deposits	2,896,285	13,394,610
Total	3,681,496	16,802,922

Bombay Store Retail Company Limited
Notes to Financial Statements for the year ended 31st March 2017

		2016-17	2015-16
		₹	₹
15 REVENUE FROM OPERATIONS			
Gross Sales of Merchandise		38,092,065	231,005,077
Less : Value Added Tax		3,374,818	21,224,961
Net Sales		<u>34,717,247</u>	<u>209,780,116</u>
Total			
16 OTHER INCOME			
Dividend on Current Investments		3,873	4,111
Professional Fees Received		6,000,000	6,000,000
Miscellaneous receipts		11,220	947,408
Sundry Balances Written Back		315,041	2,148,346
Total		<u>6,330,133</u>	<u>9,099,865</u>
17 PURCHASE OF STOCK IN TRADE			
Purchases of Merchandise		52,519	131,329,564
Total		<u>52,519</u>	<u>131,329,564</u>
18 CHANGE IN INVENTORIES OF STOCK IN TRADE			
Opening Stock		63,884,473	98,592,225
Closing Stock		14,697,046	63,884,473
(Increase)/Decrease		<u>49,187,427</u>	<u>34,707,752</u>
19 EMPLOYEE BENEFIT EXPENSES			
Salaries, Allowances & Bonus		26,849	11,706,714
Contribution to Gratuity Fund		-	14,650
Contribution to Provided Fund & other Funds		-	510,673
Staff Welfare expenses		552	175,648
Total		<u>27,401</u>	<u>12,407,685</u>
20 FINANCE COST			
Interest Others		756	2,506,228
Bank Charges		138,931	328,543
Credit Card Charges		4,249	1,576,363
Total		<u>143,936</u>	<u>4,411,134</u>
21 OTHER EXPENSES			
Lease Rent		46,526	25,295,187
Repairs & Maintenance - Others		272,833	7,259,550
Legal & Professional Charges		2,155,108	289,576
Commission		-	5,733,312
Travelling & Conveyance		21,059	147,893
Electricity & Fuel		10,000	2,155,809
Insurance		3,475	42,785
Advertisements & Sales Promotion		-	1,071,874
Rate & Taxes		307,443	1,628,852
(Includes Rs.215,442/- & Previous Year Rs.1,013,092/- paid for earlier years on completion of assessments)			
Packing Charges		279,744	1,965,770
Auditors Remuneration:			
Audit Fees	50,000		178,280
Tax Audit Fees	25,000		25,000
Other Certifications	-		-
Miscellaneous Expenses		75,000	203,280
Prior Period Expenses		141,668	5,128,628
Other Advances Written-off		-	-
Loss on Sale of fixed assets		346,379	2,213,083
Loss on Discard of fixed assets		1,372,787	-
		<u>1,458,857</u>	<u>-</u>
Total		<u>6,490,878</u>	<u>53,135,599</u>
22 EXCEPTIONAL ITEMS			
Write down of fixed assets (Refer Note No.24)		-	2,525,678
		<u>-</u>	<u>2,525,678</u>

Bombay Store Retail Company Limited
Notes to Financial Statements for the Year ended 31st March, 2017

23. Contingent Liabilities: NIL

24. Exceptional Items :

Write down of its Fixed assets on account of revamping of its stores Current Year ` 1,372,787/- Previous Year ₹ 2,525,678/-

25. The company during the year transferred some of its outlets to BOMBAY SWADESHI STORES LIMITED (Holding) for better management all the business be consolidated . Accordingly some of the opeartion of the company were transferred at an agrred value.The results for the year reflects this consolidation.

26. The details on Specified Bank Notes held & transacted during period of 08/11/2016 to 30/12/2016 is as below:

	SBN Amount	Others Denomination Amount	Total Amount
Closing Balance as on 8/11/2016	-	-	-
Permitted Receipts	-	-	-
Cash withdraw	-	-	-
Permitted Payments	-	-	-
Amount Deposited in Banks	-	-	-
Closing balance as on 30/12/2016	-	-	-

27. The Company considers its entire operations under single segment 'Retailing'. The Companies operations are only in India.

28. Earning per share has been computed with reference to loss after tax of (₹ 16,513,559 /-) (Previous year (₹ 23,977,065/-)) and weighted average number of equity shares 50,000 (Previous year 50,000) There is no diluted earning per share as there are no dilutive potential equity shares.

29. The Company has, on prudence not recognised Deferred Tax Assets ₹ 111,707,850/- (Previous year ₹93,533,265/-) mainly representing expenses allowable for tax purposes when paid and difference between tax and book written down value of fixed assets, due to uncertainty of future profits in terms of Accounting Standard 22 (AS-22) for Taxes on Income issued by The Institute of Chartered Accountants of India.

The breakup of deferred tax assets / liability

	Deferred tax asset/ (liability) as at 31-Mar-17 ₹	Deferred tax asset/ (liability) as at 31-Mar-16 ₹
A. Deferred Tax Assets		
Expenses allowable for tax purpose when paid	253,499	126,612
Unabsorbed Business Loss	88,716,129	72,159,204
Difference between tax and Book Written Down Value	22,738,222	21,247,449
	111,707,850	93,533,265
B. Deferred Tax Liability		
Difference between book and tax Written Down Value	-	-
Deferred Revenue expenditure to the extent not written off	-	-
	-	-
C. Net Deferred Tax Assets	111,707,850	93,533,265
D. Deferred Tax Assets / (Liability)	34,517,726	28,901,779

30. Related Party Disclosures

A. Relationship

I) Holding Company

Bombay Swadeshi Stores Limited

II Key Management Personnel & Relatives:

Mrs.Madhu Chandak-Director

Mrs.Manjri Chandak-Director

Mrs.Jyoti Kabra-Director

III) Other Parties / Enterprises where control / significant influence exists.

Avenue Supermarts Limited

Avenue ecommerce Ltd

Out of India Retail Pvt Ltd

International Foundation for Reaserch and Education

Kabra Extrusion Technik Limited

Related party relationship is as identified by the Company and relied on by the Auditors.

B. Details of Transactions with Related Parties.

Sr. No.	Nature of Transactions	Related Party Referred in		
		A (I)	A (II)	A (III)
i.	Purchases of goods and material	- (-)	- (-)	- (6,496,770)
ii.	Income			
	Sales Of Merchandise	34,428,744 (75,148,717)	- (-)	6,000,000 (6,000,000)
	Sales Of Capital Assets	2,561,317 (-)	- (-)	- (-)
	Receipt of Rent & Utility	18,518,659 (-)	- (-)	- (-)
	Receipt of Electricity	721,160 (-)	- (-)	- (-)
iii.	Expenditure			
	Director Fees	- (-)	- (-)	- (-)
	Printing & Stationery	- (-)	- (-)	- (50,207)
	Packing Charges	- (-)	- (-)	- (-)
	Commision & Brockorage	- (-)	- (-)	- (214,333)
	General Expenses	- (-)	- (-)	- (111,154)
	Professional Fees	2,000,000 (-)	- (-)	- (-)
iv.	Outstanding Balance			
	Due to Holding Company	- (-)	- (-)	- (-)
	Loans & Advances Received	60,767,233 (75,644,069)	78,000,000 (81,000,000)	- (-)
	Trade Payable	- (-)	- (-)	- (2,888,418)

Figures in brackets are for previous year.

Bombay Store Retail Company Limited

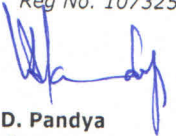
Notes to Financial Statements for the Year ended 31st March, 2017

31. Earning in Foreign Exchange :

- i. FOB value of exports of goods ` NIL/- (Previous Year ` NIL/-)
 - ii. Receipts on account of sale of merchandise ₹ NIL/- (Previous Year ₹ 24,814,154/-)
32. CIF Value of Imports : Goods ₹ NIL/- (Previous Year ₹ NIL/-)
33. Expenditure in Foreign Currency: ₹ NIL/- (Previous Year ₹ NIL).

34. Previous year's figures have been regrouped / re-arranged / reclassified wherever necessary.

As per our Report of even dated
For **M. D. Pandya & Associates**
Chartered Accountants
Reg No. 107325W


A. D. Pandya
Partner
Membership No:033930



Mumbai
Dated : 10th August 2017



Madhu Chandak
Director



Manjri Chandak
Director



Jyoti Kabra
Director

Mumbai
Dated : 10th August 2017