



# **BAPNA AND COMPANY**

Chartered Accountants

**Arvind Kumar Bapna**

B.Com., FCA, ICWA, CS, DISA

**Manjul Babel**

B.Sc., M.Com., ACA

Office No. 2, First Floor  
Vasu Pujiya Complex  
Mewar Motor Link Road  
Surajpole, Udaipur (Raj.)  
Mob.: 09414736704  
E-mail : bapnaarvind@gmail.com  
akbapna@rediffmail.com

## INDEPENDENT AUDITORS' REPORT

To

The Members of

**GAZE FASHIONTRADE LIMITED**

### **Report on the Ind AS financial statements**

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

### **Management's Responsibility for 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Ind AS financial statements based on our audit. We have taken into account the provisions of the Act and the rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and the applicable authoritative pronouncement issued by The Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act and the rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and the applicable authoritative pronouncement issued by The Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 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, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## **Other Matters**

The comparative financial information of the company for the year ended 31st March 2017 included in the financial statements, are based on the previously published Standalone financial results/statements for the said periods prepared in accordance with the Companies (Accounting



Standards) Rules, 2006 and other accounting principles generally accepted in India audited by predecessor auditor and whose audit report for the year ended 31st March 2017 dated 30th May 2017 expressed an modified opinion, as adjusted for the differences in the accounting principles adopted by the company on transition to the Ind AS, which has not been audited by us.

Our Opinion is not modified in respect of above matters.

### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure- "A" statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act .
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of the such controls, refer to our report in Annexure-"B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- ii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Bangalore  
Date: 24<sup>th</sup>-May- 2018

For Bapna And Company  
Chartered Accountants  
Firm Registration Number : 009020C



Arvind Kumar Bapna

(Partner)



## Annexure I to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone Ind AS Financial Statements for the year ended 31 March 2018, we report that:

- (i) The company has no fixed asset. Hence clause 3 i(a), i(b) & i(c) of the said order are not applicable to the company.
- (ii) The company does not have any inventories. Hence clause 3 ii(a), ii(b), ii(c) of the said order are not applicable to the company.
- (iii) The Company has not granted loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'), hence clause (iii) (a), (b) & (c) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security,
- (v) The Company has not accepted any deposits from the Public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable  
  
According to the information & explanation given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of manufacture of its products by the company.
- (vi)
- (vii) In respect of statutory dues:



(a) According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues like Income tax, sales tax, Value added tax, Goods & Service Tax applicable to it with appropriate authorities. There were no undisputed amount payable in respect of any statutory dues which were in arrears as at 31<sup>st</sup> March,2018 for a period of more than six months from the date they became payable.

(b) There were no dues of Income Tax, Sales Tax, Value Added Tax & Goods & Service Tax which have not been deposited as at 31<sup>st</sup> March,2018 on account of any dispute.

(viii) According to information and explanation given to us by the management, as on balance sheet date the company is not in default w.r.t. repayment of loans and borrowings to a financial institutions, banks or government, further the company has not issued any debentures.

(ix) Based upon the audit procedures performed and the information and explanations given by the management during the year under review, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. To the best of our knowledge and belief and according to the Information and Explanation given to us, term loans availed by the company were prima facie applied by the company during the year for the purpose for which the loan were Obtained.

(x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

(xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197



read with Schedule V to the Companies Act.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

(xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

(xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon

**Place: Bangalore**  
**Date: 24<sup>th</sup>-May- 2018**



**For Bapna And Company**  
**Chartered Accountants**  
**Firm Regd Number : 009020C**

**Arvind Kumar Bapna**  
**(Partner)**

**Membership No. 078525**

## **Annexure II to the Independent Auditors' Report**

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

In conjunction with our audit of the Ind AS Financial Statements of the Company as of and for the year ended March 31, 2018, We have audited the internal financial controls over financial reporting of GAZE FASHIOTRADE LIMITED (hereinafter referred to as "the Company"), which is a company incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2018, and its profit, change in equity and its cash flows for the year ended on that date.

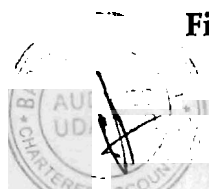
Place: Bangalore

Date: 24<sup>th</sup>-May- 2018

**For Bapna And Company**

**Chartered Accountants**

**Firm Registration Number : 009020C**



**CA Arvind Kumar Bapna  
(Partner)**

**Membership No. 078525**

## GAZE FASHIONTRADE LIMITED

FALT NO. A5,-105, FIRST AVENUE JANAPRIYA APARTMENT ARISINAKUNTE POST, NELAMANGALA

TALUK, BANGALORE RURAL KARNATAKA 562123

CIN: U17100KA2016PLC097289

### Balance Sheet as on 31 March 2018

(Amounts in '000)

Sr. No.	Particulars	Note No.	As at	
			31st March,2018	31st March,2017
	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment		-	-
	(b) Financial Assets			
	(i) Investments	3	29,213.32	29,213.32
	(ii) Loans		-	-
	(c) Other non-current assets	4	24.37	32.50
	<b>Total non-current assets</b>		<b>29,237.69</b>	<b>29,245.82</b>
(2)	<b>Current assets</b>			
	(a) Inventories		-	-
	(b) Financial Assets			
	(i) Investments	5	664.58	1,054.45
	(ii) Trade receivables		-	-
	(iii) Cash and cash equivalents	6	134.85	12,337.08
	(iv) Other Bank Balance		-	-
	(v) Loans		-	-
	(c) Other current assets		-	-
	<b>Total current assets</b>		<b>799.41</b>	<b>13,391.53</b>
	<b>Total Assets</b>		<b>30,037.10</b>	<b>42,637.35</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity Share capital	7	1,000.00	1,000.00
	(b) Other Equity	8	21,990.14	23,291.73
	<b>Total equity</b>		<b>22,990.14</b>	<b>24,291.73</b>
(1)	<b>LIABILITIES</b>			
	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings		-	-
	(b) Provisions		-	-
	(c) Deferred tax liabilities (net)		-	-
	<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>-</b>
(2)	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	9	6,961.84	18,340.62
	(ii) Trade payables		-	-
	(iii) Other financial liabilities	10	5.00	5.00
	(b) Other current liabilities	11	80.13	-
	(c) Provisions		-	-
	(d) Current tax liabilities (net)		-	-
	<b>Total current liabilities</b>		<b>7,046.96</b>	<b>18,345.62</b>
	<b>Total liabilities</b>		<b>7,046.96</b>	<b>18,345.62</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>30,037.10</b>	<b>42,637.35</b>

Significant accounting Policies **1 & 2**  
Notes forming Part of Financial Statements **1 to 23**

As per our Annexed Report of even date.

**For Bapna & Compnay**  
Chartered Accountants  
Firm Reg. No. 009020C

**Arvind Bapna**  
(Partner)  
Membership No. 078525  
Place : Bangalore  
Date: 24th May, 2018



**For and on behalf of the board of directors**  
**GAZE FASHIONTRADE LIMITED**

**Kanika Agarwal**  
(Director)  
(Din: 05237528)

**Shruti Agarwal**  
(Director)  
(Din: 05237530)



## GAZE FASHIONTRADE LIMITED

FALT NO. A5,-105, FIRST AVENUE JANAPRIYA APARTMENT ARISINAKUNTE POST, NELAMANGALA TALUK,  
BANGALORE RURAL KARNATAKA 562123

CIN: U17100KA2016PLC097289

### Statement of Profit & Loss For The Year Ended 31 March, 2018

(Amounts in '000)

	Particulars	Note No	Year Ended	Period Ended
			31st March, 2018	31st March, 2017
I	Revenue from Operations		-	-
II	Other Income	12	9.05	8.30
III	<b>Total Revenue(I+II)</b>		<b>9.05</b>	<b>8.30</b>
IV	<b>EXPENSES</b>			
	Consumption Of Raw Material		-	-
	Purchases of Traded Stock		-	-
	(Increase)/decrease in inventories of finished goods, work-in-progress and traded goods		-	-
	Employee Benefit Expenses		-	-
	Depreciation and amortization expense	13	8.12	8.12
	Finance cost	14	888.83	8.94
	Other expense	15	181.58	(8.42)
	<b>Total expenses</b>		<b>1,078.54</b>	<b>8.64</b>
V	<b>Profit/(Loss) before exceptional items and tax from operations (III-IV)</b>		<b>(1,069.49)</b>	<b>(0.34)</b>
VI	<b>Exceptional items</b>		-	-
VII	<b>Profit/(Loss) before tax from operations (V+VI)</b>		<b>(1,069.49)</b>	<b>(0.34)</b>
VIII	<b>Tax expense</b>			
	Current tax		-	-
	Deferred Tax		-	-
	Tax in respect of earlier years		-	-
IX	<b>Profit/(Loss) of the year(VII-VIII)</b>		<b>(1,069.49)</b>	<b>(0.34)</b>
X	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to profit or loss		(232.10)	23,292.07
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	<b>Total Comprehensive Income(IX+X)</b>		<b>(1,301.59)</b>	<b>23,291.73</b>
	<b>Earnings per Equity Shares</b>	16		
	1) Basic (in ₹)		(10.695)	(0.003)
	2) Diluted (in ₹)		(10.695)	(0.003)

Significant accounting Policies 1 & 2  
Notes forming Part of Financial Statements 1 to 23

As per our Annexed Report of even date.

**For Bapna & Compnay**  
Chartered Accountants  
Firm Reg. No. 009020C

**Arvind Bapna**  
(Partner)  
Membership No. 078525  
Place : Bangalore  
Date: 24th May, 2018



**For and on behalf of the board of directors**  
**GAZE FASHIONTRADE LIMITED**

**Kanika Agarwal**  
(Director)  
(Din: 05237528)

**Shruti Agarwal**  
(Director)  
(Din: 05237530)



**GAZE FASHIONTRADE LIMITED**  
Statement of changes in Equity for the year ended 31 March, 2018

A Equity Share capital		
(Amounts in '000)		
Balance at the 1st April 2017	Changes in equity share capital during the year	Balance at the end of 31st March 2018
1,000	Nil	1,000
Balance at the 1st April 2016	Changes in equity share capital during the year	Balance at the end of 31st March 2017
-	1,000	1,000




  

B Statement of changes in Equity for the year ended 31 March, 2018				
Particulars	Reserve & Surplus		Other comprehensive income	Total Other equity
	Security Premium	Retained Earnings	Equity Instruments through other comprehensive income	
Balance as of April 1, 2017	-	(0.34)	23,292.07	23,291.73
<b>Changes in equity for the year ended March 31, 2018</b>				
Net gain on FVTOCI equity Securities	-	-	(232.10)	(232.10)
Profit for the period	-	(1,069.49)	-	(1,069.49)
<b>Balance as on March 31, 2018</b>	-	(1,069.83)	23,059.98	21,990.14

Statement of changes in Equity for the year ended 31 March, 2017				
Particulars	Reserve & Surplus		Other comprehensive income	Total Other equity
	Security Premium	Retained Earnings	Equity Instruments through other comprehensive income	
<b>Changes in equity for the year ended March 31, 2017</b>				-
Net gain on FVTOCI equity Securities	-	-	23,292.07	23,292.07
Profit for the period	-	(0.34)	-	(0.34)
<b>Balance as on March 31, 2017</b>	-	(0.34)	23,292.07	23,291.73

As per our Annexed Report of even date.

<p>For Bapna &amp; Compnay Chartered Accountants Firm Reg. No. 009020C</p> <p style="text-align: center;"></p> <p>Arvind Bapna (Partner) Membership No. 078525 Place : Bangalore Date: 24th May, 2018</p>	<p>For and on behalf of the board of directors <b>GAZE FASHIONTRADE LIMITED</b></p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">               Kanika Agarwal (Director) (Din: 05237528)         </div> <div style="text-align: center;">               Shruti Agarwal (Director) (Din: 05237530)         </div> </div>
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## GAZE FASHIONTRADE LIMITED

Notes to the financial statement for the year ended 31 March 2018

- 23 The previous year's figures have been regrouped, rearranged and reclassified to conform to current year Ind-AS presentation requirements.

For Bapna & Compnay  
Chartered Accountants  
Firm Reg. No. 009020C

For and on behalf of the board of directors  
GAZE FASHIONTRADE LIMITED

  
Arvind Bapna  
(Partner)  
Membership No. 078525  
Place : Bangalore  
Date: 24th May, 2018



  
Kanika Agarwal  
(Director)  
(Din: 05237528)

  
Shruti Agarwal  
(Director)  
(Din: 05237530)

# GAZE FASHIONTRADE LIMITED

FALT NO. A5,-105, FIRST AVENUE JANAPRIYA APARTMENT ARISINAKUNTE POST, NELAMANGALA TALUK, BANGALORE  
RURAL KARNATAKA 562123  
CIN: U17100KA2016PLC097289

## CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

Particulars	(Amounts in '000)	
	Year Ended 31st March,2018	Period Ended 31st March,2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit Before Taxation	(1,301.59)	(0.34)
<b>Adjustments for:</b>		
Depreciation and Amortisation Expenses	8.12	8.12
Dividend Received	(9.05)	(8.30)
<b>Cash flow before working capital changes</b>	<b>(1,302.51)</b>	<b>(0.52)</b>
<b>Adjustments for working capital changes:</b>		
Increase/(Decrease) in Other Current Liabilities	80.14	18,340.62
Increase/(Decrease) in Borrowings	(11,378.78)	-
<b>Cash flow from operations</b>	<b>(12,601.16)</b>	<b>18,345.10</b>
Income Taxes Paid	-	-
<b>Cash flow from operating activities</b>	<b>(12,601.16)</b>	<b>18,345.10</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Increase)/Decrease in Invesments	389.88	(6,975.70)
Capital Expenses		(40.62)
Dividend Received	9.05	8.30
<b>Cash flow from investing activities</b>	<b>398.93</b>	<b>(7,008.02)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issue of Shares	-	1,000.00
	-	-
<b>Cash flow from financing activities</b>	<b>-</b>	<b>1,000.00</b>
<b>Net increase in cash and cash equivalents</b>	<b>(12,202.23)</b>	<b>12,337.08</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>12,337.08</b>	<b>-</b>
<b>Cash and cash equivalents at end of period</b>	<b>134.85</b>	<b>12,337.08</b>

As per our Annexed Report of even date.

For Bapna & Compnay  
Chartered Accountants  
Firm Reg. No. 009020C

Arvind Bapna  
(Partner)  
Membership No. 078525

Place : Bangalore  
Date: 24th May, 2018



For and on behalf of the board of directors  
GAZE FASHIONTRADE LIMITED

Kanika Agarwal  
(Director)  
(Din: 05237528)

Shruti Agarwal  
(Director)  
(Din: 05237530)



## GAZE FASHIONTRADE LIMITED

### Notes to the financial statement for the year ended 31 March 2018

#### 1 Corporate Information

GAZE FASHIONTRADE LIMITED (the company) is a limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The company is primarily engaged in investing activities.

#### 2 Significant accounting policies

The following are the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### 2.1 Basis of Preparation

These 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 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements for the year ended 31st March, 2018 are the first financials with comparatives, prepared under Ind AS. For previous period ended on 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The financial statements for the year ended March 31, 2018 were approved by the Board of Directors and authorize for issue on **24 May 2018**.

##### 2.2 Basis of measurement

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which 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.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

##### 2.3 Functional and Presentation Currency

The financial statements are prepared in Indian Rupees ("INR") which is the Company's presentation currency and the functional currency for its operations. All financial information presented in INR has been rounded to the nearest thousands with two decimal places as per the requirement of Schedule III, unless stated otherwise.

##### 2.4 Use of Estimates

The estimates and judgments 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. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. 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.

##### 2.5 Classification of Assets and Liabilities as Current and Non Current

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Company and their realization in cash and cash equivalent, the Company has determined its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

##### 2.6 Recognition of Revenue

Revenue is recognized to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made.

##### 2.7 Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate method.





**2.8 Expenses**

All expenses are charged in statement of profit and loss as and when they are incurred.

**2.9 Property, Plant & Equipment**

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs to the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

**2.10 Depreciation**

Depreciation is calculated on a written down value basis over the estimated useful lives of all the assets as prescribed in Schedule II of the Companies Act, 2013.

**2.11 Inventory**

Inventories are valued at the lower of cost or net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows-

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

**2.12 Employee benefits**

Short-term Employee Benefits are recognised as an expense on accrual basis.

**2.13 Income Tax**

Current income tax assets and liabilities are measured at the amount expected to be paid to or recovered from to the taxation authorities in accordance with Income Tax Act 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit. It is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

**2.14 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent Liability is disclosed in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or where no reliable estimate is possible. Contingent liabilities are not recognised in financial statements but are disclosed in notes.

Contingent asset is not recognised in the financial statements. A contingent asset is disclosed, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.





## 2.15 Impairment of Assets

### Non-financial assets

The Company assesses at each reporting date as to whether there is any indication that any Property, plant and equipment and intangible asset or group of assets called cash generating units (CGU) may be impaired. Property, plant and equipment are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

### Financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

## 2.16 Earning Per Share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share ('EPS') is computed by dividing the net profit attributable to equity holders of the company by the weighted average number of equity shares considered for deriving basic earning per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares been actually issued at fair value (i.e the average market value of the equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date.

## 2.17 Cash Flow Statement

Cash flows are reported using the indirect method, as set out in Ind AS 7 'Statement of Cash Flows', whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## 2.18 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash flows, Cash and Cash Equivalents consists of cash and short term deposits, as defined above, net of outstanding overdraft, if any, as they are consider an intergral part of company's cash management.

## 2.19 Financial Instruments

### a) Initial Recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

### b) Subsequent Measurement

#### (i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.





(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

c) Derecognition

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

d) Offsetting of financial instruments

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

**2.20 Fair Value Measurement**

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



**GAZE FASHIONTRADE LIMITED**
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018**
**3. Non Current Assets - Financial Assets - Investments**

Particulars	As at 31st March,2018	As at 31st March,2017
<b>Investment in equity instruments (fully paid-up)</b>		
<b>UnQuoted</b>		
<b>Fair Value Through Other Comprehensive Income</b>		
87700 Equity Shares of Ruby Infratech Pvt Ltd. of Rs. 10/- each Fully Paid-up	8,449.30	8,449.30
99800 Equity Shares of Vighnarthartha Vincom Pvt Ltd. of Rs. 10/- each Fully Paid-up	11,052.25	11,052.25
79000 Equity Shares of Biswas Solar Instruments Pvt Ltd. of Rs. 10/- each Fully Paid-up	790.00	790.00
60000 Equity Shares of Blood hound security company P Ltd. of Rs. 10/- each Fully Paid-up	600.00	600.00
74875 Equity Shares of Divya Finlease Pvt Ltd. of Rs. 10/- each Fully Paid-up	6,414.27	6,414.27
499800 Equity Shares of Radhika Vyapar Pvt Ltd of Rs. 10/- each Fully Paid-up	1,907.50	1,907.50
<b>TOTAL</b>	<b>29,213.32</b>	<b>29,213.32</b>

**4. NON CURRENT ASSETS- OTHERS**

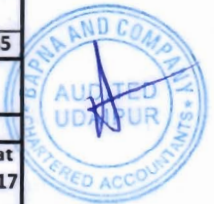
Particulars	As at 31st March,2018	As at 31st March,2017
Preliminary Expenses as per last year account	32.50	-
Add: Addition during the year	-	40.62
	32.50	40.62
Less: Adjusted/Written off during the year	8.13	8.12
<b>TOTAL</b>	<b>24.36</b>	<b>32.50</b>

**5. Financial Current Assets - Investments**

Particulars	As at 31st March,2018	As at 31st March,2017
<b>I. Investments in Equity shares</b>		
<b>Quoted</b>		
ORIENTAL BANK OF COMMERCE 5950 shares of Face Value Rs 10/- each	545.02	215.89
TV18 BROADCAST LIMITED 1900 shares of Face Value Rs 10/- each	119.56	-
<b>Investment in quoted shares - at FVTPL</b>		
Adaani Enterprises Limited 2000 Equity shares of Face Value Rs 10/- each	-	218.02
National Minerals Development corporation Limited 3000 Equity Shares of Face Value Rs 10/- each	-	412.94
Sun Pharmaceuticals Industries Limited 300 Equity shares of Face Value Rs 10/- each	-	207.61
<b>TOTAL</b>	<b>664.58</b>	<b>1,054.45</b>

**6. Financial Assets -Current- Cash & Cash Equivalents**

Particulars	As at 31st March,2018	As at 31st March,2017
Bank Balance (In Current Account)	106.21	12,244.88
Cash on hand (As Certified by the Management)	28.64	92.20
<b>TOTAL</b>	<b>134.85</b>	<b>12,337.08</b>





**GAZE FASHIONTRADE LIMITED**

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

(Amounts in '000)

**7. SHARE CAPITAL**

Particulars	As at	As at
	31st March,2018	31st March,2017
<b>Authorised</b> 100000 (100000) Equity Shares of Rs. 10/- each, Fully paid up	1,000.00	1,000.00
<b>Issued, Subscribed and Paid up</b> 100000 (100000) Equity Shares of Rs. 10/- each, Fully paid up	1,000.00	1,000.00
<b>TOTAL</b>	<b>1,000.00</b>	<b>1,000.00</b>

**7A. RECONCILIATION OF NUMBER OF SHARES**

Particulars	As at 31st March,2018		As at 31st March,2017	
	No. of Shares	Amount('000)	No. of Shares	Amount('000)
<b>Equity Shares of Rs. 10 each</b>				
Shares outstanding at the beginning of the year	1,00,000.00	1,000.00	-	-
Add:Shares issued during the year	-	-	1,00,000.00	1,000.00
Less:Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>1,00,000.00</b>	<b>1,000.00</b>	<b>1,00,000.00</b>	<b>1,000.00</b>

**7B. DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY**

Particulars	As at 31st March,2018		As at 31st March,2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding
<b>Equity Shares of Rs. 10 each</b>				
Pacific Industries Limited	100000	100.00%	100000	100.00%

**8. Other Equity**

Particulars	As at	As at
	31st March,2018	31st March,2017
<b>Surplus in Statement of Profit &amp; Loss</b>		
Balance as at the beginning of the year	(0.34)	-
Add: Net Profit /(Net Loss) for the current year	(1069.49)	(0.34)
<b>Balance as at the end of the year</b>	<b>(1069.83)</b>	<b>(0.34)</b>
<b>Other Comprehensive Income</b>		
Balance as at the beginning of the year	23292.07	-
Changes in fair value during the year	(232.10)	23292.07
<b>Balance as at the end of the year</b>	<b>23059.98</b>	<b>23292.07</b>
<b>TOTAL</b>	<b>21,990.14</b>	<b>23,291.73</b>





**GAZE FASHIONTRADE LIMITED**

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

**9. Current Liabilities - Financial Liabilities - Borrowings**

Particulars	As at 31st March,2018	As at 31st March,2017
Unsecured Loans From Holding Company	6961.837	18340.62
<b>TOTAL</b>	<b>6,961.84</b>	<b>18,340.62</b>

**10. Financial Liabilities -Current - Others**

Particulars	As at 31st March,2018	As at 31st March,2017
Audit Fees Payable	5.00	5.00
<b>TOTAL</b>	<b>5.00</b>	<b>5.00</b>

**11. Non Financial Liabilities -Current- Other**

Particulars	As at 31st March,2018	As at 31st March,2017
TDS Payable	80.14	-
<b>TOTAL</b>	<b>80.14</b>	<b>-</b>



# GAZE FASHIONTRADE LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

(Amounts in '000)

### 12. OTHER INCOME

Particulars	Year Ended 31st March,2018	Period Ended 31st March,2017
Dividend Received	9.05	8.30
<b>TOTAL</b>	<b>9.05</b>	<b>8.30</b>

### 13. DEPRECIATION & AMORTISATION

Particulars	Year Ended 31st March,2018	Period Ended 31st March,2017
Preliminary Expenses Written Off	8.12	8.12
<b>TOTAL</b>	<b>8.12</b>	<b>8.12</b>

### 14. Finance Cost

Particulars	Year Ended 31st March,2018	Period Ended 31st March,2017
Bank Charges	3.60	8.94
Interest on Demat Overdue	83.88	-
Interest on Loan From Holding Company	801.35	-
<b>TOTAL</b>	<b>888.83</b>	<b>8.94</b>

### 15. OTHER EXPENSES & AUDIT FEES

Particulars	Year Ended 31st March,2018	Period Ended 31st March,2017
<b>Loss On Sale of Trading of Shares</b>		
Purchase of Shares	66,962.81	775.46
Less : Sale of Shares	(66,862.33)	(796.55)
Accounting Charges	54.00	-
Legal & Professional Charges & ROC filing Expenses	15.60	6.00
Demat charges	1.95	1.36
Printing and stationery expenses	4.56	0.30
<b>Audit fees</b>		
Statutory Audit Fees	5.00	5.00
<b>TOTAL</b>	<b>181.58</b>	<b>(8.42)</b>





<b>16. EARNINGS PER SHARE</b>		
Particulars	Year Ended 31st March,2018	Period Ended 31st March,2017
<b>Basis for calculation of Basic and Diluted Earnings per share is as under :</b>		
Profit after tax	(1,069.49)	(0.34)
Weighted Average Number of Equity Shares (Nos)	100.00	100.00
Basic Earning Per Share (INR)	(10.695)	(0.003)
<b>17. TAX EXPENSE</b>		
Particulars	Year Ended 31st March,2018	Period Ended 31st March,2017
Income tax expenses		
a) Current taxes	-	-
b) Deferred taxes	-	-
c) Tax in respect of earlier year	-	-
A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:		
Particulars	As at	
	31st March,2018	31st March,2017
Profit before tax	(1069.49)	(0.34)
Applicable tax rate	25.75%	30.90%
Tax expense calculated at applicable rate		
Effect of Allowances for tax purpose		
Effect of Non deductible expenses		
Effect of tax related to previous years		
Effect of brought forward losses/unabsorbed depreciation		
Others		
<b>Tax expense recognised in Statement of Profit and Loss</b>	<b>0.00</b>	<b>0.00</b>
<b>18. FINANCIAL INSTRUMENTS</b>		
<b>(A) Capital Management</b>		
For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value.		
The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. Company monitors capital using a gearing ratio, which is net debts divided by total equity plus net debts. Net debt are non-current and current borrowings as reduced by cash and cash equivalents and other bank balances.		





**(B) Financial risk management policy and objectives**

The key objective of the Company's financial risk management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company is focused on maintaining a strong equity base to ensure independence, security, as well as financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company. Company's principal financial liabilities, comprise Borrowings, trade and other payables. Company's principal financial assets include investments, cash and cash equivalents &

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

**i) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk currency risk, interest rate risk and price risk. Financial instruments affected by market risk include investments in equity shares, security deposits, trade and other receivables, deposits with banks and financial liabilities.

**ii) Credit risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk mainly from trade receivables & loans and from its financing activities, including balances with banks. Credit risk on trade receivables & loans is managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Financial assets are written off when there is no reasonable expectations of recovery. Assets in the nature of Investment, deposits, loans and advances are measured using 12 months expected credit losses(ECL). Balances with Banks is subject to low credit risk due to good credit rating assigned to these banks. Trade receivables are measured using life time expected credit losses.

**iii) Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash flow obligations without incurring unacceptable losses. Company's objective is to, at all time maintain optimum levels of liquidity to meet its cash requirements. Company closely monitors its liquidity position and deploys a robust cash management system. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

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

(Amounts In '000)

Particulars	31-Mar-18		
	within one year	more than one year	Total
Trade Paybles	-	-	-
Other financial liabilities	5.00	-	5.00

Particulars	31-Mar-17		
	within one year	more than one year	Total
Trade Paybles	-	-	-
Other financial liabilities	5.00	-	5.00

**19. Segment reporting**

The company business activities involve one operating segment only therefore segment reporting is not required.

**20. Related Party Transactions**

The company has made the following transactions with related parties during the year

Particulars	Amount (In '000)
Interest Paid on loan taken	801.35
Loans outstanding as on 31st March (Liabilities)	6961.84





**i) Market risk**

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	within one year	more than one year	Total
Trade Paybles	-	-	-
Other financial liabilities	5.00	-	5.00

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# GAZE FASHIONTRADE LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

Note: 21 Fair value measurement								
Particulars	As at							
	31st March,2018				31st March,2017			
	FVTOCI	FVTPL	Amortised cost	Carrying value	FVTOCI	FVTPL	Amortised cost	Carrying value
Financial Assets								
(i) Investments	26,580.40	-	3,297.50	29,877.90	26,970.27	-	3,297.50	30,267.77
(ii) Cash & cash equivalents	-	-	134.85	134.85	-	-	12,337.08	12,337.08
(iii) Others	-	-	-	-	-	-	-	-
<b>Total</b>	<b>26,580.40</b>	<b>-</b>	<b>3,432.35</b>	<b>30,012.74</b>	<b>26,970.27</b>	<b>-</b>	<b>15,634.58</b>	<b>42,604.85</b>
Financial Liabilities								
(i) Borrowings			6,961.84	6,961.84			18,340.62	18,340.62
(ii) Trade payables				-				-
(iii) Other financial liabilities			5.00	5.00			5.00	5.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>6,966.84</b>	<b>6,966.84</b>	<b>-</b>	<b>-</b>	<b>18,345.62</b>	<b>18,345.62</b>

Note: The Carrying value of financial assets and financial liabilities approximates fair value for the respective years

### Fair value hierarchy:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents fair value hierarchy of assets measured at fair value on a recurring basis:-

Particulars	As at					
	31st March,2018			31st March,2017		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
(i) Investments	29,877.90			30,267.77		
<b>Total</b>	<b>29,877.90</b>	<b>-</b>	<b>-</b>	<b>30,267.77</b>	<b>-</b>	<b>-</b>

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



# GAZE FASHIONTRADE LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

### 22 FIRST TIME ADOPTION OF IND AS

These are company's first financial statements prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 "First Time adoption of Indian Accounting Standard", with April 01, 2016 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies. The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2018 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet and Statement of Profit and Loss, is set out in Note 22.2 and 22.3. Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in Note 22.1.

### 22.2 Balance Sheet reconciliation

(Amount in 000)

Sr. No.	Particulars	Note No.	As at March 31, 2017		
			Indian GAAP	Ind AS Adjustments	Ind AS
	<b>ASSETS</b>				
(1)	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment		-	-	-
	(b) Capital work-in-progress		-	-	-
	(c) Financial Assets				
	(i) Investments	1	5,921.25	23,292.07	29,213.32
	(ii) Loans		-	-	-
	(iii) Others		-	-	-
	(d) Other non-current assets		32.50	-	32.50
	<b>Total non-current assets</b>		<b>5,953.75</b>	<b>23,292.07</b>	<b>29,245.82</b>
(2)	<b>Current assets</b>				
	(a) Inventories		-	-	-
	(b) Financial Assets				
	(i) Investments		1,054.45	-	1,054.45
	(ii) Trade receivables		-	-	-
	(iii) Cash and cash equivalents		12,337.08	-	12,337.08
	(iv) Bank balance other than (iii) above		-	-	-
	(v) Loans		-	-	-
	(vi) Others		-	-	-
	(c) Current Tax Assets (Net)		-	-	-
	(d) Other current assets		-	-	-
	<b>Total current assets</b>		<b>13,391.53</b>	<b>-</b>	<b>13,391.53</b>
	<b>Total assets</b>		<b>19,345.28</b>	<b>23,292.07</b>	<b>42,637.35</b>
	<b>EQUITY AND LIABILITIES</b>				
(1)	<b>Equity</b>				
	(a) Equity Share capital		1,000.00	-	1,000.00
	(b) Other Equity	1	(0.34)	23,292.07	23,291.73
	<b>Total equity</b>		<b>999.66</b>	<b>23,292.07</b>	<b>24,291.73</b>
(2)	<b>LIABILITIES</b>				
	<b>Non-current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings		-	-	-
	(b) Provisions		-	-	-
	(c) Deferred Tax Liability (Net)		-	-	-
	<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>
(3)	<b>Current liabilities</b>				
	(a) Financial liabilities				
	(i) Borrowings		18,340.62	-	18,340.62
	(ii) Trade payables		-	-	-
	(iii) Other financial liabilities		5.00	-	5.00
	(b) Other current liabilities		-	-	-
	(c) Provisions		-	-	-
	<b>Total current liabilities</b>		<b>18,345.62</b>	<b>-</b>	<b>18,345.62</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>19,345.28</b>	<b>23,292.07</b>	<b>42,637.35</b>





**Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to INDAS:-**

1) Investments have been valued at fair value through other comprehensive income, resulting into increase in value of Investments.

**22.3 Reconciliation of Statement of Profit and Loss**

Particulars	Note No.	Period ended March 31, 2017		
		Indian GAAP	Adjustments	IND AS
<b>Revenue from Operations</b>				
Other Income		8.30	-	8.30
<b>Total Revenue</b>		<b>8.30</b>	<b>-</b>	<b>8.30</b>
<b>EXPENSES</b>				
Purchases		-	-	-
(Increase)/decrease in inventories of finished goods, work-in-progress and traded goods		-	-	-
Employee benefit expense		-	-	-
Depreciation & amortization expense		8.12	-	8.12
Finance cost		8.94	-	8.94
Other expense		(8.42)	-	(8.42)
Total expenses		8.64	-	8.64
<b>Profit/(Loss) before exceptional items and</b>		<b>(0.34)</b>	<b>-</b>	<b>(0.34)</b>
Exceptional items		-	-	-
<b>Profit/(Loss) before tax from operations</b>		<b>(0.34)</b>	<b>-</b>	<b>(0.34)</b>
Tax expense				
Current tax		-	-	-
Deferred Tax		-	-	-
<b>Profit/(Loss) of the year</b>		<b>(0.34)</b>	<b>-</b>	<b>(0.34)</b>
Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss (net)	1	-	23,292.07	23,292.07
(ii) Items that will be reclassified to profit or loss (net)		-	-	-
<b>Total Comprehensive Income</b>		<b>(0.34)</b>	<b>23,292.07</b>	<b>23,291.73</b>

**Note on reconciliation of Statement of Profit and Loss from previous GAAP to Ind AS****1 Fair Valuation of Investment in equity shares**

Under previous GAAP, long term investments were measured at cost less diminution in value other than temporary as of each reporting date. Under Ind AS, these investments are required to be measured at Fair value through Other Comprehensive Income (FVTOCI) or Profit or Loss (FVTPL) and the Company has elected to measure it at FVTOCI. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition.

**22.4 Other comprehensive income:** Under Previous GAAP, the Company had not presented other comprehensive income separately. Hence, it has reconciled Previous GAAP profit or loss to total comprehensive income as per Ind AS.

**22.5 Statement of Cash flows:** The transition from Previous GAAP to Ind AS did not have a material impact on statement of cash flows as the Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing & financing activities.

