M/S. EAST WEST FREIGHT CARRIERS LIMITED

62 ADARSH INDUSTRIAL ESTATE
SAHAR ROAD, CHAKALA
ANDHERI (EAST)
MUMBAI - 400 009

AUDITED FINAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

M/s. EAST WEST FREIGHT CARRIERS LIMITED
Balance Sheet as at March 31, 2018

Particulars	Note	As at March 31, 2018 Ind AS	As at March 31, 2017 Ind AS	As at April 1, 2016 Ind AS
				Amount in Rupees
ASSETS				
Non-current assets				
Property, plant and equipment	4	22,99,42,346	24,29,18,335	26,16,57,298
Capital work-in-progress		7,40,00,000	7,40,00,000	6,00,00,000
Investment Property		6,82,500	6,82,500	6,82,500
Financial assets				
Investments	5	80,80,865	75,16,009	73,07,292
Trade receivables	6	-	-	-
Other financial assets	7	1,36,13,525	4,13,18,617	48,34,315
Deferred tax assets (net)	8	-	-	59,69,809
Other non-current assets	9	1,03,91,089	1,28,91,453	2,00,69,550
Current assets				
Financial assets				
Trade receivables	10	45,26,97,195	29,44,86,430	21,61,38,345
Cash and cash equivalents	11	3,98,79,072	2,77,87,000	2,33,98,030
Bank balances other than cash and cash equivalents	12	3,63,76,796	89,18,832	1,32,70,128
Loans		-	-	-
Other financial assets	13	1,04,16,726	2,22,21,382	1,01,31,080
Current tax assets (net)		85,48,365	71,98,020	44,41,641
Other current assets	14	11,88,83,847	12,87,595	1,38,43,309
Total		1,00,35,12,327	74,12,26,172	64,19,43,296
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	15	4,53,14,300	4,53,14,300	4,53,14,300
(b) Other equity				
Equity component of compound financial instruments		-	-	-
Reserves and surplus	16	13,42,76,716	10,42,31,222	7,81,95,389
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	17	26,10,82,048	21,54,85,069	19,38,16,925
Trade payables		-	-	-
Other financial liabilities	18	1,25,90,542	1,11,67,029	99,04,462
Provisions	19	55,21,657	54,72,898	63,82,837
Deferred tax liabilities (net)	20	28,00,301	89,80,273	-
Other non-current liabilities	21	66,48,732	29,68,440	1,26,47,123
Current liabilities				
Financial liabilities				
Borrowings	22	25,20,40,427	15,52,12,450	15,22,43,520
Trade payables	23	20,87,52,608	11,74,68,025	9,04,80,727
Other financial liabilities	24	4,42,03,128	5,34,57,016	3,45,09,582
Other current liabilities	25	2,80,06,328	2,02,20,724	1,82,55,560
Provisions	26	22,75,541	12,48,727	1,92,870
Total		1,00,35,12,327	74,12,26,172	64,19,43,297

Significant accounting policies
Notes on financial statements 1 to 45

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

AS PER OUR REPORT OF EVEN DATE
FOR MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN NO 106456W

MITTAL & ASSOCIATES F.R.N 106456-W Thane Chartered Accountants

VISHAL HEDA
PARTNER
M.NO. 172863

PLACE : MUMBAI
DATE: 30 MAY 2018

FOR AND ON BEHALF OF THE BOARD
For East West Freight Carriers Ltd.

Director

DIRECTORS

PLACE : MUMBAI
DATE: 30 MAY 2018

M/S EAST WEST FREIGHT CARRIERS LIMITED

Statement of Profit and Loss for the year ended March 31, 2018

Particulars	Note no.	Year ended March 31, 2018 Ind AS	Year ended March 31, 2017 Ind AS
			Amount in Rupees
Revenue from Operations	27	2,130,967,117	1,672,414,227
Other Income	28	6,458,859	26,722,886
Total Income		2,137,425,976	1,699,137,113
Expenses			
operating expenses	29	1,885,043,544	1,462,977,987
Employee benefits expense	30	78,509,709	86,400,287
Finance costs	31	53,528,102	50,984,724
Depreciation and amortization expense		14,486,635	13,762,652
Other expenses	32	74,726,451	37,441,031
Total expenses		2,106,294,441	1,651,566,681
Profit before exceptional items and tax		31,131,535	47,570,432
Profit before tax		31,131,535	47,570,432
Income tax expense			
Current tax		6,800,000	6,334,000
Deferred tax		(6,050,335)	15,033,417
Profit / (Loss) for the year (A)		30,381,871	26,203,015
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans (Refer note 8)		(465,984)	(252,074)
Tax relating to items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans		(129,637)	(83,336)
Other Comprehensive Income for the year, net of tax (B)		(336,347)	(168,738)
Total Comprehensive Income for the year (A+B)		30,045,523	26,034,276
Attributable to:			
Equity holders of the parent			
Non-controlling interests			
		-	-
Earnings per equity share: (Face value of Rs. 10 each)			
Basic (Rupees)	11	6.63	5.75
Diluted (Rupees)		6.63	5.75
Significant accounting policies	2		
Notes on financial statements	1 to 45		

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

AS PER OUR REPORT OF EVEN DATE
FOR MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO 106456W

VISHAL HEDA
PARTNER
M.NO. 172863

MITTAL & ASSOCIATES F.R.N. 106456-W Thane Chartered Accountants

PLACE : MUMBAI
DATE: 30 MAY 2018

FOR AND ON BEHALF OF THE BOARD
For East West Freight Carriers Ltd.
Director

DIRECTORS

PLACE : MUMBAI
DATE: 30 MAY 2018

M/S EAST WEST FREIGHT CARRIERS LTD.

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

Particulars	31-03-18	31-03-17
Cash Flow from Operating Activities		
Net Profit before Tax	31,131,535	47,570,432
Non cash adjustments to reconcile profit before tax to net cash flows		
Depreciation	14,486,635	13,762,652
Provision for Gratuity	1,075,573	145,918
Interest Income	(4,166,046)	(4,920,730)
Dividend Income	-	(108)
Interest Expenses	53,528,102	50,984,724
Profit on Sale of Fixed Assets/Investment	48,630	(18,147,578)
Ind as Adjustment - Gratuity	(465,984)	(252,074)
Operating Profit before Working Capital Changes	95,638,445	89,143,236
Movements in working capital		
(Increase)/decrease in trade receivables	(158,210,766)	(78,348,084)
(Increase)/decrease in other non current assets	9,300,364	(2,167,915)
(Increase)/decrease in other non current financial assets	27,705,091	(36,484,301)
(Increase)/decrease in other current financial assets	11,804,656	(12,090,302)
(Increase)/decrease in other current assets	(117,596,252)	12,555,714
Increase/(decrease) in trade payables	91,284,583	26,987,298
Increase/(decrease) in other non current liabilities	3,680,292	(9,678,683)
Increase/(decrease) in other non current financial liabilities	1,423,513	1,262,567
Increase/(decrease) in other current liabilities	7,785,604	1,965,164
Increase/(decrease) in other current financial liabilities	(9,253,888)	18,947,434
Cash Generated From Operation	(36,438,358)	12,092,127
Direct taxes paid (net of refunds)	(14,941,200)	257,189
Cash from Operating Activities	(51,379,558)	12,349,317
Cash Flow from Investing Activities		
Purchase of fixed Assets	(2,033,809)	(6,020,613)
Proceeds from Sale of fixed Assets	465,359	29,344,500
(Increase)/decrease in Investment	(564,856)	(208,718)
(Increase)/decrease in capital work in progress	-	(14,000,000)
Interest Received	4,166,046	4,920,730
Dividend Received	-	108
Proceeds/(Payment of Fixed Deposits)	(27,457,964)	4,351,296
Net Cash from Investing Activities	(25,425,224)	18,387,303
Cash Flow from Financing Activities		
Proceeds/(Payment) of Long term Borrowings	45,596,980	21,668,143
Proceeds/(Payment) of Short term Borrowings	96,827,977	2,968,930
Interest Paid	(53,528,102)	(50,984,724)
Net Cash from Financing Activities	88,896,855	(26,347,651)
Net Increase/(Decrease) in Cash & Cash Equivalents	12,092,072	4,388,969
Cash & Cash Equivalents at Start of the year	27,787,000	23,398,030
Cash & Cash Equivalents at close of the year	39,879,072	27,787,000

Components of cash and bank balances	31-03-18	31-03-17
Cash and cash equivalents		
Cash on hand	20,089,909	13,493,640
Balance with scheduled banks :		
Current account	19,789,163	14,293,359
Fixed deposit less than three months		-
Total cash and cash equivalents	39,879,072	27,787,000
Other bank balances		
Fixed deposit more than three months but less than twelve months	36,376,796	8,918,832
Fixed deposit more than twelve months		
Total cash and bank balances	76,255,868	36,705,832

NOTES:

1 The Cash Flow statement has been prepared under the 'Indirect method' as set out in Indian Accounting Standard – 7 on Cash Flow Statements.

2 Previous year figures have been regrouped, wherever necessary, to conform to this year classification.

AS PER OUR REPORT OF EVEN DATE
FOR MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO 106456W

Vishal Heda

VISHAL HEDA
PARTNER
M.NO. 172863

MITTAL & ASSOCIATES
F.R.N. 106456-W
Thane
Chartered Accountants

PLACE : MUMBAI
DATE: 30 MAY 2018

FOR AND ON BEHALF OF THE BOARD

For East West Freight Carriers Ltd.

Director

DIRECTORS

PLACE : MUMBAI
DATE: 30 MAY 2018

1) General information:

East West Freight Carriers Limited (The company) was incorporated on 05.09.1979. The company provides "One Stop Global Logistics Solution" comprising of all aspects of logistics. Affiliated and recognized with almost all the relevant industry bodies, the company provides the diversified global logistics services such as Freight forwarding through air, sea and surface transportation, air and ocean charter services, custom clearance services, warehousing and LCL consolidation services to its customers situated worldwide and also leasing out its property of the company on a long term basis

2) **Significant accounting policies and critical accounting estimate and judgments:**

2.1 Basis of preparation, measurement and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

Compliance with Ind AS
The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act"). These are the Company's first Ind AS financial statements and Ind AS 101-'First–time Adoption of Indian Accounting Standards' has been applied. The policies set out below have been consistently applied during the years presented.

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous GAAP").

These financial statements for the year ended March 31, 2018 are the first financial statements which the Company has prepared in accordance with Ind AS. An explanation of how the transition from Previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows including reconciliations and descriptions of the effect of the transition is provided in note 3 below.

Historical cost convention
The financial statements have been prepared under the historical cost convention, as modified by the following:
- Certain financial assets and financial liabilities at fair value;
- Defined benefit plans – plan assets that are measured at fair value;

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Current vis-à-vis non-current classification
The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the close of the financial year. The deferred tax assets and liabilities are classified as non-current assets and liabilities.

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(b) Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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.

Expenditure incurred on assets which are not ready for their intended use comprising direct cost, related incidental expenses and attributable borrowing cost are disclosed under Capital Work-in-Progress.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised at April 01, 2016 measured as per previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Depreciation is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives which are as follows:

Particulars	Estimated useful lives(Years)
Office Premises	60
Furniture and fixtures	10
Office Equipments	5
Telephone System	5
Electric Fittings	5
Motor Cars	8
Delivery Vans	8
Motor Bike	10
Computers and Accessories	3

Estimated useful lives, residual values and depreciation methods are reviewed annually and adjusted if appropriate, at the end of each reporting period.

(c) **Intangible assets:**

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "intangible assets under development".

Amortisation method and periods

Amortisation is charged on a straight-line basis over the estimated useful lives. The estimated useful lives, residual value and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Computer software is amortised over an estimated useful life of 5 years.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 01, 2016 measured as per the Previous GAAP and use that carrying value as the deemed cost of intangible assets.

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(d) Investment properties:

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the Company is classified as investment property. Investment property is measured initially at cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight line method over their estimated useful lives. Investment properties which are buildings generally have a useful life of 60years.

(e) Impairment of non-financial assets:

Assets which are subject to depreciation or amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(f) Trade Receivable:

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

(g) Investments in subsidiaries, Joint ventures and Associates

Investments in subsidiaries, Joint ventures and associates are measured at cost less provision for impairment, if any.

(h) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity.

Investments and other financial assets

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.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries, the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii. Measurement

At initial recognition, the Company measures financial assets at its fair value plus, in the case of a financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

iii. **Impairment of financial assets:**

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

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109-'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv. **Derecognition of financial assets**

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v. **Income recognition:**

Freight & Forwarding Income

Freight & forwarding charges are recorded net of discount on accrual basis

Handling charges and operational income are recorded net of payment on accrual basis

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example prepayment, extension, call and similar options) but does not consider the expected credit losses.

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Dividend

Dividends are recognised 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.

Lease Income
Rental income arising from operating leases on property, plant and equipment is accounted for on a straight-line basis except where scheduled increase in rent compensates the Company with expected inflationary costs, over the lease terms and is included in revenue from operation.

(i) Contributed equity:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

(j) Financial liabilities:

i. Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

ii. Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts/cc limits.

iii. Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Borrowings: Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade and other payables: These amounts represent to bligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Those payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and other payables are subsequently measured at amortised cost using the effective interest rate method.

iv. Derecognition:

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/ (losses).
When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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(k) Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(l) Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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. 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 reliable estimate of the amount cannot be made, is termed as contingent liability.

Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

(m) Foreign currency translation:

i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Indian Rupees' (INR), which is the Company's functional and presentation currency.

ii. Transactions and balances

(i) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

(ii) All exchange differences arising on reporting on foreign currency monetary items at rates different from those at which they were initially recorded are recognised in the Statement of Profit and Loss.

(iii) Non-monetary items denominated in foreign currency are stated at the rates prevailing on the date of the transactions / exchange rate at which transaction is actually effected.

(n) Revenue recognition:

Revenue is measured at the fair value of the consideration received or receivable, and represents amount receivable for services supplied, stated net of discounts, returns, value added taxes and Goods and service tax (GST).

(o) Employee benefits:

Short-term obligations

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Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

Post employee obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity
- defined contribution plans such as provident fund and superannuation fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in Rupees is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in Retained Earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

Provident fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(p) Income tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets andliabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted atthe end of the reporting period. Managementperiodically evaluates positions taken in tax returnswith respect to situations in which applicable tax regulation is subject to interpretation. It establishesprovisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financialstatements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset orliability in a transaction other than a business combination that at the time of the transaction affects neitheraccounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws)that have been enacted or substantially enacted by the end of the reporting period and are expected to applywhen the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it isprobable that future taxable amounts will be available to utilise those temporary differences and losses.

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Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current taxassets and liabilities. Current taxassets and tax liabilities are offset where the entity has a legally enforceable right to offset and intendseither to settle on a net basis or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to itemsrecognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised inOther Comprehensive Income or directly in equity, respectively.

(q) Cash and cash equivalents:

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, demand deposits with banks, short-term balances (with an original maturity of three months or less from date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(r)Earnings per share:

Basic earnings per share
Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(s) Cash flow statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(t) Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer and the Chief Financial Officer that makes strategic decisions.

(u) Business combinations:

Business combinations involving entities that are controlled by the Company are accounted for using the pooling of interests method as follows:

i. The assets and liabilities of the combining entities are reflected at their carrying amounts.
ii. No adjustments are made to reflect fair values, or recognise any new assets or liabilities.
iii. Adjustments are only made to harmonise accounting policies.
iv. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
v. The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against General Reserve.
vi. The identities of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

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vii The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

(v) Dividends:

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.2 Critical accounting estimates and judgements:

The preparation of the financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Expected Credit Loss

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

3) Transition to Ind AS:

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 01, 2017, with a transition date of April 01, 2016. For all periods upto and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the previously applicable Indian GAAP (previous GAAP).

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended March 31, 2018, together with the comparative information as at and for the year ended March 31, 2017. The Company's opening Ind AS Balance Sheet has been prepared as at April 01, 2016, the date of transition to Ind AS.

I. Exemptions and exceptions availed

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its Previous GAAP financial statements, including the Balance Sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2017.

(a) Ind AS optional exemptions

i. Deemed cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the

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previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets and investment property covered by Ind AS 40 Investment Properties

ii. **Business combinations**

Ind AS 101 provides an exemption for all transactions qualifying as business combinations, not to restate any business combinations under Ind AS103, occurring before the transition date. The Company has elected to apply this exemption and accordingly the Company has not restated business combinations occurring before April 01, 2015.

(b) Ind AS mandatory exceptions

The Company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

i. Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Company made estimates for Impairment of financial assets based on expected credit loss modelin accordance with Ind AS at the date of transition as these were not required under Previous GAAP:

ii. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Consequently, the Company has applied the above assessment based on facts and circumstances existing at the transition date.

II. Reconciliations between Previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The regrouped Previous GAAP information is derived based on the audited financial statements of the Company for year ended March 31, 2017.

The following tables represent the reconciliations from Previous GAAP to Ind AS.

Reconciliation of total equity as at March 31, 2017 and April 01, 2016

Amount in Rs.

Particulars	Notes to first time adoption	March 31, 2017	April 01, 2016
Total equity (shareholder's funds) as per previous GAAP		**201,216,598**	**184,730,939**
Add /Less : Rectification of errors under Previous GAAP			
Total Rectified equity (shareholder's funds) as per previous GAAP			
Adjustments :			
Borrowings – Transaction cost adjustment	a	1,133,079	868,036
Present value of Security deposits	b	465,600	418,822
Fair Value of Investment	c	455,209	203,262
ECL on Trade Receivables	d	(75,893,252)	(91,582,011)
Tax adjustments	e	22,168,287	28,870,641
Total adjustments		**(51,671,076)**	**(61,221,250)**
Total equity (shareholder's funds) as per Ind AS		**149,545,522**	**123,509,689**

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Reconciliation of total comprehensive income for the year ended March 31, 2017

Amount in Rs.

Particulars	Notes to first time adoption	March 31, 2017
Profit after tax as per previous GAAP		16,495,540
Add /Less : Rectification of errors under Previous GAAP		
Total Rectified Profit after tax as per previous GAAP		
Adjustments :		
Borrowings – transaction cost adjustment	a	265,043
Deemed Cost- Property, Plant and equipments (PPE)	b	(11,408)
Fair value change of financial instruments	c	251,948
Fair valuation of security deposits	d	46,778
Expected Credit Loss on Trade receivables	e	15,688,759
Remeasurement of post-employment benefit obligation (Net)	f	168,738
Tax adjustments		(6,702,383)
Total adjustments		**9,538,737**
Profit after tax as per Ind AS		**26,203,015**
Other comprehensive income		**(168,738)**
Total comprehensive income as per Ind AS		**26,034,276**

III. Notes to first-time adoption of Ind AS:

Rectification of errors identified under previous GAAP.

a. ***Borrowings – Transaction cost adjustment***
Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Consequently, the total equity as at March 31, 2017 is increased by Rs. 11,33,079 (April 01, 2016 - Rs. 8,68,036) and profit for the year ended March 31, 2017 is increased by Rs. 265,043.

b. **Deemed cost - Property, Plant and Equipments (PPE)**
Under the Previous GAAP, property, plant and equipment, were carried at cost. Under Ind AS, the Company has opted the policy to carry such property, plant and equipment at deemed cost on the date of transition. Accordingly, the revaluation reserve recognized under the previous GAAP has been reversed and transferred to retained earnings and on account of the aforesaid adjustments, the additional depreciation charged of Rs. 11,408 on account of revaluation under previous GAAP has been reversed during the year 2016-17 leading to decrease in profit for the year ended March 31, 2017 by (11,408).

c. **Fair Value Change of Financial Instruments (Investment)**
Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued the long tem invstments under Ind AS.. Difference between the fare value and transaction value of investment has been recognised as Gain on financial instruments.. Consequent to this change, the profit for the year and the total equity as at March 31, 2017 increased by (251,948) (April 01, 2016: 203,262)

d. **Security Deposits**
Under Ind AS, all financial assets/liabilities are required to be recognised at fair value. Accordingly, the Company has fair valued the security deposits received and paid under Ind AS. Under the Previous GAAP, interest free security deposit received and paid(that are refundable in cash on completion of cash term) were recorded at their transaction value. Difference between the fare value and transaction value of security deposit has been recognised as prepaid rent and notional interest income. Consequent to this change, the profit for the year and the total equity as at March 31, 2017 increased by (465,600) (April 01, 2016: 418,822) on security deposits.

e. **Remeasurements of post-employment benefit obligations**
Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in Other Comprehensive Income instead of profit or loss. Under the Previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2017 decreased by Rs.1,68,738. There is no impact on the total equity as at March 31, 2017.

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f. **Expected Credit Loss on trade receivables**
Under Ind AS, the company uses Expected credit loss model (ECL) to assess the impairment loss or gain. As a results of this change, the profit for the year and the total equity as at March 31, 2017 decreased by (7,58,93,252) (April 01.2016 Rs. (9,15,82,011)

g. **Other Comprehensive Income**
Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the Statement of Profit and Loss as 'Other Comprehensive Income' includes Remeasurements of post-employment benefit obligation and fair valuation of investments in subsidiaries

h. **Retained earnings**
Retained earnings as at April 01, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

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Statutory Audit for the year ended March 31, 2018

4 Property, plant and equipment

Amount in Rupees

Particulars	Buildings	Furniture & fixtures	COMPUTERS	CONTAINERS	Office equipment	MOTOR CARS	DELIVERY VAN	MOTOR BIKE	ELECTRICAL FITTINGS	TELEPHONE SYSTEMS	INTENGIBLE ASSETS	Total
Year ended March 31, 2017												
Gross carrying amount												
Balance as at March 31, 2016	222,915,694	36,070,362	8,186,554	97,290	7,554,743	41,892,383	4,068,114	257,226	710,642	1,650,134	6,472,346	329,875,488
Additions	-	547,250	270,179	-	363,687	4,515,846	-	-	-	39,980	283,671	6,020,613
Adjustments[1]	-	-	-	-	-	-	-	-	-	-	-	-
Disposal	12,812,891	-	-	-	47,000	583,486	300,444	-	-	-	-	13,743,821
Closing gross carrying amount as on March 31, 2017	210,102,803	36,617,612	8,456,733	97,290	7,871,430	45,824,743	3,767,670	257,226	710,642	1,690,114	6,756,017	322,152,280
Accumulated depreciation												
Balance as at April 01, 2016	16,128,489	11,644,271	7,226,089	44,199	6,708,187	18,921,460	2,093,168	202,386	444,836	1,498,633	3,106,478	68,018,195
Depreciation charge during the year	3,389,014	3,061,923	439,444	4,385	301,466	4,716,701	338,458	12,835	101,511	73,417	1,392,060	13,831,215
Disposal / discard	1,814,301	-	68,564	-	44,650	387,504	300,444	-	-	-	-	2,615,463
Closing accumulated depreciation as on March 31, 2017	17,703,202	14,706,194	7,596,969	48,584	6,965,003	23,250,657	2,131,182	215,221	546,347	1,572,050	4,498,538	79,233,947
Net carrying amount	192,399,601	21,911,418	859,763	48,706	906,427	22,574,086	1,636,488	42,005	164,295	118,064	2,257,479	242,918,334
Year ended March 2018												
Gross carrying amount												
Balance as at April 01, 2017	210,958,840	35,761,575	8,456,733	97,290	7,871,430	45,824,743	3,767,670	257,226	710,642	1,690,114	6,756,017	322,152,280
Additions	-	50,859	365,106	-	301,899	1,220,790	-	-	1,770	93,385	-	2,033,809
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Disposal	-	-	285,541	-	32,550	2,620,359	776,752	92,319	-	13,673	-	3,821,194
Closing gross carrying amount as on March 31, 2018	210,958,840	35,812,434	8,536,298	97,290	8,140,779	44,425,174	2,990,918	164,907	712,412	1,769,826	6,756,017	320,364,895
Accumulated depreciation												
Balance as at April 01, 2017	17,703,202	14,706,194	7,596,969	48,584	6,965,003	23,250,657	2,131,182	215,221	546,347	1,572,050	4,498,538	79,233,947
Depreciation charge during the year	3,207,396	2,922,270	437,129	4,758	466,678	6,388,106	338,458	22,030	60,349	37,650	1,017,273	14,902,097
Disposal	290,334	1,131	286,977	-	28,950	2,225,894	776,752	89,957	-	13,499	-	3,713,494
Closing accumulated depreciation as on March 31, 2018	20,620,264	17,627,333	7,747,122	53,342	7,402,730	27,412,869	1,692,688	147,294	606,696	1,596,201	5,515,811	90,422,550
Net carrying amount												
Net carrying amount as on April 01, 2016	206,787,205	24,426,091	960,464	53,091	846,556	22,970,923	1,974,946	54,840	265,806	151,501	3,365,868	261,857,293
Net carrying amount as on March 31, 2017	192,399,601	21,911,418	859,763	48,706	906,427	22,574,086	1,636,488	42,005	164,295	118,064	2,257,479	242,918,334
Net carrying amount as on March 31, 2018	190,338,576	18,185,101	789,176	43,948	738,049	17,012,305	1,298,030	17,613	105,716	173,625	1,240,206	229,942,345

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Notes to the financial statements as of and for the year ended March 31, 2018 (continued)

Non-current Financial assets

		As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
		No. of Shares	Amount in Rupees	No. of Shares	Amount in Rupees	No. of Shares	Amount in Rupees
5	**Investments**						
	A) Equity shares (unquoted, fully paid-up)						
	In subsidiaries at cost						
	Zip Express & Logistic Private Limited	515,000	5,150,000	515,000	5,150,000	515,000	5,150,000
	In Associates at cost						
	Mectech Exim Pvt Ltd	20,000	200,000	20,000	200,000	20,000	200,000
	Tendem Global Logistics (I) Pvt Ltd	100,000	1,000,000	100,000	1,000,000	100,000	1,000,000
	ABT Developers						
	Others (Non-trade and unquoted) at Fair value through Profit and Loss Account						
	Sbi Mutual Fund		622,048		582,075		416,050
	Tata Mutual Fund		553,955		573,134		487,212
	Adarsh Industrial Estate		5,000		5,000		5,000
	Others		43,230		-		43,230
	Total A		7,574,233		7,510,209		7,301,492
	B) Other						
	Gold Coins		506,632		5,800		5,800
	Total B		506,632		5,800		5,800
	Non-current investments (A+B)		8,080,865		7,516,009		7,307,292

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Notes to the financial statements as of and for the year ended March 31, 2018 (continued)

Amount in Rupees

	As at March 31, 2018 Ind As	As at March 31, 2017 Ind As	As at April 01, 2016 Ind As
6 Trade receivables			
(Unsecured and considered good unless stated otherwise)			
Trade receivables (Refer note (XX) and (Receivable from related party (Refer note XX))	-	-	-
	-	-	-
7 Other financial assets			
Term deposits with more than 12 months maturity	9,204,042	30,416,327	1,000,000
- Other bank balances (Margin money deposit towards bank guarantee)	-	-	-
Security Deposits	4,409,483	9,872,152	3,834,315
Deposit with government authorities	-	1,030,137	-
	13,613,525	41,318,617	4,834,315
8 Deferred tax assets (net)			
Deferred tax assets (net) due to temporary differences [Refer note 14(d)]	-	-	-
	-	-	-
9 Other non-current assets			
(Unsecured and considered good unless stated otherwise)			
Security deposits	3,500	-	7,523
Advance recoverable in kind	-	-	-
Advance to suppliers	49,425	2,045,154	-
Advance income tax and tax deducted at source (net of provision for tax)	10,103,308	10,426,554	19,798,036
Deferred rent	234,857	412,546	263,991
Balance with statutory authorities	-	7,199	-
	10,391,089	12,891,453	20,069,550
Current financial assets			
10 Trade receivables			
(Unsecured and considered good unless stated otherwise)			
Outstanding for a period exceeding six months from the due date			
Trade receivables	452,697,195	294,486,430	216,138,345
	452,697,195	294,486,430	216,138,345
11 Cash and cash equivalents			
Balance with banks:			
-In current accounts	19,789,163	14,293,359	14,302,589
-Deposit account with original maturity of less than three months	-	-	-
Remittance in transit / cheques on hand			
Cash in hand	20,089,909	13,493,640	9,095,441
	39,879,072	27,787,000	23,398,030
12 Bank balances other than cash and cash equivalents			
Deposits with maturity of more than three months but less than twelve months	36,376,796	8,918,832	13,270,128
	36,376,796	8,918,832	13,270,128
13 Other financial assets			
(Unsecured and considered good unless stated otherwise)			
Advance recoverable in cash or in kind	1,442,865	13,480,875	2,919,071
Loans to third parties	666,000	-	630,000
Deposit with government authorities	1,336,127	-	3,071,496
Advances to employees recoverable in cash	3,309,422	3,146,637	3,252,250
Advances to related party (Refer note 10)	-	86,250	3,600
Interest accrued on deposits	2,966,229	1,962,755	254,663
Others	696,084	3,544,865	-
	10,416,726	22,221,382	10,131,080
Current tax assets (net)			
Current tax assets	15,348,365	13,532,020	8,605,641
Current tax liabilities	(6,800,000)	(6,334,000)	(4,164,000)
	8,548,365	7,198,020	4,441,641
14 Other current assets			
(Unsecured and considered good unless stated otherwise)			
Advance recoverable in kind	115,337,644	-	11,968,618
Balance with government authorities (includes GST)	2,729,744	8,677	611,508
Prepaid expenses	816,460	1,278,919	1,263,184
	118,883,847	1,287,595	13,843,309

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			Amount in Rupees
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
15 Equity share capital			
Authorised			
5,000,000 (March 31, 2017 : 5,000,000, April 1 2016 : 5,000,000) equity shares of Rs.10 each	50,000,000	50,000,000	50,000,000
	50,000,000	50,000,000	50,000,000
Issued, subscribed and paid up capital			
45,31,430 (March 31, 2017 : 45,31,430, April 1 2016 : 45,31,430) equity shares of Rs.10 each fully paid up	45,314,300	45,314,300	45,314,300
	45,314,300	45,314,300	45,314,300

15.1 Reconciliation of number of equity shares

Balance at the beginning of the year - 45,31,430 (April 01,2016: 45,31,430) shares of Rs.10 each	45,314,300	45,314,300
Add: Issued during the year - Nil (March 31, 2017: Nil) shares of Rs.10 each	-	-
Balance at the end of the year - 45,31,430 (March 31, 2017: 45,31,430) shares of Rs.10 each	45,314,300	45,314,300

15.2 Rights, preference and restriction attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts.

15.3 Equity shares held by Holding Company

Bulish Bonda and Holding Limited - Holding Company	45,314,300	-	-
	45,314,300	-	-

15.4 Details of equity shares held by equity shareholders holding more than 5% of the aggregate equity shares in the Company

	March 31, 2018 Nos of Shares	March 31, 2017 Nos of Shares	April 01, 2016 Nos of Shares
Equity shares of Rs.10 each fully paid up held by Bulish Bonds and Holding Limited - Holding Company			
Percentage of holding in the class	100%	100%	100%
Number of shares	4,531,430	-	-

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Amount in Rupees

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
16 Reserves and surplus			
Balance at the end of the year			
Securities premium account	12,184,969	12,184,969	12,184,969
General Reserve			
Retained earnings	134,276,687	104,231,164	78,195,389
Total reserves and surplus	146,461,656	116,416,133	90,380,358
Securities premium account			
Opening balance	12,184,969	12,184,969	
Add: Equity shares issued during the year	-	-	
Closing balance	12,184,969	12,184,969	
General Reserve			
Balance at the beginning of the year	119,852,834	109,852,834	
Add: Transferred during the year	-	10,000,000	
Other comprehensive income	-	-	
items of other comprehensive income recognised directly in retained earnings			
- Remeasurements of post-employment obligation (net of tax)			
Closing balance	119,852,834	119,852,834	
Retained earnings			
Balance at the beginning of the year	104,231,164	78,195,389	
Net profit / (loss) for the year	30,381,871	26,204,513	
Other comprehensive income	(336,347)	(168,738)	
Closing balance	134,276,687	104,231,164	
	146,461,656	116,416,133	

Nature and purpose of reserves

Securities premium account

Securities premium account is created to record premium received on issue of shares. The reserve is utilized in accordance with the provision of the Companies Act, 2013.

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	As at March 31, 2018 Ind As	As at March 31, 2017 Ind As	As at April 01, 2016 Ind As
			Amount in Rupees
Non-current financial liabilities			
17 Non-current borrowings			
Secured - At amortised cost			
Term loans:			
Rupee loans from banks	195,243,447	180,972,171	193,816,926
Rupee loans from financial institutions / other parties	65,838,601	34,512,898	(0)
	261,082,048	215,485,069	193,816,925

17.1 Nature of security for term loans
The Vehicles Loans from banks and finaicial institutions are related to deffered payment credits accepted under the deffered payment scheme for purchase of vehicles which are secured by hypothecations of asset purchased under the said scheme

17.2 The term loan from Kotak Mahindra Bank Ltd is secured by first mortgage and charge on Unit No.401, 4th Floor Times Square, Marol, Andheri (East) Mumbai.

	As at March 31, 2018 Ind As	As at March 31, 2017 Ind As	As at April 01, 2016 Ind As
18 Other non-current financial liabilities			
Security Deposit	12,590,542	11,167,029	9,904,462
	12,590,542	11,167,029	9,904,462
19 Non-current provisions			
Provision for gratuity	5,521,657	5,472,898	6,382,837
	5,521,657	5,472,898	6,382,837
21 Other non-current liabilities			
Advance from customers	5,000,000	-	5,000,000
Advance against sale of assets	-	-	3,358,975
Deferred Rent	1,648,732	2,968,440	4,288,148
	6,648,732	2,968,440	12,647,123
20 Deferred tax liabilities(net)			
Timing difference	2,800,301	8,980,273	(5,969,809)
	2,800,301	8,980,273	(5,969,809)
Current financial liabilities			
22 Current borrowings			
Secured - At amortised cost			
Short term Rupee loan from bank			
Cash credit facility from banks	212,013,797	134,557,779	142,472,644
Loan from shareholders, directors and its relatives	-	20,654,671	9,770,876
Unsecured - at amortised cost			
Loan repayable on demand			
Loans from related parties	40,026,630	-	-
	252,040,427	155,212,450	152,243,520
23 Trade payables			
Total Outstanding dues of micro enterprises and small enterprises (Refer note 21)	-	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	208,752,608	117,468,025	90,480,727
LC Payable	-	-	-
	208,752,608	117,468,025	90,480,727
24 Other current financial liabilities			
Current maturities of long-term borrowings [Refer note 4.13(a1) and 4.13(a2)]	27,231,355	34,660,161	20,779,555
Advances from customer	10,838,375	7,457,136	9,310,794
Creditors for adminstrative and other expenses	3,339,130	6,837,508	1,157,309
Amount payable towards rent	-	2,500	18,000
Employee benefits payable	2,794,267	4,499,711	3,243,924
	44,203,128	53,457,016	34,509,582
25 Other current liabilities			
Statutory dues (Includes GST)	28,006,328	20,220,724	18,255,560
	28,006,328	20,220,724	18,255,560
26 Current provisions			
Provision for Gratuity	2,275,541	1,248,727	192,870
	2,275,541	1,248,727	192,870

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	Year ended March 31, 2018 Amount in Rupees Ind AS	Amount in Rupees Year ended March 31, 2017 Ind AS
27 Revenue from operations		
Air export sales	1,624,381,032	1,246,014,549
Air Import sales	127,835,943	141,189,459
Sea export sales	168,106,908	126,410,012
Sea import sales	178,916,130	129,547,087
Other operating revenue	31,727,104	29,253,120
	2,130,967,117	1,672,414,227
28 Other income		
Interest income on financial assets measured at amortised cost :		
Bank deposits	4,166,046	2,609,372
Current investments	-	977
Others	-	2,310,381
Security deposits	177,309	130,222
Dividend income from investments mandatorily measured at FVOCI :		
On long-term investments in mutual funds	-	108
Net Gain on disposal of property, plant and equipment	(48,630)	18,147,578
Rent income	1,319,708	1,319,708
Gain on foreign exchange fluctuations (Net)	426,939	519,446
Fair value change on Financial instruments	20,794	251,948
Other non-operating income	396,692	1,433,146
	6,458,859	26,722,886
29 operating expenses		
Purchases	1,885,043,544	1,462,977,958
	1,885,043,544	1,462,977,958
30 Employee benefits expense		
Salaries, bonus and other allowances	70,886,663	79,611,161
Contribution to provident fund and other funds	4,357,748	4,374,719
Gratuity	2,187,709	1,224,500
Leave encashment	15,000	-
Staff welfare expenses	1,062,589	1,189,907
	78,509,709	86,400,287

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	Year ended March 31, 2018 Amount in Rupees	Amount in Rupees Year ended March 31, 2017
31 Finance cost		
Interest and finance expense on financial liabilities measured at amortised cost :		
On Rupee term loans	28,520,958	24,895,327
On Working capital loans	18,581,069	20,180,708
On Unwinding of interest on rent deposit	1,423,513	1,262,567
Others	-	3,534
Other finance charges	5,002,561	4,642,587
	53,528,102	50,984,724
32 Other expenses		
Rent expenses	9,742,014	9,305,018
Advertisement and business promotion expenses	6,690,761	6,177,428
Printing and stationery	1,808,350	1,867,439
Legal and professional charges	10,277,569	7,371,781
Membership and subscription	312,825	577,158
Postage and telephone	3,113,076	805,162
Directors Remuneration	6,823,990	-
Travelling and conveyance	9,397,912	9,105,097
Bank Charges	553,088	473,877
Donation & Charities	608,427	387,787
Rates and taxes	1,907,454	1,679,431
Insurance	2,804,209	2,674,610
Office General Expenses	869,137	2,085,457
Bad-debts	2,483,187	766,417
Provision on Trade receivables	5,806,973	(15,688,759)
Repair & Maintenance	4,375,862	4,696,674
Computer Consumables	1,790,978	1,886,047
Miscellaneous expenses	5,360,639	3,270,409
Amount writtenoff against diminution in value of long term investment	-	-
	74,726,451	37,441,031

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33) Contingent liabilities and commitments

(a) Guarantees to Bank and Financial Institutions aggregating to (March 31, 2018 Rs. 60,30,000/-; April 01, 2017Rs 41,00,000/-.).

(b) Service Tax Including Interest and not provided for (March 31, 2018 Rs. 50,30,707/- April 01, 2017 Rs. 48,48,7101).

34) Employee benefit obligations

The Company has classified various employee benefits as under:

a) **Defined contribution plans**
i. Provident fund
ii. State defined contribution plans
- Employees' Pension Scheme, 1995

The provident fund and the state defined contribution plan are operated by the regional provident fund commissioner and the superannuation fund is administered by the trust. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

Amount in Rs.

	Year ended March 31, 2018	Year ended March 31, 2017
(i) Contribution to provident fund	18,84,793	21,01,802
(iii) Contribution to employees' pension scheme 1995	13,60,187	13,78,424

b) **Post employment obligation**

Gratuity

The Company has a defined benefit plan, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days basic salary for every completed years of services or part thereof in excess of six months, based on the rate of basic salary last drawn by the employee concerned.

(i) Significant estimates: actuarial assumptions

Valuations in respect of gratuity have been carried out by an independent actuary, as at the Balance Sheet date, based on the following assumptions:

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Discount rate (per annum)	7.52%	8.07%	7.94%
Rate of increase in compensation levels	7.00%	7.00%	7.00%
Rate of return on plan assets	7.52%	8.07%	7.94%
Expected average remaining working lives of employees in number of years	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotionand other relevant factors including supply and demand in the employment market.

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East West Freight Carriers Limited
Notesto the financial statements as of and for the year ended March 31, 2018 (Continued)

Gratuity Plan

			Amount in Rs.
Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 01, 2016	72,60,262/-	684,555/-	65,75,707/-
Current service cost	753,126/-		753,126/-
Interest on net defined benefit liability / assets	585,903/-	55,244/-	530,659/-
Total amount recognised in Statement of Profit and Loss	**13,39,029/-**	**55,244/-**	**12,87,785**
Remeasurements during the year			
Return on plan assets, excluding amount included in interest expense/(income)		(68,582)/-	68,582/-
(Gain) / loss from change in financial assumptions	435,863/-		435,863/-
Experience (gains) / losses	(252,371)/-		(252,371)/-
Total amount recognised in Other Comprehensive Income	**183,492/-**	**(68,582)/-**	**252,074/-**
Employer's contributions		13,89,941/-	13,89,941/-
Benefits payment	(11,28,693)/-	(11,28,693)/-	
As at March 31, 2017	**76,54,090/-**	**932,465/-**	**67,21,625/-**

			Amount in Rs.
Particulars	**Present value of obligation**	**Fair value of plan assets**	**Net amount**
As at April 01, 2017	76,54,090/-	932,465/-	67,21,625
Current service cost	575,588/-		575,588/-
Interest on net defined benefit liability / assets	782,242/-	70,121/-	712,121/-
Past service cost	10,00,000/-		10,00,000/-
Total amount recognised in Statement of Profit and Loss	**23,57,730/-**		**22,78,709/-**
Remeasurements during the year			
Return on plan assets, excluding amount included in interest expense/(income)		(60,530)/-	60,530/-
(Gain) / loss from change in financial assumptions	(289,308)/-		(289,308)/-
Experience (gains) / losses	694,762/-		694,762/-
Total amount recognised in Other Comprehensive Income	**405,454/-**	**(60,530)/-**	**465,984/-**
Employer's contributions		16,78,120/-	(16,78,120)/-
Benefits payment	(13,10,552)/-	(13,10,552)/-	
As at March 31, 2018	**91,06,822/-**	**13,09,624/-**	**77,97,198/-**

The net liability disclosed above relates to funded plans are as follows:

			Amount in Rs.
Particulars	**March 31, 2018**	**March 31, 2017**	**April 01, 2016**
Present value of funded obligations	(91,06,822)/-	(76,54,090)/-	(72,60,262)/-
Fair value of plan assets	13,09,624/-	932,465/-	684,555/-
Deficit of gratuity plan	**(77,97,198)/-**	**(67,21,625)/-**	**(65,75,707)/-**
Current portion	22,75,541/-	12,48,727/-	192,870/-
Non-current portion	55,21,657/-	54,72,898/-	63,77,837/-

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(ii) The above defined benefit gratuity plan was administrated 100% by Life Insurance Corporation of India (LIC) as at March 31, 2018, March 31, 2017 as well as April 01, 2016.

(iii) **Defined benefit liability and employer contributions:**

The Companywill pay demand raised by LIC towards gratuity liability on time to time basis to eliminate the deficit in defined benefit plan.

(iv) The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit.

35) Assets pledged as security

			Amount in Rs.
Particulars	**March 31, 2018**	**March 31, 2017**	**April 01, 2016**
Non-Current			
First charge			
Financial Assets			
Loans			
Other financial assets			
Non-financial assets			
Property, plant and equipment	18,93,63,850	18,93,85,697	19,35,16,041
Other non-current assets			
Total Non-current assets pledged as security	18,93,63,850	18,93,85,697	19,35,16,041
Current			
First charge			
Financial assets			
Trade receivables	45,26,97,195	29,44,86,430	21,61,38,345
Cash and bank balances			
Loans			
Other financial assets			
Non-financial assets			
Other current assets	3,68,00,000	3,68,00,000	3,68,00,000
Total current assets pledged as security	48,94,97,195	33,12,86,430	25,29,38,345
Total assets pledged as security	**67,88,61,045**	**52,06,72,127**	**44,64,54,386**

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36) Related party transactions:

As per Indian Accounting Standard 24(Ind AS-24) 'Related Party Transactions' as prescribed by Companies (Indian Accounting Standards) Rules, 2015, the Company's related parties and transactions are disclosed below:

A. **Parties where control exists:**

Holding Co.

SN	Particulars
1	Bulish Bonds & Holding Limited

Subsidiaries: (Direct and step-down subsidiaries)

SN	Particulars
1	Zip Express & Logistic Private Limited

Associates:

SN	Particulars	% of Share
1	Tandem Global Logistics (India) Pvt Ltd	
2	Mectech Exim Pvt Ltd	

B (I).Investing parties/promoters having significant influence on the Company directly or indirectly:

Companies
East West LCL Pvt Ltd
East West Supply Chain Pvt. Ltd.
Cardinal customs brokers & forwarders LLP
Individual
Mr. Mohammed Shafi
Mr. Mohammed Ajaz

B (II). Other related parties with whom transactions have taken place during the year:

(i) **Enterprises over which individual described in clause B (I) above have control:**
1 East West LCL Pvt Ltd
2 East West Supply Chain Pvt. Ltd.

(ii) **Key Managerial Personnel:**
1 Mr. Mohammed Shafi
2 Mr. Mohammed Ajaz

(iii) **Relatives of Key Managerial Personnel:**
1 Mr. Mohammed Iqbal
2 Mrs Sharifa Iqbal
3 Ms Mussarat Begum
4 Ms Mussarat Begum
5 Mr. Mohammed Pervez

RELATED PARTIES TRANSACTIONS

Nature of Transaction	Key Management Personnel		Relative of Key Management Personnel		Enterprises excercising control over reporting enterprise		Enterprises over excercising control or significant influence		Enterprises over key management personnel exercise significant control		Total	
	31-03-2018	31-03-2017	31-03-2018	31-03-2017	31-03-2018	31-03-2017	31-03-2018	31-03-2017	31-03-2018	31-03-2017	31-03-2018	31-03-2017
Freight & Service Charges (Sales)									60,318,300	39,036,866	60,318,300	39,036,866
Marshal Mfg. & Export (Export)									9,481,149	4,306,308		
Marshal Mfg. & Export (Import)									157,025	-		
Tandem Global Logistics (India)Pvt Ltd - export									8,075,972	11,430,980		
Tandem Global Logistics (India)Pvt Ltd - Import									156,233	242,004		
Tandem Global Logistics (India)Pvt Ltd - Profit share									7,159			
East West LCL Pvt Ltd - Export									31,055,684	7,855,066		
East West LCL Pvt Ltd - Import									8,479,045	6,955,261		
East West LCL Pvt Ltd – AMD									407,261	5,576,803		
Cardinal Customs Broker & Forwards LLP – Export									1,052,120	86,532		
Cardinal Customs Broker & Forwards LLP – Import									1,446,652	2,583,912		
Freight & Service Charges (Purchase)									39,517,829	10,277,403	39,517,829	10,277,403
Tandem Global Logistics (India)Pvt Ltd -Export									34,651	27,870		
Tandem Global Logistics (India)Pvt Ltd - Import									287,853	105,128		
Tandem Global Logistics (India) Pvt. Ltd.-Profit Share									56,280	22,989		
EAST WEST LCL PVT LTD.- EXPORT- AHMD									257,036	1,025,284		
East West LCL Pvt Ltd – Export									7,450,456	7,488,776		
East West LCL Pvt Ltd - Import									0	267,837		
Cardinal Customs Broker & Forwards LLP – Export									7,797,876	1,043,667		
Cardinal Customs Broker & Forwards LLP – Import									23,633,676	295,852		
Reimbursement of Expenses(payable net)									954,808	478,156	954,808	478,156
East West LCL Pvt Ltd									954,808	478,156		
Reimbursement of Expenses(receivable net)									187,753	120,383	187,753	120,383
Tandem Global Logistics (India) Pvt Ltd										46,281		
Cardinal Customs Broker & Forwarders LLP									39,183	9,504		
East West LCL Pvt Ltd									53,357	-		
Mectech Exim pvt ltd									95,213	64,598		
Remuneration	9,823,990	9,976,080							-	-	9,823,990	9,976,080
Mr. Mohammed Shafi	6,000,000	6,000,000										
Mr. Mohammed Ajaz	3,823,990	3,976,080										
Salary	-	3,062,264	-	1,162,882					-	-	-	4,225,146
Mr. Joy John		3,062,264	-	-								
Mr. Mohammed Pervez		-	-	1,162,882								
Office rent	600,000	600,000	600,000	600,000					-	-	1,200,000	1,200,000
Mr. Mohammed Shafi	600,000	600,000	-	-								
Mrs. Mistri Begum	-	-	600,000	600,000								
Professional fees paid	-	-	2,965,555	2,630,000					-	-	2,965,555	2,630,000
Mrs. Shaifa Iqbal			1,405,555	1,200,000								
Mr. Mohammed Iqbal	-	-	1,560,000	1,430,000								

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Loan taken	60,145,847	59,800,000			40,000,000	-					100,145,847	59,800,000
Mr .Mohammed Shafi	60,145,847	59,800,000										
Bullish bonds and Holdings Ltd					40,000,000							
	49,889,487											
Interest charged on Loan	48,445,847	(1,443,640)			26,630						26,630	(1,443,640)
Bullish bonds and Holdings Ltd					26,630							
Loan repaid	168,157,417	48,916,205									168,157,417	48,916,205
Mr .Mohammed Shafi	168,157,417	48,916,205										
Outstanding Balance												
Loan taken	-	20,654,671	-	-	40,026,630	-			-	-	40,026,630	20,654,671
Mr .Mohammed Shafi	-	20,654,671										
Bullish bonds and Holdings Ltd					40,026,630							
Loan Given	87,356,899											
Mr .Mohammed Shafi	87,356,899											
Investments							6,350,000	6,350,000			6,350,000	6,350,000
Zip express & logistics pvt ltd							5,150,000	5,150,000				
Tandem global logistics pvt ltd							1,000,000	1,000,000				
Mecteon Exim pvt ltd							200,000	200,000				
Advance Salary	-	-	500,000	500,000					-	-	500,000	500,000
Mr Pervez			500,000	500,000								
Receivables as debtors	-	-	-	-					68,495,025	47,196,456	68,495,025	47,196,456
Marshal Mfg & Exports									9,638,175	4,306,308		
Tandem Global Logistics (India)Pvt Ltd									8,239,364	11,672,984		
East West LCL Pvt Ltd									39,941,990	20,387,130		
Cardinal Customs Brokers & Forwarders LLP									2,498,771	2,679,424		
Zip express & logistics pvt ltd									8,081,512	8,086,012		
Mecteon Exim pvt ltd									95,213	64,598		
Payable as creditors	-	-	-	-					39,517,829	10,286,383	39,517,829	10,286,383
East West LCL Pvt Ltd									7,707,492	8,781,897		
Tandem Global Logistics (India)Pvt Ltd									378,785	155,987		
Cardinal Customs Brokers & Forwarders LLP									31,431,553	1,348,499		

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37) Disclosure of loans and advances to subsidiaries pursuant to Schedule V under Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements), Regulation, 2015:

Amount in Rs.

Name of Subsidiaries	Amount outstanding*			Maximum amount outstanding	
	As at			during the year ended	
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017
Zip Express and Logistic Private Limited	-	-	-	-	-

*Includes Inter corporate deposits and other receivables.

As at the year end, the Company has no loans and advances in the nature of loans to firms/companies in which directors are interested.

38) Earnings per share:

		Amount in Rs.
Particulars	**Year ended March 31, 2018**	**Year ended March 31, 2017**
Profit available to equity shareholders		
Profit after tax (A)	3,00,45,523	2,60,34,276
Number of equity shares		
Weighted average number of equity sharesoutstanding (Basic) (B)	45,41,430	45,41,430
Basic and diluted earnings per share (A / B) (Rs.)	6.63	5.75
Nominal value of an equity share (Rs.)	10	10

39) Income Taxes:

The major components of income tax expense for the years ended March 31, 2018 and March 31, 2017 are as under:

(a) Income tax recognised in Statement of Profit and Loss		**Amount in Rs.**
Particulars	**March 31, 2018**	**March 31, 2017**
(i) Income tax expense		
Current year tax	68,00,000	63,34,400
(ii) Deferred tax		
Total deferred tax expense	(60,50,335)	1,50,33,417
Total income tax expense (i)+(ii)	7,49,665	**2,13,67,417**

(b) The reconciliation of tax expense and the accounting profit multiplied by tax rate :		Amount in Rs.
Particulars	**March 31, 2018**	**March 31, 2017**
Profit before tax	3,11,31,535	4,75,70,432
Tax at the Indian tax rate of 33.06% (2016-17: 33.06%)		
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:	1,02,92,086	1,57,26,785
- Long term Capital Gain income taxed at different tax rates		
- Income exempted from income tax	(16,077)	(59,99,625)
- Tax rate change from 33.06 to 20.39%	(34,88,014)	(24,01,556)
- Expenses not allowable for tax purpose	7,99,147	14,59,386
- Others	(787,147)	(24,50,990)
Income tax expense	68,00,000	**63,34,000**

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(c) Tax assets		
Particulars	March 31, 2018	March 31, 2017
Opening balance	71,98,020	44,41,641
Add: Taxes paid	1,53,48,365	1,35,32,020
Less : Refund of income-tax	71,98,020	44,41,641
Less: Current tax payable for the year	68,00,000	63,34,000
Closing balance	**85,48,365**	**71,98,020**

(d) Deferred tax balances

The balance comprise temporary differences attributable to:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deferred tax liability on account of:			
Property, Plant and Equipment			2,73,46,072
Effective interest on borrowings/Other financial assets and liabilities			
Fair valuation of Preference shares			
Total Deferred Tax Liabilities			2,73,46,072
Deferred tax assets on account of:			
Provisions			3,33,15,880
Disallowances u/s 40(a)/43B of Income tax act, 1961			
Mat Credit			
Total Deferred Tax Assets			
Net Deferred tax Assets			59,69,809

Movement in deferred tax assets

Amount in Rs.

Particulars	Property, Plant and Equipment	Effective interest on borrowings/ Other financial assets and liabilities	MAT Credit	Other items	Total
As at April 01, 2016					
(Charged) / credited:					
- to profit or loss					
- to other comprehensive income					
As at March 31, 2017					
(Charged) / credited:					
- to profit or loss					
- to other comprehensive income					
As at March 31, 2018					

Vishwanath

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East West Freight Carriers Limited
Notes to the financial statements as of and for the year ended March 31, 2018

40) Fair value measurements

(a) Financial instruments by category

Amount in Rs.

Particulars	Note	March 31, 2018		March 31, 2017		March 31, 2016	
		FVPL	Amortized cost	FVPL	Amortized cost	FVPL	Amortized cost
Financial assets							
Security Deposits		44,09,483		98,72,152		38,34,315	
Investment in mutual funds – Growth plan		206,497		251,948		203,262	
Trade receivables		452,697,195		294,486,430		216,138,345	
Total financial assets							
Financial liabilities							
Borrowings (Refer note 1 below)			540,353,830		405,357,679		366,840,001
Security deposits			12,590,542		11,167,029		99,04,462
Total financial liabilities							

Note 1 – Borrowings

Rupees in lakhs

Particulars	Notes	March 31, 2018	March 31, 2017	March 31, 2016
Long term borrowings		261,082,048	215,485,069	193,816,925
Short term borrowings		252,040,427	155,212,450	152,243,520
Current Maturity of long term borrowings		27,231,355	34,660,161	20,779,555
Total		540,353,830	405,357,679	366,840,001

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41) Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis	Diversification of bank deposits, letters of credit
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Un hedged

(a) Credit risk

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to trade customers including outstanding receivables.

Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Company's credit risk arises from accounts receivable balances. Major customers of the Companies include private sector sector enterprises and other exporters having high credit quality. Accordingly, the Company's customer credit risk is very medium to high. With respect to intercorporate deposits/ loans given to subsidiaries, the Company will be able to control the cash flows of those subsidiaries as the subsidiaries are wholly owned by the Company.

For banks and financial institutions, only highly rated banks/institutions are accepted. Generally all policies surrounding credit risk have been managed at company level.

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

In respect of its existing operations, the Company funds its activities primarily through working capital loans available to it which are renewable annually, together with certain intra-group loans.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating subsidiaries of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

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(i) Maturities of financial liabilities

The amounts disclosed below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

				Amount in Rs.
March 31, 2018	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
Financial liabilities				
Borrowings*	252,040,427	261,082,048	-	513,122,475
Trade payables	208,752,608	-	-	208,752,608
Others	56,793,669	-	-	56,793,669
Total financial liabilities	**517,586,704**	**261,082,048**		**778,668,753**

March 31, 2017	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
Financial liabilities				
Borrowings*	155,212,450	215,485,069	-	370,697,518
Trade payables	117,468,025	-	-	117,468,025
Others	280,109,113	-	-	280,109,113
Total financial liabilities	**337,304,520**	**215,485,069**		**552,789,589**

April 01, 2016	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
Financial liabilities				
Borrowings*	152,243,520	193,816,925	-	346,060,445
Trade payables	90,480,727	-	-	90,480,727
Others	238,230,969	-	-	238,230,969
Total financial liabilities	**287,138,291**	**193,816,925**		**480,955,216**

* Includes contractual interest payments based on the interest rate prevailing at the reporting date.

(c) Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated as: a) Foreign currencyrisk and b) Interest rate risk.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Company does not have any foreign currency loans, receivables or payables,hence the risk towards foreign currency risk is not applicable to the Company.

For that reason, sensitivity analysis with respect to foreign currency risk has not been disclosed

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.The Company's main interest rate risk arises from long-term and short term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During March 31, 2018, March 31, 2017 and April 01, 2016 the Company's borrowings at variable rate were mainly denominated in Rupees.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS-107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

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Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

			Amount in Rs
	March 31, 2018	March 31, 2017	April 01,2016
Variable rate borrowings	540,353,830	405,357,679	366,840,001

Sensitivity of Interest

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

		Amount in Rs
	Impact on profit before tax	
	March 31, 2018	March 31, 2017
Interest sensitivity		
Interest rates – increase by 5% on existing Interest rate*	(27,01,769)	(20,26,788)
Interest rates – decrease by 5% on existing Interest rate*	27,01,769	20,26,788
* Holding all other variables constant		

42) Capital Management

(a) Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on basis of total equity and debt on a periodic basis. Equity comprises all components of equity. Debt includes term loan and short term loans.The following table summarizes the capital of the Company:

		Amount in Rs
	March 31, 2018	March 31, 2017
Equity	17,95,91,016	14,95,45,522
Debt	54,03,53,830	40,53,57,679
Debt Eqyuity Ration	**3.01**	**2.71**

(b) The Company is regular in payment of its debt service obligation and the Company has not received any communication from lenders for non compliance of any debt covenant.

43) Segment reporting

The Company's committee of Managing Director and Other Directors examine the Company's performance.

Presently, the Company is engaged in only one segment viz 'Freight Forwarding activity' and as such there is no separate reportable segment as per Ind AS 108 'Operating Segments'. Presently, the Company's operations are predominantly confined in India.

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44) Details of remuneration to auditors:

Amount in Rs.

	Year ended March 31, 2018	Year ended March 31, 2017
(a) As auditors		
For statutory audit	4,00,000	7,05,000
For others	-	3,95,000
(b) Out-of-pocket expenses	Nil	Nil

45) **Disclosure under Micro, Small and Medium Enterprises Development Act, 2006**

Disclosure of amounts payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly, there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

AS PER OUR REPORT OF EVEN DATE
FOR MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO 106456W

VISHAL HEDA
PARTNER
M.NO. 172863

MITTAL & ASSOCIATES
F.R.N. 106456-W
Thane
Chartered Accountants

PLACE : MUMBAI
DATE: 30 MAY 2018

FOR AND ON BEHALF OF THE BOARD
For East West Freight Carriers Ltd.
Director

DIRECTORS

PLACE : MUMBAI
DATE: 30 MAY 2018