RICOH
imagine. change.

RICOH INDIA LIMITED
7th and 11th Floors, Tower 'B'
Windsor IT Park, A-1
Sector 125, Expressway
Gautam Budh Nagar,
Noida, Uttar Pradesh
Pin Code – 201 301, India
CIN L74940MH1993PLC074694
Tel : +91-0120-4582900
Email: ril.info@ricoh.co.in
URL : www.ricoh.co.in

21 November 2018

The Listing Department
BSE Limited
PJ Towers, Fort
Mumbai – 400 001

AUDITED FINANCIAL RESULTS AND AUDITORS REPORT FOR THE YEAR ENDED 31 MARCH 2018 – RICOH INDIA LIMITED

Dear Sir

This has reference to the disclosure dated 14th November 2018 on the captioned subject.

The Meeting of the Resolution Professional/Directors of the Company which was scheduled to be held on 20 November 2018 was held. However, the meeting was adjourned yesterday for being held today to approve the audited financial results for the year ended 31 March 2018.

Enclose please find herewith the following:-

(a) Audited Financial results for the year ended 31 March 2018 approved and taken on record today by the Resolution Professional/Directors (Enclosed as Annexure I);

KRISHNA CHAMADIA IBBI/IPA-001/ IP-P00694/ 2017-2018/11220 INSOLVENCY PROFESSIONAL

Cont'd........2/-

RICOH INDIA LIMITED
7th and 11th Floors, Tower `B'
Windsor IT Park, A-1
Sector 125, Expressway
Gautam Budh Nagar,
Noida, Uttar Pradesh
Pin Code – 201 301, India
CIN L74940MH1993PLC074694
Tel : + 91-0120-4582900
Email: ril.info@ricoh.co.in
URL : www.ricoh.co.in

(b) Auditors Report (Enclosed as Annexure II);

The above is for your information and records.

Yours faithfully
For **Ricoh India Limited**

KRISHNA CHAMADIA IBBI/IPA-001/ IP-P00694/ 2017-2018/11220 INSOLVENCY PROFESSIONAL

Manish Sehgal
Company Secretary

Issued with the approval of Mr. Krishna Chamadia, Resolution Professional IP Registration No. IBBI/IPA-001/IP-P00694/2017-2018/11220, krishna@sphereadvisory.com, A-1, 7th Floor, Tower `B', Windsor IT Park, Sector – 125, Expressway, Noida, Gautambudh Nagar District, Pin – 201 301, Uttar Pradesh

(Ricoh India Limited is under Corporate Insolvency Resolution Process under Insolvency and Bankruptcy Code. Its Affairs, Business and Assets are being managed by the Resolution Professional Mr. Krishna Chamadia appointed by the Hon'ble NCLT Mumbai vide its Order dated 14th May 2018 under the provisions of the Code as Interim Resolution Professional and subsequently as per Section 22 of the Code as Resolution Professional of Ricoh India Limited. Under provisions of Section 17 of the Code, the powers of Board of Directors of Ricoh India Limited is currently under suspension and the same are being exercised by Mr. Krishna Chamadia, the Resolution Professional of Ricoh India Limited)

Ricoh India Limited

Statutory Audit for the year ended

31 March 2018

6th Floor, Tower- A, Plot # 07
Advant Navis Business Park
Sector- 142, Noida Expressway
Noida- 201305, UP, (India)

Telephone + 91 120 386 8000
Fax + 91 120 386 8999

Independent auditor's report

To the members of **Ricoh India Limited**

1. Report on the audit of standalone Ind AS financial statements

We were engaged to audit the accompanying standalone Ind AS financial statements of Ricoh India Limited ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss, the statement of changes in equity and the statement of cash flows for the year then ended, and summary of the significant accounting policies and other explanatory information.

2. Management's responsibility for the standalone Ind AS financial statements

Ricoh India Limited is under Corporate Insolvency Resolution Process under Insolvency and Bankruptcy Code ("the Code"). Its affairs, business and assets are being managed by the Resolution Professional appointed by the Hon'ble NCLT Mumbai vide its Order dated 14 May 2018 under the provisions of the Code as Interim Resolution Professional and subsequently as per section 22 of the Code as Resolution Professional of Ricoh India Limited. The matter against the Corporate Insolvency Resolution Process is pending for admission before the Hon'ble NCLAT vide Company Appeal (AT) No. 621/2018. Under provisions of section 17 of the Code, the powers of Board of Directors of Ricoh India Limited are currently under suspension and the same are being exercised by the Resolution Professional of Ricoh India Limited.

In view of ongoing Corporate Insolvency Resolution Process, the Resolution Professional is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Under section 20 of Code, it is incumbent upon

Resolution Professional to manage the operations of the Company as a going concern and the financial statements have been prepared on going concern basis.

The written representations with regard to these financial statements provided to us during the course of our audit, have been signed by the Managing Director and the Chief Financial Officer of the Company. However, the Resolution Professional, who was appointed subsequent to the year end, has not signed these written representations.

3. Auditor's responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. Because of the matters described in the "Basis for disclaimer of opinion" paragraph, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

4. Basis for disclaimer of opinion

(i) Attention is drawn to note 1 of the financial statements which brings out in detail the fact that the Company's net worth has been eroded by its accumulated losses as at the end of the current year. Further, during the current year, the ultimate parent company has announced that it will not provide any additional financial support to the Company going forward and will not supply additional hardware or accessories to the Company unless pending payments are made. Thereafter, the Company filed an application under section 10 of the Insolvency and Bankruptcy Code, 2016 to initiate Corporate Insolvency Resolution Process with Hon'ble NCLT, Mumbai. This along with matters listed below indicate the existence of multiple uncertainties that are significant to the financial statements as a whole, cast significant doubt on the Company's ability to continue as a going concern.

In view of the ongoing Corporate Insolvency Resolution Process, the outcome of which cannot be presently ascertained and significant dependence of the Company's operations on the ultimate parent company as well as matters listed below, we are unable to comment whether the Company will be able to continue as a going concern. Consequently, we are unable to comment as to whether the going concern basis for preparation of these financial statements taken by the Company is appropriate.

(ii) In view of irregularities and suspected fraudulent transactions noted during the year ended 31 March 2016, the Company carried out investigations. As a result of the investigations, the Company recorded significant adjustments in its books of account during the year ended 31 March 2016.

In view of the fact that investigations by regulatory authorities in matters relating to abovementioned financial irregularities are yet to be completed, we are unable to comment on the consequential impact, if any, on the financial statements of the outcome of such investigations / enquiry by law enforcement agencies and outcome of related litigation and claims.

(iii) We had made various observations in our audit report dated 26 May 2017 on the financial statements for the year ended 31 March 2017, which inter alia included apart from other matters [including those listed in paragraph 4(ii) above], limitations with regard to availability of necessary audit evidences including original documents and information, satisfactory explanations and justifications required for audit for the years ended 31 March 2016 and 31 March 2017. In view of the limitations and uncertainties involved, we had expressed our inability to express an opinion on the financial statements for the aforesaid years. Our disclaimer of opinion on the current year financial statements is also because of the possible effects of the above matters on the figures for the current year and on the corresponding figures for the year ended 31 March 2017 and balances as at 1 April 2016 (including the adjustments required, if any on transition to Indian Accounting Standards prescribed under section 133 of the Act), which also affects their comparability with current year figures.

(iv) We are unable to comment on the necessary adjustments / disclosures in these financial statements in relation to the following items, in view of non-availability of certain necessary information / documentation / satisfactory explanations relevant to the current year audit –

a. lack of reconciliation of consumables and spares consumed (included under purchases of stock in trade) with related sales; and
b. original documents / agreements were not made available in most cases and hence we have had to carry out our audit procedures on photo copies of those documents. As explained to us by the management, the original documents for certain revenue contracts have been submitted with the nodal agencies and with regard to other documents / agreements, considering the voluminous nature and in absence of a centralized document management system, it was impracticable to provide the original documents / agreements.

(v) During the years ended 31 March 2016 and 31 March 2017, in respect of machines given on lease, we were not able to complete our audit procedures due to non-availability of complete documentation / details e.g. absence of lease contracts, details and reconciliation of amount collected, amount due as at period-end, analysis of nature of lease such as operating lease vs. finance lease and basis of allocation of revenues to multiple elements of the contracts (e.g. lease instalment and charges based on number of prints) etc. Further, we observed inaccuracies / inconsistencies in details used for computation of lease receivable as at period end such as fair value of lease, lease terms, computation of interest rate implicit in the lease etc. No further information in respect of such lease contracts entered till 31 March 2017 and continuing in the current year has been provided to us for the purpose of our audit in the current year.

Further, based on samples tested in respect of lease contracts entered during the current year, we noticed inconsistencies / errors in calculation of amounts allocated to multiple elements in the contracts (e.g. fair values of various elements, lease instalment and charges based on number of prints).

In view of abovementioned observations, we are unable to comment on the appropriateness of revenue from operations and of the constituents thereof as well as depreciation expense recognised for the year ended 31 March 2018 and the consequential impact on the carrying value of lease receivables and of assets given on lease as at 31 March 2018.

(vi) As part of the Corporate Insolvency Resolution Process, the Company has received certain claims aggregating to INR 75,097 lacs till 14 May 2018 from certain vendors and customers. As per the books of account of the Company, the balance recoverable from these customers / vendors (advance given net of amounts payable) is INR 34,361 lacs as at 31 March 2018. As informed to us by the management, the Company has terminated most of the contracts with the said customers / vendors. [Also refer to notes 36 and 43 of the financial statements]

The management believes that the claims made by the customers / vendors are frivolous and not tenable. A provision in the books of account has also been created on the basis of management's estimate of the balances to the extent considered doubtful of recovery. However, basis the evidence currently available, we are unable to express an opinion on the appropriateness of the provision in respect of the aforementioned balances / claims.

(vii) Attention is invited to note 41 of the financial statements wherein it is stated that as a part of its intimation of October 2017 to not provide any additional financial support going forward to the Company, the ultimate parent company has repaid all outstanding balances of the Company's bankers aggregating INR 129,528 lacs since the same had been guaranteed by the ultimate parent company. The ultimate parent company has further claimed an interest of INR 3,515 lacs on the aforementioned amount payable to it by the Company for period till 31 March 2018. In absence of any agreement regarding terms, the Company has not acknowledged the amount of interest claimed by the ultimate parent company as debt. Further, the duration of this loan has not been determined though it has been included under Borrowings as current liabilities in these financial statements.

Further, the Company has also not recognized the impact of Ind AS 109 "Financial Instruments" on the accounting and classification of this amount.

Similarly, the Company has not ascertained the impact of Ind AS 109 "Financial Instruments" on the redeemable non-convertible debentures aggregating to INR 20,000 lacs issued to a Group company with an interest rate which appears to be lower than the market rate of interest.

Accordingly, we are unable to comment on the impact of the above on the financial statements.

(viii) Trade receivables include foreign currency receivables of INR 1,849 lacs in respect of two related parties wherein there is an unreconciled difference (higher receivable balance in the books of account of the Company) of INR 446 lacs. Pending reconciliation and agreement on these balances, we are unable to comment on the impact, if any, on the carrying value of trade receivables.

Further, some of the foreign currency balances (both receivable and payable) have been outstanding for a period which is beyond the prescribed period for settlement of such balances as per the Reserve Bank of India (RBI) guidelines. Non-compliance with the provisions of RBI guidelines may result in imposition of penalties on the Company, which have not been quantified by the Company. Accordingly, we are unable to comment on the impact, if any, of the above mentioned non-compliance on the financial statements for the year ended 31 March 2018.

(ix) Attention is invited to note 43(A) of the financial statements wherein it is stated that the Company has used significant assumptions / estimates in accounting in certain critical areas such as revenue contracts, quantities and valuation of inventories, provision for doubtful receivables in respect of outstanding trade receivables / supplier advances and provision for certain employee benefits. These assumptions / estimates primarily include –

a. allocation of revenues and costs to multiple elements of the revenue contracts and estimated costs to complete or exit the contracts;
b. assessment and quantification of onerous contracts;
c. realizable values of damaged, non-moving and slow-moving inventories aggregating to INR 10,520 lacs (with a net realizable value of INR 3,180 lacs);
d. realisability of outstanding receivables from customers and supplier advances and which is also not based on expected credit loss model as required under Ind AS 109 "Financial Instruments"; and
e. future expected withdrawal rate of employees.

In view of the significance of these assumptions / estimates and in the absence of substantive audit evidence including past trends, reconciliation with customers / vendors, reliable estimate of future developments etc., we are unable to validate the reasonableness of these assumptions / estimates. Accordingly, we are unable to comment on the consequential impact of the actual outcome as compared to the aforementioned assumptions / estimates, if any, on these financial statements.

(x) Attention is invited to note 40 of the financial statements wherein it is stated that the Company has during the year done a detailed examination of certain receivable and payable balances and as a result the Company has written back the balances aggregating to INR 943 lacs (payable balances of INR 3,449 lacs, net off receivable balances of INR 2,506 lacs) where the necessary details / documents were not available with the Company. The aforesaid amount written back (net) has been included under "Exceptional items" in the financial statements. However, in absence of the necessary details required for the purposes of our audit, we are unable to comment on the appropriateness of such amounts written back (net) and their consequential impact on the financial statements.

(xi) During the year, the Company has recorded significant adjustments pertaining to prior periods in the financial statements. Attention is invited to note 43(B) of the financial statements wherein it is stated that the impact of such adjustments has been quantified at INR 6,548 lakhs by the management. However, in absence of the necessary details, we are unable to comment on the completeness, existence and accuracy of this amount. Further, the impact the prior period adjustments has not been restated retrospectively / disclosed separately in the financial statements as required under Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

(xii) The Company needs to strengthen its internal control systems, in particular its IT controls and those relating to existence of contract work-in-progress; revenue from leases; reconciliation of consumables and spares consumed with related sales; accounts receivables including periodic reconciliations with customers, age wise analysis and application of receipts from customers; physical verification of inventories; accounts payables including vendor selection process and periodic reconciliations with vendors; classification of costs relating to items of purchase of traded goods including costs incurred towards warranty and certain contract expenses; and disposal of property, plant and equipment. We are unable to determine consequential impact, if any, of these aforesaid weaknesses on these financial statements.

(xiii) The Company has not filed its financial results for the periods ended 30 September 2017 and subsequent periods till date as prescribed under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Consequently, we are unable to comment on the impact, if any, of this non-compliance on the financial statements.

In view of our observations in paras 4(i) to 4(xiii) above, we are unable to determine the adjustments, that are necessary in respect of the Company's assets, liabilities as on balance sheet date, income and expenses for the year, the elements making up the statement of changes in equity and cash flow statement and related presentation and disclosures in the financial statements.

Most of the aforesaid matters except for 4(i), 4(vii), 4(viii), 4(xii) and 4(xiii) were also included (completely or partially) in the basis of disclaimer of opinion in our previous year audit report.

5. **Disclaimer of opinion**

Because of the significance of the matters described in the Basis for disclaimer of opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the standalone financial statements..

6. **Report on other legal and regulatory requirements**

(i) As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub- section (11) of Section 143 of the Act and except for the effects, if any, of the matters described in the basis for disclaimer of opinion paragraph, we enclose in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

(ii) As required by Section 143(3) of the Act, we report that:

a. as described in the basis for disclaimer of opinion paragraph, we were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. due to the possible effects of the matters described in the basis for disclaimer of opinion paragraph, we are unable to state whether proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c. the balance sheet, the statement of profit and loss, the cash flow statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account as maintained;

d. due to the effect of the related matters described in the basis for disclaimer of opinion paragraph, we state as below –

i. the financial statements do not comply with Ind AS 8 [refer to paragraph 4(xi) above]; Ind AS 17 [refer to paragraph 4(v) above] and Ind AS 109 [refer to paragraphs 4(vii) and 4(ix) above] specified under Section 133 of the Act;

ii. we are unable to state whether the financial statements comply with the Indian Accounting Standards (other than those referred to in paragraph 6(ii)(d)(i) above) specified under Section 133 of the Act;

e. the matters described in the basis for disclaimer of opinion paragraph above may have an adverse effect on the functioning of the Company;

f. on the basis of written representations received from the directors as on 31 March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act except that the then Managing Director (no longer with the Company) has not provided such representation to the Company. Accordingly, we are unable to comment as to whether the aforesaid individual was disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

g. the reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the basis for disclaimer of opinion paragraph above;

h. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and

i. with respect to the other matters to be included in the auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. in view of the related matters described in paragraph 4, basis for disclaimer of opinion, we are unable to state whether note 36 to the standalone financial statements discloses the complete impact of pending litigations on the financial position in the standalone financial statements of the Company;

   ii. in view of the related matters described in paragraph 4, basis for disclaimer of opinion, we are unable to state whether the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts (the Company does not have any derivative contracts); and

   iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Vikram Advani
Partner
Membership Number: 091765

Place: New Delhi
Date: 21 November 2018

Annexure A to the independent auditor's report

The Annexure A referred to in independent auditor's report to the members of Ricoh India Limited on the financial statements for the year ended 31 March 2018, we report that:

(i) (a) Except for the effects of the matter described in paragraph 4(v) of our main report, the Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) According to the information and explanations given to us, the Company has a regular program of physical verification of its fixed assets. In accordance with this program, fixed assets except for machines given on lease, were verified by the management during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. As informed to us, material discrepancies were noticed on such verification and the same have been properly dealt with in the books of account. In respect of machines given on lease, as informed to us, the Company has relied upon the system of monthly billing based on physical counting of the output of such machines as evidence of their existence.

(c) We have been provided with the court certified copies / photocopies of the title deeds in respect of the immovable properties. Based on these, the immovable properties are held either in the name of the Company or Gestetner India Limited which got merged into the Company in the previous years.

(ii) The inventories, except goods-in-transit and stocks lying with third parties, have been physically verified by the management subsequent to the year end. The Company performed roll back procedures to arrive at derived quantities of inventories as at the year end. In our opinion, the frequency of verification needs to be increased to make it reasonable considering the size and nature of the Company's operations. As informed to us, material discrepancies noted on such verification / roll back procedures, between the physical stocks and the book records have been properly adjusted in the books of account. For the inventories lying with third parties, the Company has relied upon the installation reports / delivery documents available with the Company as an evidence of their existence.

(iii) Except for the effects of the matters described in the basis of disclaimer of opinion paragraph 4 of our main report, according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act.

(iv) Except for the effects of the matters described in the basis of disclaimer of opinion paragraph 4 of our main report, according to the information and explanation given to us, the Company has not given any loans, or made any investments, or provided any guarantee, or security as specified under Section 185 and 186 of the Companies Act, 2013.

(v) Except for the effects of the matters described in the basis of disclaimer of opinion paragraph 4 of our main report, as per the information and explanation given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for any of any activities / services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us; on the basis of our examination of the records of the Company; and appearing in the books of the accounts as statutory dues paid / payable, except for the effects of the matters described in the basis of disclaimer of opinion paragraph 4 of our main report, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, value added tax, service tax, duty of customs and other material statutory dues have generally been regularly deposited though there has been a slight delay in a few cases. In case of goods and services tax the statutory dues have not generally been regularly deposited with the appropriate authorities though the delays in deposit have not been serious. As explained to us, the Company did not have any dues on account of duty of excise.

According to the information and explanations given to us; on the basis of our examination of the records of the Company; and appearing in the books of the accounts as statutory dues paid / payable, except for the effects of the matters described in the basis of disclaimer of opinion paragraph 4 of our main report, no amounts payable in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable except as mentioned below –

Name of the statute	Nature of the dues	Amount (INR lacs)	Period to which the amount relates	Due date	Date of payment
The Central Goods and Services Tax Act, 2017	Goods and services tax	5.44	July 2017	25 August 2017	20 October 2018
Income-tax Act, 1961	Tax deducted at source	0.24	May 2017	7 June 2017	Not paid till date
Income-tax Act, 1961	Tax deducted at source	0.08	July 2017	7 August 2017	Not paid till date

(b) Except for the effects of the matters described in the basis of disclaimer of opinion paragraph 4 of our main report, in particular paragraph 4(iv)(b) and according to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs and value added tax which have not been deposited with the appropriate authorities on account of any dispute except as mentioned below. As explained to us, the Company did not have any dues on account of duty of excise.

Name of the statute	Nature of dues	Amount demanded (INR lacs)	Amount paid under protest	Period to which it relates	Forum where the dispute is pending
Income-tax Act, 1961	Income-tax	242	-	Assessment years (A.Y.) 1999-00, 2006-07, 2009-10	High court

Income-tax Act, 1961	Income-tax	216	-	A.Y. 2005-06, 2007-08	Income tax appellate tribunal
Income-tax Act, 1961	Income-tax	739	90	A. Y. 2002-03, 2003-04, 2005-06, 2006-07, 2007-08, 2008-09, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16	Appellate authority upto Commissioner's level
Finance Act, 1994	Service tax	250	7	Dec 2004-Sept 2006, Oct 2009-Sept 2010, Oct 2003-Mar 2004, Oct 2010-Mar 2012, Oct 2009-Sept 2012	Appellate authority upto Commissioner's level
Sales tax Act	Sales tax	4,590	125	Various years between Financial Years (F.Y.) 1984-85 to 2012-13	Tribunals of various states
Sales tax Act	Sales tax	45,792	1,455	Various years between F.Y. 1981-82 to 2014-15	Appellate authority upto Commissioner's level

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or dues to debenture holders during the year except as mentioned in the table below. The Company did not have any outstanding dues to Government during the year or as at 31 March 2018.

Particulars	Amount of default as at the balance sheet date (INR lacs)	Period of default	Remarks, if any
Redeemable non-convertible debentures	733	March 2018	Interest on debentures

(ix) Except for the effects of the matters described in the basis of disclaimer of opinion paragraph 4 of our main report, in particular paragraph 4(vii) and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

(x) According to the information and explanations given to us, and except for the effects of the matters described in the basis of disclaimer of opinion paragraph 4 of our main report, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

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

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) Except for the effects of the matters described in the basis of the disclaimer of opinion paragraph of our main report, in our opinion and according to the information available as at present and explanations given to us and on the basis of our examination of the records of the Company, the transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year

(xv) Except for the effects of the matters described in the basis of the disclaimer of opinion paragraph of the main report, according to the information available as at present and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Vikram Advani
Partner
Membership Number: 091765

Place: New Delhi
Date: 21 November 2018

Annexure B to the independent auditor's report

Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Act

We were engaged to audit the internal financial controls over financial reporting of the Company as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by ICAI, to the extent applicable to an audit of internal financial controls. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of internal financial controls over financial reporting

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

Inherent limitations of internal financial controls over financial reporting

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

Adverse opinion

As described in paragraph 4 of our main report, a large number of matters relating to financial statements have been observed and have formed basis of disclaimer in our main report and which clearly illustrate that the Company had not established internal financial controls system with reference to standalone Ind AS financial statements and that whatever financial controls with reference to standalone Ind AS financial statements had been established were not operating effectively. Subsequently, the Company is focussing on strengthening its internal controls and the process is still continuing as at the balance sheet date. According to the information and explanations given to us and based on our audit, following significant aspects of material weaknesses in internal control system are particularly noteworthy -

a) Deficiencies in the IT control environment;

b) Deficiencies in maintenance of books of accounts and documentation including non-availability of certain documents / agreements;

c) Internal control systems relating to existence of contract work-in-progress;

d) Lack of reconciliation of consumables and spares consumed with related sales;

e) Deficiencies in accounting of revenue recognition from leases;

f) Deficiencies relating to accounts receivables including periodic reconciliations with customers, age wise analysis and application of receipts from customers;

g) Periodicity and process of physical verification of inventories;

h) Deficiencies relating to accounts payables including vendor selection process and periodic reconciliations with vendors;

i) Identification of contract costs / warranty costs from within traded goods;

j) Process of disposal of property, plant and equipment.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, because of the matters described in the basis of disclaimer of opinion paragraph of our main report and in view of the material weaknesses described above, the Company has not maintained adequate and effective internal financial controls over financial reporting as of 31 March 2018 considering the essential components of internal controls as stated by the Guidance Note issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31 March 2018 standalone Ind AS financial statements of the Company and these material weaknesses have inter-alia affected our opinion on the financial statements of the standalone Company and we have issued a disclaimer of opinion on the financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Vikram Advani
Partner
Membership Number: 091765

Place: New Delhi
Date: 21 November 2017

Ricoh India Limited
Balance Sheet as at March 31, 2018
(Rupees in lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	3	4,301	6,026	6,268
Capital work-in-progress		-	8	5
Goodwill	4	-	-	-
Other intangible assets	4	267	392	471
Financial assets				
i. Investments	5	-	-	-
ii. Loans	6	4,515	3,207	6,899
iii Other financial assets	7	14,334	23,571	14,111
Income tax assets (net)	8	4,464	2,707	776
Other non-current assets	9	1,146	1,533	2,508
Total non-current assets		**29,027**	**37,444**	**31,038**
Current assets				
Inventories	10	20,975	33,328	49,194
Financial assets				
i Trade receivables	11	37,578	55,296	54,837
ii. Cash and cash equivalents	12	14,405	3,555	4,083
iii. Bank balances other than cash and cash equivalents, above	13	6,667	1,449	1,897
iv Loans	6	5,133	2,913	-
v. Other financial assets	7	17,725	16,036	9,891
Other current assets	9	11,114	44,354	48,530
Total current assets		**113,597**	**156,931**	**168,432**
Total assets		**142,624**	**194,375**	**199,470**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	14 (a)	3,977	3,977	3,977
Other equity	14 (b)	(108,618)	(19,243)	(98,891)
Total equity		**(104,641)**	**(15,266)**	**(94,914)**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
i. Borrowings	15 (a)	20,000	-	20,000
ii. Other financial liabilities	16	448	386	369
Provisions	17	496	2,640	5,695
Other non-current liabilities	18	33	32	43
Total non-current liabilities		**20,977**	**3,058**	**26,107**
Current liabilities				
Financial liabilities				
i. Borrowings	15 (b)	129,528	106,603	214,501
ii. Trade payables	20			
a) Total outstanding dues of micro and small enterprises		696	20	-
b) Total outstanding dues of creditors other than micro and small enterprises		83,918	71,791	44,379
iii. Other financial liabilities	16	1,718	21,845	2,611
Provisions	17	754	681	220
Other current liabilities	19	9,674	5,643	6,566
Total current liabilities		**226,288**	**206,583**	**268,277**
Total liabilities		**247,265**	**209,641**	**294,384**
Total equity and liabilities		**142,624**	**194,375**	**199,470**

Significant accounting policies 2

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. - 101248W/W-100022

Vikram Advani
Partner
Membership No. 091765

Place: Noida
Date: 21 November 2018

B S R & Co. LLP Noida

For and on behalf of Ricoh India Limited

Subhankar Lahiri
Managing Director
DIN: 08089368

Ajay Kumar Mishra
Chief Financial Officer

Manish Sehgal
Company Secretary

Taken on record

Krishna Chamadia
Resolution Professional
IP Regn no. IBBI/IPA-001/IP-P00694/2017-2018/11220

Place: Noida
Date: 21 November 2018

Ricoh India Limited

RICOH INDIA LIMITED
(Company under Corporate Insolvency Resolution Process By NCLT, order May 14, 2018)

Ricoh India Limited
Statement of profit and loss for the year ended March 31, 2018
(Rupees in lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Revenue from operations	22	68,059	121,748
Other income	23	928	921
Total income		**68,987**	**122,669**
Expenses			
Purchase of stock-in-trade and services	24	56,473	88,230
Changes in inventories of stock-in-trade	25	12,353	15,866
Employee benefits expense	26	10,463	12,388
Finance costs	27	6,905	15,470
Depreciation and amortisation expense	28	1,736	1,750
Other expenses	29	16,482	22,285
Total expenses		**104,412**	**155,989**
Loss before exceptional items and tax		**(35,425)**	**(33,320)**
Exceptional items	40	53,890	-
Loss before tax		**(89,315)**	**(33,320)**
Income tax expense			
-Tax related to previous years		(95)	660
Total tax expense		(95)	660
Loss for the year (A)		**(89,410)**	**(32,660)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability/ (asset)		35	8
Income tax relating to above mentioned item		-	-
Other comprehensive income/ (loss) for the year, net of tax (B)		**35**	**8**
Total comprehensive income/ (loss) for the year (A+B)		**(89,375)**	**(32,652)**
Loss per equity share of face value of INR 10 each	42		
Basic (INR)		(225)	(82)
Diluted (INR)		(225)	(82)

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. - 101248W/W-100022

Vikram Advani
Partner
Membership No. 091765

B S R & Co. LLP
Noida

Place: Noida
Date: 21 November 2018

For and on behalf of Ricoh India Limited

Subhankar Lahiri
Managing Director
DIN: 08089368

Ajay Kumar Mishra
Chief Financial Officer

Manish Sehgal
Company Secretary

RICOH INDIA LIMITED

Taken on record

Krishna Chamadia
Resolution Professional

IP Regn no. IBBI/IPA-001/IP-P00694/2017-2018/11220

RICOH INDIA LIMITED
(Company under Corporate Insolvency Resolution Process By NCLT, order May 14, 2018)

Place: Noida
Date: 21 November 2018

Ricoh India Limited
Statement of changes in equity for the year ended March 31, 2018
(Rupees in lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance as at the beginning of the year end		3,977	3,977	3,977
Changes in equity share capital	14 (a)	-	-	-
Balance as at the end of the year end		3,977	3,977	3,977

B. Other equity

Particulars	Reserves and surplus					OCI	Total other equity
	Retained earnings	Capital reserve	Capital redemption reserve	Debenture redemption reserve	Securities Premium	Remeasurement of defined benefit plan (net of tax)	
Balance as at April 1, 2016	(104,398)	7	500	5,000	-	-	(98,891)
Loss for the year	(32,660)	-	-		-	-	(32,660)
Other comprehensive income/ (loss) (net of tax)	-	-	-	-	-	8	8
Cancellation of shares*	-	1,096	-	-	-	-	1,096
Premium on equity shares reissued	-	-	-	-	111,204	-	111,204
Balance as at March 31, 2017	(137,058)	1,103	500	5,000	111,204	8	(19,243)
Balance as at April 1, 2017*	(137,058)	1,103	500	5,000	111,204	8	(19,243)
Loss for the year	(89,410)	-	-	-	-	-	(89,410)
Other comprehensive income/ (loss) (net of tax)	-	-	-	-	-	35	35
Balance as at March 31, 2018	(226,468)	1,103	500	5,000	111,204	43	(108,618)

* On 15 October 2016, 10,959,792 shares of NRG Group Limited were cancelled and re-issued at a premium

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. - 101248W/W-100022

Vikram Advani
Partner
Membership No. 091765

Place: Noida
Date: 21 November 2018

B S R & Co. LLP
Noida

For and on behalf of Ricoh India Limited

Subhankar Lahiri
Managing Director
DIN: 08089368

Ajay Kumar Mishra
Chief Financial Officer

Manish Sehgal
Company Secretary

Taken on record

Krishna Chamadia
Resolution Professional

IP Regn no. IBBI/IPA-001/IP-P00694/2017-2018/11220

Place: Noida
Date: 21 November 2018

RICOH INDIA LIMITED

Ricoh India Limited
Statement of cash flows for the year ended March 31, 2018
(Rupees in lakhs, unless otherwise stated)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A.	**Cash flows from operating activities**		
	Loss for the year	(89,315)	(33,320)
	Adjustments for:		
	Depreciation and amortisation expense	1,736	1,750
	Loss on sale / disposal of property, plant and equipment	149	4
	Property, plant and equipment written off	353	22
	Bad debts written off	-	2,028
	Provision for doubtful trade receivables	23,797	514
	Provision for doubtful supplier advances	32,006	-
	Provision for onerous contracts written back	(970)	-
	Balances with government authorities written off	1,009	-
	Advances, deposits written off	477	448
	Liabilities/ provisions no longer required written back	(3,248)	(6,215)
	Finance costs	6,905	15,470
	Interest income	(869)	(814)
	Unrealised foreign exchange (gain) / loss	87	(1,496)
	Operating loss before working capital changes	(27,883)	(21,609)
	Changes in operating assets and liabilities		
	(Increase) / decrease in trade receivables	(6,079)	(3,000)
	(Increase) / decrease in inventories	12,353	15,866
	Increase / (decrease) in trade payables	15,964	35,143
	(Increase) / decrease in loans	(4,005)	332
	(Increase) / decrease in other financial assets	5,372	(10,188)
	(Increase) / decrease in other assets	612	5,152
	Increase / (decrease) in provisions	(1,066)	(2,593)
	Increase in other financial liabilities	(673)	218
	Increase in other liabilities	4,032	(932)
	Cash generated/ (outflow) from operations	(1,373)	18,389
	Taxes paid	(1,852)	(1,271)
	Net cash inflow/ (outflow) from operating activities - Total (A)	(3,225)	17,118
B.	**Cash flows from investing activities**		
	Acquistion of property, plant and equipment, intangibles and capital work in progress	(447)	(1,453)
	Sale of property, plant and equipment and capital work in progress	67	-
	Bank deposits with original maturity of more than 3 months	(2,814)	(4,461)
	Interest received	641	304
	Net cash used in investing activities - Total (B)	(2,553)	(5,610)
C.	**Cash flows from financing activities**		
	Proceeds from issuance of equity share capital		
	Securities premium received on issue of shares	-	112,299
	Repayment/proceeds from borrowings(net)	22,925	(107,898)
	Interest paid on bank loans and others	(6,297)	(16,437)
	Net cash used in financing activities - Total (C)	16,628	(12,036)
	Net increase in cash and cash equivalents (A)+(B)+(C)	10,850	(528)

B S R & Co. LLP
Noida

RICOH INDIA LIMITED

RICOH INDIA LIMITED
(Company under Corporate Insolvency Resolution Process
By NCLT, order dt. 14, 2018)

Ricoh India Limited
Statement of cash flows for the year ended March 31, 2018
(Rupees in lakhs, unless otherwise stated)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
D.	Cash and cash equivalents at the beginning of the year	3,555	4,083
E.	Cash and cash equivalents at the end of the year	14,405	3,555
	Net Increase in cash and cash equivalent (E-D)	10,850	(528)

Changes in liabilities arising from financing activities	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening balance of loans		
Redeemable non-convertible debentures (including current maturities)	2,000	2,000
Loans repayable on demand from banks	106,603	204,679
Loans repayable on demand from related parties	-	-
Loans repayable on demand from others	-	9,822
Cash flows		
Repayment/proceeds from borrowings(net)	(22,925)	107,898
Closing balance of loans		
Redeemable non-convertible debentures (including current maturities)	2,000	2,000
Loans repayable on demand from banks	-	106,603
Loans repayable on demand from related parties	129,528	-
Loans repayable on demand from others	-	-

Notes:
The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. - 101248W/W-100022

Vikram Advani
Partner
Membership No. 091765

Place: Noida
Date: 21 November 2018

B S R & Co. LLP Noida

For and on behalf of Ricoh India Limited

Subhankar Lahiri
Managing Director
DIN: 08089368

Ajay Kumar Mishra
Chief Financial Officer

Manish Sehgal
Company Secretary

RICOH INDIA LIMITED

Taken on record

Krishna Chamadia
Resolution Professional
IP Regn no. IBBI/IPA-001/IP-P00694/2017-2018/11220

Place: Noida
Date: 21 November 2018

RICOH INDIA LIMITED
(Company under Corporate Insolvency Resolution Process
By NCLT, order May 14, 2018)

Significant accounting policies

1. Background of the Company

Ricoh India Limited ("the Company") is a public limited company incorporated and domiciled in India under the provisions of the Companies Act, 1956 with its registered office situated at Unit No. 1132, 3rd Floor Building No. 11, Solitaire Corporate Park, Guru Hargovindji Marg, Andheri, Ghatkopar Link Road Chakala, Andheri East Mumbai – 400 093. The corporate office of the Company is situated at 7th, 11th Floor, Tower 'B', Windsor IT Park, A-1, Sector 125, Expressway, Gautam Budh Nagar, Noida, Uttar Pradesh – 201301.

Its shares are listed on the Bombay Stock Exchange Limited (BSE) in India. The Company is engaged in the business of Office Imaging Equipment, Production Print Solutions, Document Management Systems and Information Technology Services.

An application for initiation of corporate insolvency resolution process ("CIRP") of Ricoh India Limited was admitted by the Hon'ble National Company Law Tribunal, Mumbai vide order dated 14 May 2018 under the Insolvency and Bankruptcy Code, 2016 ("IBC") and hence currently, Ricoh is under CIRP. Mr. Krishna Chamadia (IBBI registration number IBBI/IPA-001/IP-P00694/2017-18/11220) was appointed as the Interim Resolution Professional ("IRP") vide this order. Mr. Krishna Chamadia was subsequently confirmed by the Committee of Creditors as the Resolution Professional ("RP") in its meeting dated 15 June 2018 under the provisions of IBC. The matter against the CIRP is pending for admission before the Hon'ble NCLAT vide Company Appeal (AT) No. 621/2018 and has been fixed for hearing on 11 December 2018.

The Section 20(1) of IBC reads as follows –

The interim resolution professional shall make every endeavour to protect and preserve the value of the property of the corporate debtor and manage the operations of the corporate debtor as a going concern.

Accordingly, the RP has been managing the operations of the company as a going concern. Under the current CIRP period, the resolution professional has invited resolution plans from prospective Resolution Applicants. Once a plan is submitted, it will be placed before the Committee of Creditors ("CoC") and thereafter to the NCLT for approval. The date of conclusion of CIRP was 10 November 2018 (180 days) which has been subsequently extended by another 90 days.

Considering the above facts and continuing operations of the Company, the financial statements have been prepared on a going concern basis.

2. Basis of preparation of financial statements

a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, ('the Act') and other relevant provisions of the Act.

RICOH INDIA LIMITED

B S R & Co. LLP Noida

The Company's financial statements up to and for the year ended March 31, 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended), notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First time Adoption of Indian Accounting Standards has been applied. An explanation on how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows is provided in note 44.

The financial statements were adopted by the Company's Board of Directors and taken on record by the Resolution Professional on November 21, 2018.

b) 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 entity operates ('the functional currency'). The financial statements are presented in Indian rupees (INR), which is also the company's functional currency. All amounts have been rounded off to the nearest rupees lakhs, unless otherwise stated.

c) Basis of measurement

The financial statements have been prepared on the historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) are measured at fair value
- defined benefit plans – plan assets measured at fair value

d) Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- **Determination of the estimated useful lives**

  Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, and maintenance support.

RICOH INDIA LIMITED

B S R & Co. LLP Noida

- **Recognition and measurement of defined benefit obligations**
  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- **Recognition of deferred tax assets**
  Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. The Company has not recognized deferred tax asset as the Company has estimated that it is not probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

- **Provision for onerous contracts**
  Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

- **Recognition and measurement of other provisions**
  The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

- **Lease classification**
  All leasing arrangements are classified as operating/ finance lease based on the terms and conditions of the leasing arrangements at the inception of the lease period. Judgement is required with respect to classification of lease as operating or finance lease.

- **Taxation and legal disputes**
  Judgement is required to ascertain whether it is probable that an outflow of resources embodying economic benefit required to settle the taxation and legal disputes.

- **Provision for obsolete and slow-moving inventories**
  Provision for obsolete and slow moving inventories are made based on the expected sales and consumptions of inventory, which may differ from actual outcome and could lead to significant adjustment to the amounts reported in the financial statement.

- **Impairment of trade receivables and other financial assets**
  Trade receivables and other financial assets are stated net of appropriate allowances for estimated irrecoverable amounts. Individual trade receivables and other financial assets are written off when the management deems them not to be collectible. Impairment is made on the expected credit loss basis.

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

e) Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable –inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

f) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on the current/non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period ;or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current assets include the current portion of non-current financial assets. The Company classifies all other assets as non-current.

A liability is treated current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Current liabilities include current portion of non-current financial liabilities. The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

. **Significant accounting policies**

a) Foreign currency

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

b) Property, plant and equipment

Recognition and measurement
Items of property, plant and equipment are stated at historical cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.
Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.
If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

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 recognized as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of the property, plant and equipment.

Subsequent expenditure
Subsequent costs are included in the asset's carrying amount or recognized 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 derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

Depreciation methods, estimated useful lives and residual value
Depreciation is calculated using the straight-line method to allocate their cost over their estimated useful lives and is generally recognized in the Statement of Profit and Loss. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

The useful lives as estimated for property, plant and equipment are in accordance with the useful lives as indicated in Schedule II of the Companies Act, 2013 (Table 1 below), except for certain classes of assets where different useful lives have been used (Table 2 below), which are as per management's estimate based on internal evaluation.

Table 1

Asset class	Useful life (in years)
Leasehold land / Leasehold improvements	Over the period of lease
Buildings	30
Office equipment	5
Computer hardware (end user devices)	3
Electrical installation	10
Furniture and fixtures	10

Table 2

Asset class	Useful life (in years)
Air conditioners	10
Plant and machinery	10
Computer hardware – servers and networks	5
Vehicles	6
Machines capitalized and machines under facilities management contracts	3

Depreciation method and useful lives are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are recognized in the statement of profit and loss.

c) Intangible assets

Recognition and measurement
Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition such intangible assets are carried at their cost less any accumulated amortization and any accumulated impairment loss.

RICOH INDIA LIMITED

B S R & Co. LLP Noida

Subsequent expenditure
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Transition to Ind AS
On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of such intangible assets.

Amortisation methods and periods.
Intangible assets are amortised in the statement of profit and loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amotised on straight line basis.
The amortization period is as follows:

Asset class	**Useful life (in years)**
Computer software	5
Trademarks	3

Amortisation method and useful lives are reviewed at the end of each financial year and adjusted if appropriate.

d) Impairment of assets

Non-financial assets 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.

e) Leases

Determining whether an arrangement contains a lease
At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

As a lessee:
A lease is classified at the inception date as a finance lease or an operating lease. Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are

RICOH INDIA LIMITED

B S R & Co. LLP Noida

included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Subsequent to initial recognition, the leased assets are accounted for in accordance with accounting policies applicable to the assets.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As Lessor:
Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

Leases in which the Company transfers substantially all the risk and benefits of ownership of the asset are classified as finance leases. In the circumstances whereby the lessor is a manufacturer or dealer, the profit or loss from finance lease is recognized in accordance with revenue recognition policy which is same as recognition policy of products sales. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the leased assets which is the fair value of the leased asset or, if lower the present value of the minimum lease payment computed at the market rate of interest. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance leases. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal cost, brokerage cost etc. are recognized immediately in the statement of profit and loss.

f) Financial instruments
Financial instrument is any contract that gives rise to a financial asset of the entity and a financial liability or equity instrument of another entity.

Recognition and initial measurement
Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets
On initial recognition, a financial asset is classified as measured at:
– amortised cost;
– FVOCI – debt investment;
– FVOCI – equity investment; or
– FVTPL

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

RICOH INDIA LIMITED

B S R & Co. LLP Noida

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Impairment of financial assets

The Company recognises loss allowances for expected credit losses on:
-financial assets measured at amortised cost; and
-financial assets measured at FVOCI.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
– Significant financial difficulty of the borrower or issuer;
– A breach of contract such as a default or being past due for 90 days or more;
– The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
– It is probable that the borrower will enter bankruptcy or other financial reorganisation; or
– The disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
– Debt securities that are determined to have low credit risk at the reporting date; and
– Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.
Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.
Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.
12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).
In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses
Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the Balance Sheet
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for recovery of amounts due.

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Income recognition

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.

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

Dividends

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.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

g) Non-derivative financial assets – service concession arrangements

The Company recognizes a financial asset arising from a service concession arrangement which it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor of the concession for the construction or upgrade services provided. Such financial assets are measured at fair value upon initial recognition and classified as trade receivables. Subsequent to initial recognition, such financial assets are measured at amortised cost.

h) Inventories

Inventories which comprise contract work-in-progress, stock-in-trade (including spares and consumables) are stated at the lower of cost and net realisable value, net of provision for obsolescence. Cost of inventories include all cost of purchase, cost of conversion material costs and other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realisable value is done on an item by item basis. The basis of determining cost for different categories of inventory is as follows:

Spares and consumables	Weighted Average basis
Stock in trade	Weighted Average basis
Contract work in progress	Actual contract specific cost till date

i) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

j) Employee benefits

Short-term employee benefits

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.

RICOH INDIA LIMITED

B S R & Co. LLP Noida

Defined contribution plans
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Retirement benefits in the form of superannuation is a defined contribution scheme and the contribution towards defined contribution scheme is charged to the Statement of Profit and Loss of the year when the contribution to the Fund is due.

Defined benefit plans:

(i) Gratuity
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').
Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(ii) Provident fund

The eligible employees of the Company are entitled to receive benefits under the provident fund set up as an irrevocable trust. Both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. The interest rate payable by the trust to the beneficiaries every year is notified by the appropriate authorities. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The annual contributions paid by the Company to the provident fund are charged off to the Statement of Profit and Loss. In addition the Company provides for the interest shortfall, if any and is determined annually based on an independent actuarial valuation report. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise.

RICOH INDIA LIMITED

B S R & Co. LLP Noida

(iii) Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilised it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

k) Revenue recognition

The Company derives revenue primarily from the sale of Ricoh products and other IT equipment, together with implementation, integration, maintenance and related support services.

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of consideration received or receivable. Amounts disclosed as revenue is net of taxes, rebates, returns, trade allowances and amount collected on behalf of third parties. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

Revenue from services is recognised when the significant terms of the arrangement are enforceable, services have been delivered and collectability is reasonably assured. The method of recognizing the revenue and cost depends on the nature of services rendered.

(a) Time and material contracts
Revenues and costs relating to time and material contracts are recognised as the related services are rendered.

(b) Fixed price contracts
Revenues from fixed price contracts including implementation and integration services are recognised based on the completion of contractual milestones which represent deliverables

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

accepted by the customer or deliverables where the Company is assured that delivery will be accepted by the customer and collectability is reasonably assured. The Company estimates total costs and total revenues on such contracts on a regular basis. Where the estimate of total costs exceeds total revenues in an arrangement, the estimated losses are recognised in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates.

(c) *Maintenance contracts*
Revenue from maintenance contracts is recognised ratably over the period of the contract. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognised on a straight line basis over the specified period unless some other method better represents the stage of completion.

(d) *Service concession arrangements*
Revenue related to operation or service revenue is recognized in the period in which the services are provided by the company consistent with the company's accounting policy on recognizing revenue on service contracts.

(e) *Multiple deliverable arrangements*
When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate unit of account is accounted for separately. The allocation of consideration from a revenue arrangement to its separate units of account is based on the relative fair value of each unit in accordance with the principles given in Ind AS 18. The price that is regularly charged for an item when sold separately is the best evidence of its fair value. In cases where the Company is unable to establish objective and reliable evidence of fair value, the Company has used either cost plus reasonable margin method or residual method to allocate the arrangement consideration. In cases of residual method, the balance of the consideration, after allocating the fair values of undelivered components of a transaction has been allocated to the delivered components for which specific fair values do not exist.

In instances when revenue is derived from sales of third-party vendor services or material, revenue is recorded on a gross basis when the Company is a principal to the transaction and net of costs when the Company is acting as an agent between the customer and the vendor. Several factors are considered to determine whether the Company is a principal or an agent, most notably whether the Company is the primary obligor to the customer, has established its own pricing, and has inventory and credit risks.

l) Borrowings
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.
The fair value of the liability portion of a redeemable non-convertible debentures is determined using a market interest rate for an equivalent redeemable non-convertible loan from an unrelated party. This amount is recorded as a liability on an amortised cost basis until extinguished on redemption of the debentures. The remainder of the proceeds is attributable to the equity portion of the instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

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.

RICOH INDIA LIMITED

BSR & Co LLP Noida

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

m) Borrowing costs

Borrowings cost are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. 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. Other borrowing costs are expensed in the period in which they are incurred.

n) Income taxes

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 adjusted by changes in deferred tax assets and liabilities 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 at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting 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 apply when 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 is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets – unrecognized or recognized are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

o) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Warranties

Warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods.

Onerous contracts

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on assets associated with that contract.

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

p) Contingent liabilities and contingent assets

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 nonoccurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made Contingent assets are not recognised however are disclosed in the financial statements where an inflow of economic benefit is probable. Contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs."

q) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The company enters into certain derivative contracts to hedge its foreign currency risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in statement of profit and loss.

r) Trade receivables

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

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

s) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

t) Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to chief operating decision maker. The Board of Directors of the Company has been identified as chief operating decision maker which assesses the financial performance and position of the Company, and makes strategic decisions.

u) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit/(loss) attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year

(ii) 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.

Ricoh India Limited
Notes to financial statements for the year ended March 31,2018
(Rupees in lakhs, unless otherwise stated)

Note 3: Property, plant and equipment

	Leasehold land	Buildings	Plant and Machinery	Vehicles	Office equipment	Computer hardware	Furniture and fixtures	Machines capitalized **	Facilities management contracts	Leasehold improvements	Total
Year ended March 31, 2017											
Deemed cost as at April 1, 2016	410	1,721	778	45	367	1,080	474	928	161	304	6,268
Additions	-	4	27	-	93	264	4	990	-	-	1,382
Disposals	-	-	-	-	-	(2)	(1)	-			(3)
Adjustments*	-	-	16	-	26	-	4	-	(71)	-	(25)
Closing gross carrying amount as at March 31, 2017	410	1,725	821	45	486	1,342	481	1,918	90	304	7,622
Accumulated depreciation											
Opening accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge during the year	5	71	88	15	103	418	70	670	90	66	1,596
Disposals	-	-		-	-	-	-	-	-	-	-
Closing accumulated depreciation as at March 31, 2017	5	71	88	15	103	418	70	670	90	66	1,596
Net carrying amount as at March 31, 2017	405	1,654	733	30	383	924	411	1,248	0	238	6,026
Year ended March 31, 2018											
Opening gross carrying amount as at April 1, 2017	410	1,725	821	45	486	1,342	481	1,918	90	304	7,622
Additions	-	-	1	-	18	15	16	346	-	-	396
Disposals	-	-	(13)	(4)	-	(14)	(56)	(10)	-	(119)	(216)
Adjustments*	-	-	(26)	1	(60)	(81)	(85)	(52)	-	(19)	(322)
Closing gross carrying amount as at March 31, 2018	410	1,725	783	42	444	1,262	356	2,202	90	166	7,480
Accumulated depreciation											
Opening accumulated depreciation	5	71	88	15	103	418	70	670	90	66	1,596
Depreciation charge during the year	5	71	91	10	116	373	71	779	-	67	1,583
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at March 31, 2018	10	142	179	25	219	791	141	1,449	90	133	3,179
Net carrying amount as at March 31, 2018	400	1,583	604	17	225	471	215	753	0	33	4,301

* Includes excess/ (shortage) noticed as a result of the physical verification carried out by the Company.
** Machines capitalized include assets provided under operating leases
The Company has elected Ind AS 101 exemption and continues with the carrying value for all of its property, plant and equipment as its deemed cost as at the date of transition i.e. 1 April 2016.

Ricoh India Limited
Notes to financial statements for the year ended March 31,2018
(Rupees in lakhs, unless otherwise stated)

Note 4: Intangible assets

	Goodwill	Trademarks	Computer software	Total
Year ended March 31, 2017				
Deemed cost as at April 1, 2016	-	1	470	471
Additions	-	-	75	75
Adjustments*	-	-	-	-
Closing gross carrying amount as at March 31, 2017	-	1	545	546
Accumulated amortisation				
Opening accumulated amortisation	-	-	-	-
Amortisation charge for the year	-	1	153	154
Closing accumulated amortisation as at March 31, 2017	-	1	153	154
Net carrying amount as at March 31, 2017	-	-	392	392
Year ended March 31, 2018				
Gross carrying amount as at April 1, 2017	-	1	545	546
Additions	-	-	51	51
Disposals	-	-	-	-
Adjustments*	-	-	(23)	(23)
Closing gross carrying amount as at March 31, 2017	-	1	573	574
Accumulated amortisation				
Opening accumulated depreciation	-	1	153	154
Amortisation charge for the year	-	-	153	153
Disposals	-	-	-	-
Closing accumulated amortisation	-	1	306	307
Net carrying amount as at March 31, 2018	-	-	267	267

*Adjustments represent amount written off during the year.
The Company has elected Ind AS 101 exemption and continues with the carrying value for all of its intangible assets as its deemed cost as at the date of transition i.e. 1 April 2016. Further, the Company has availed the exemption provided under Ind AS 101 for not applying Ind AS 103 in respect of business combinations prior to the date of transition.

RICOH INDIA LIMITED

B S R & Co. LLP Noida

Ricoh India Limited

Notes to financial statements for the year ended March 31,2018

(Rupees in lakhs, unless otherwise stated)

Note 5 : Investments (Non current)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-trade (unquoted) investments			
Investment in equity instruments	-	-	-
398,910 (March 31, 2017: 398,910, April 1, 2016 398,910) equity shares of IDC Electronics Limited of INR 10 each, fully paid up [at cost less provision for diminution of INR 39 lakhs (March 31, 2017: INR 39 lakhs, April 1, 2016 INR 39 lakhs) The carrying value of this investment is INR 1 (March 31, 2017: INR 1, April 1, 2016 INR 1)]			
Aggregate cost of unquoted non-current investment	39	39	39
Aggregate value of provision on unquoted non-current investments	39	39	39

Note 6: Loans

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Current	Non-current	Current	Non-current	Current	Non-current
(Unsecured, considered good, unless stated otherwise)						
Security deposits						
- considered good	5,133	4,515	2,913	3,207	-	6,899
- considered doubtful	-	933	-	1,115	-	1,115
	5,133	5,448	2,913	4,322	-	8,014
Less: Allowance for doubtful security deposits	-	(933)	-	(1,115)	-	(1,115)
Total loans	5,133	4,515	2,913	3,207	-	6,899

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

(Rupees in lakhs, unless otherwise stated)

Note 7 : Other financial assets

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Current	Non-current	Current	Non-current	Current	Non-current
Considered good						
Lease receivables*	5,405	9,650	11,142	16,311	1,943	12,076
Bank deposits (due to mature after 12 months from the reporting date)**	-	4,539	-	6,943	-	2,035
Interest accrued but not due on banks deposits	734	145	36	317	110	-
Interest accrued on deferred payments	5	-	303	-	37	-
Unbilled revenue	11,581	-	2,111	-	1,639	-
Subsidy and warranty receivable	-	-	2,444	-	6,162	-
Considered doubtful						
Other receivables	-	180	-	180	-	180
Less: Allowance for doubtful receivables	-	(180)	-	(180)	-	(180)
Total other financial assets	**17,725**	**14,334**	**16,036**	**23,571**	**9,891**	**14,111**

* Finance lease receivables are secured by the underlying asset given on lease.

** Bank deposits represent fixed deposits placed as security for bank guarantees.

Note: The exposure to financial risks and fair value measurement related to these financial instruments is described in Note 32.

RICOH INDIA LIMITED

B S R & Co. LLP Noida

Note 8 : Income tax assets (net)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Income tax asset (net of provision for income tax)	4,464	2,707	776
Net income tax assets at year end	**4,464**	**2,707**	**776**

RICOH INDIA LIMITED

B S R & Co. LLP Noida

Note 9 : Other assets

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Current	Non-current	Current	Non-current	Current	Non-current
Unsecured, considered good						
Prepaid expenses	210	-	423	-	391	-
Advances to employees	63	-	48	-	100	-
Advance to suppliers for goods and services	6,374	-	41,036	-	47,389	-
Balance with government authorities	4,467	1,146	2,723	1,533	621	2,508
Other receivables	-	-	124	-	29	-
Unsecured, considered doubtful						
Advance to suppliers for goods and services	32,006	-	-	-	-	-
Balance with government authorities	-	1,060	-	1,632	-	651
Less: Allowance for doubtful advances	(32,006)	(1,060)	-	(1,632)	-	(651)
Total other assets	**11,114**	**1,146**	**44,354**	**1,533**	**48,530**	**2,508**

RICOH INDIA LIMITED

B S R & Co. LLP Noida

Note 10 : Inventories

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(valued at lower of cost and net realisable value)			
Stock-in-trade	8,264	27,558	34,461
Contract work-in-progress (lying with third parties)	12,711	5,770	14,733
Total inventories	**20,975**	**33,328**	**49,194**

(i) Provision for obsolescence and defective / damaged inventories amounting to INR 8,752 lakhs (March 31, 2017: INR 7,209 lakhs, April 1, 2016: INR 12,514 lakhs has been recognised in the statement of profit and loss.
(ii) Includes stock in transit INR 2,618 lakhs (March 31, 2017: INR 2,764 lakhs, April 1,2016: INR 8,649 lakhs)

RICOH INDIA LIMITED

B S R & Co. LLP Noida

Ricoh India Limited

Notes to financial statements for the year ended March 31,2018

(Rupees in lakhs, unless otherwise stated)

Note 11 : Trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good	37,578	55,296	54,837
Unsecured, considered doubtful	30,449	8,761	8,247
	68,027	64,057	63,084
Less : allowance for expected credit loss	(30,449)	(8,761)	(8,247)
Total trade receivables	37,578	55,296	54,837

Note: The exposure to financial risks and fair value measurement related to these financial instruments is described in Note 32.

Note 12 : Cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with banks			
- on current accounts	14,009	1,285	3,021
- on deposit accounts (with original maturity of 3 months or less)*	38	400	103
Cheques on hand	357	1,868	953
Cash on hand	1	2	6
Total cash and cash equivalents	14,405	3,555	4,083

* Bank deposits represent fixed deposits placed as security for bank guarantees.

Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior periods.

Note: The exposure to financial risks and fair value measurement related to these financial instruments is described in Note 32.

Note 13 : Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unpaid dividend account	8	8	8
Bank deposits (due for maturity within 12 months of the reporting date)	6,659	1,441	1,889
Total bank balances others than cash and cash equivalents	6,667	1,449	1,897

* Bank deposits represent fixed deposits placed as security for bank guarantees.

Note: The exposure to financial risks and fair value measurement related to these financial instruments is described in Note 32.

RICOH INDIA LIMITED

B S R & Co. LLP Noida

14 (a) Equity share capital

Particulars	As at March 31, 2018 Number of shares	Amount	As at March 31, 2017 Number of shares	Amount	As at April 1, 2016 Number of shares	Amount
Authorised share capital						
Equity shares of INR 10 each	45,000,000	4,500	45,000,000	4,500	45,000,000	4,500
7.5% Cumulative redeemable preference shares of INR 100 each	500,000	500	500,000	500	500,000	500
	45,500,000	5,000	45,500,000	5,000	45,500,000	5,000
Issued capital						
Equity shares of INR 10 each fully paid up	39,768,161	3,977	39,768,161	3,977	39,768,161	3,977
Subscribed and paid up capital*						
Equity shares of INR 10 each fully paid up	39,766,961	3,977	39,766,961	3,977	39,766,961	3,977

* On 15 October 2016, 10,959,792 shares held by NRG Group Limited were cancelled and re-issued at a premium.
*excludes 1,200 (March 31,2017: 1,200, April 1, 2016: 1200) equity shares of INR 10 each have been forfeited valued at INR 0.04 lakhs.

(i). **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period**

Particulars	As at March 31, 2018 Number of shares	Amount	As at March 31, 2017 Number of shares	Amount
Equity shares outstanding at the beginning of the year	39,766,961	3,977	39,766,961	3,977
Add: Equity shares issued during the year	-	-	10,959,792	1,096
Less: Equity shares cancelled during the year	-	-	10,959,792	1,096
Shares outstanding at the end of the year	39,766,961	3,977	39,766,961	3,977

Rights, preferences and restrictions attached to equity shares
The Company has single class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held are entitled to receive dividend as declared from time to time. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their

Shares of the company held by holding/ultimate holding company

	As at March 31, 2018 Number of shares	As at March 31, 2017 Number of shares	As at April 1, 2016 Number of shares
Ricoh Company Limited, Japan (Immediate and ultimate holding company)	18,310,578	18,310,578	18,310,578

i. **Details of shareholders holding more than 5% of the total number of equity shares in the Company**

Particulars	As at March 31, 2018 Number of shares	% holding	As at March 31, 2017 Number of shares	% holding	As at April 1, 2016 Number of shares	% holding
Name of shareholder						
- Ricoh Company, Limited, Japan	18,310,578	46%	18,310,578	46%	18,310,578	46.04%
- NRG Group Limited	10,959,792	28%	10,959,792	28%	10,959,792	27.56%

RICOH INDIA LIMITED

BSR & Co. LLP
Noida

Note 14 (b): Other equity

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Retained earnings	(226,468)	(137,058)	(104,398)
Securities premium	111,204	111,204	-
Capital reserve	1,103	1,103	7
Capital redemption reserve	500	500	500
Debenture redemption reserve	5,000	5,000	5,000
Other comprehensive income	43	8	-
Total other equity	(108,618)	(19,243)	(98,891)

Nature and purpose of other reserves

Retained earnings
Retained earnings represent the accumulated losses that the Company has till date.

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	(137,058)	(104,398)
Net loss for the year	(89,410)	(32,660)
Closing balance	(226,468)	(137,058)

Securities premium
Securities premium represents share issued at premium less share issue expenses. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	111,204	-
Add: Premium on equity shares re-issued	-	111,204
Closing balance	111,204	111,204

Capital reserve
The reserve is created based on statutory requirement under the Companies Act, 2013 or the erstwhile Companies Act, 1956. The reserve includes INR 1,096 lakhs created on cancellation and re-issue of 10,959,792 shares held by NRG Group Limited during the year ended March 31, 2017.

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	1,103	7
Add: Cancellation of shares	-	1,096
Closing balance	1,103	1,103

Capital redemption reserve
The capital redemption reserve was created as per the requirements of the Companies Act, 1956 on redemption of 7.5% cumulative redeemable preference shares.

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	500	500
Closing balance	500	500

Debenture redemption reserve
As per the Companies (Share Capital and Debentures) Rules, 2014 (amended), the Company is required to create debenture redemption reserve out of profits, which is available for payment of dividend, equal to 25% of the amount of debentures issued. Accordingly, the Company had appropriated 25% of the debentures issued which would be utilized for redemption of debentures during its maturity.

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	5,000	5,000
Closing balance	5,000	5,000

Other comprehensive income
This represents items of income and expense that are not recognised in profit and loss but are shown in the statement of profit and loss as "Other comprehensive income". This comprises actuarial gain / loss on remeasurement of defined benefit plans.

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	8	-
Remeasurements of defined benefit liability/ (asset)	35	8
Transfer to retained earnings	-	-
Closing balance	43	8

RICOH INDIA LIMITED

BSR & Co. LLP Noida

Ricoh India Limited
Notes to financial statements for the year ended March 31,2018
(Rupees in lakhs, unless otherwise stated)

Note 15 (a): Non-current borrowings

Particulars	Maturity date	Terms of repayment	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Redeemable non-convertible debentures					
Unsecured					
Ricoh Asia Pacific Pte Limited - fellow subsidiary			20,774	20,166	21,133
2,000 units(March 31, 2017: 2,000 units; April 1, 2016: 2,000 units) of 7.8% per annum non-convertible debentures of INR 10 lakhs each were allotted on 10 September 2014. These debentures are unsecured, listed, rated were redeemable at face value on 10 September 2017. The interest on these debentures is due for payment on half yearly basis. The debentures have been renewed with same terms and conditions and with a modified interest rate of 7% per annum during the financial year 2017-18 for a further duration of 3 years.	10-Sep-20	Single repayment at the end of the term			
			20,774	20,166	21,133
Less: Current maturities of long-term borrowings (included in note 16)			-	20,000	-
Less: Interest accrued (included in note 16)			774	166	1,133
Total non-current borrowings			20,000	-	20,000

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

(Rupees in lakhs, unless otherwise stated)

Note 15 (b): Current borrowings

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured			
Loans repayable on demand			
From banks			
Cash credit	-	26,103	86,078
Against book debts	-	-	33,367
Vendor financing	-	-	18,282
Buyer's line of credit	-	-	19,185
Working capital loan	-	80,500	47,767
From related party			
Ricoh Company, Limited	129,528	-	-
From others			
Trade receivable financing	-	-	9,822
Total current borrowings	**129,528**	**106,603**	**214,501**

* Pursuant to withdrawal of financial support to the Company by Ricoh Company Limited, Japan (RCL, ultimate parent company) during the current financial year, all the loans outstanding from the banks in the nature of cash credit and working capital demand loan which were covered by Stand-by letter of credit (SBLC) issued by RCL, were demanded by the bankers including CitiBank N.A., BNP Paribas, HSBC, The Bank of Tokyo-Mitsubishi UFJ Ltd. and Mizuho Bank Ltd. RCL paid the aforesaid outstanding amounts to the banks and accordingly, the outstanding amount payable to RCL is now included under unsecured loans. In absence of formal terms and conditions, no interest has been accrued by the Company on such borrowings

For the year ended 31 March 2017, loans repayable on demand include cash credit and working capital demand loans sanctioned by CitiBank N.A , BNP Paribas, HSBC, The Bank of Tokyo-Mitsubishi UFJ Ltd. and Mizuho Bank Ltd. These are availed in Indian Rupees During the year ended 31 March, 2017 the interest rates ranged from 7.20% to 16.50% per annum (Previous year: 8.40% to 16.50% per annum). The cash credit and working capital loan were backed by Standby letter of credit given by the ultimate parent company Ricoh Company, Limited, Japan.

For the year ended 31 March 2016, Loans repayable on demand include cash credit, overdraft, buyer's credit, vendor financing, accounts receivable financing and working capital demand loan sanctioned by CitiBank N.A., BNP Paribas, HSBC, Deutsche Bank AG, Bank of America N.A , The Bank of Tokyo-Mitsubishi UFJ Ltd., IndusInd Bank, Mizuho Bank Ltd. and Srei Equipment Finance Limited. These are availed in Indian rupees and in foreign currency which carry floating interest rate calculated in accordance with the terms of the arrangement which is a specified benchmark rate (reset at periodic intervals), adjusted for agreed spread. During the year ended 31 March, 2016 the interest rate on Indian currency loans and foreign currency loans range from 8.40% to 16.50% per annum and 0.62% to 1.96% per annum respectively.

Net debt reconciliation

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash and cash equivalents	14,405	3,555	4,083
Current borrowings	(129,528)	(106,603)	(214,501)
Non current borrowings (including current maturities of long term borrowings)	(20,000)	(20,000)	(20,000)
Net debt	(135,123)	(123,048)	(230,418)

RICOH INDIA LIMITED

BSR & Co. LLP Noida

Ricoh India Limited
Notes to financial statements for the year ended March 31,2018
(Rupees in lakhs, unless otherwise stated)

Note 16 : Other financial liabilities

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Current	Non-current	Current	Non-current	Current	Non-current
Current maturities of long-term borrowings [Refer note 15 (a)]	-	-	20,000	-	-	-
Deposits from customers	137	448	137	386	91	369
Employee benefits payable	799	-	1,531	-	795	-
Interest accrued [Refer note 15 (a)]	774	-	166	-	1,133	-
Unpaid dividend	8	-	8	-	8	-
Mark to market loss on derivative contracts	-	-	-	-	563	-
Other payables	-	-	3	-	21	-
Total other financial liabilities	**1,718**	**448**	**21,845**	**386**	**2,611**	**369**

Note: The exposure to financial risks and fair value measurement related to these financial instruments is described in Note 32.

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

(Rupees in lakhs, unless otherwise stated)

Note 17 : Provisions

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Current	Non current	Current	Non current	Current	Non current
Provisions for employee benefits						
Gratuity	-	78	59	548	-	936
Compensated absences	180	399	188	580	174	712
Employee retention scheme	11	19	9	53	46	41
Total provisions for employee benefits (A)	191	496	256	1,181	220	1,689
Other provisions						
Warranty	36		27	-	-	-
Onerous contracts	527	-	398	1,459	-	4,006
Total other provisions (B)	563	-	425	1,459	-	4,006
Total provisions (A+B)	754	496	681	2,640	220	5,695

Provision for employee benefits
(i) Defined benefit plans

Provident fund:
The Company manages provident fund plan through Company's own Provident Fund Trust for its employees. The plan envisages contribution by the employer and employees and guarantees interest at the rate notified by the Provident Fund Authority. The contribution by the employer and employee together with interest are payable at the time of separation from service or retirement which ever is earlier. The Company has taken the actuarial valuation of its interest liability shortfall as per which an amount of INR Nil (March 31, 2017: INR Nil; April 1, 2016: INR Nil) has been recognised as a liability.

Gratuity:
The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The Employee's Gratuity Fund Scheme of erstwhile Gestetner India Limited is managed by LIC of India and the Employees Gratuity Fund Scheme of Ricoh India Limited is managed by its own Trust Fund and both the Schemes are Defined Benefit Plans. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to build up the final obligation.

(ii) Other long term benefits

Leave obligations (unfunded) :
The Company provides for accumulated leave benefit for privilege leaves for eligible employees which is payable at the time of separation from the Company or retirement, whichever is earlier subject to maximum of 100 days (100 days for year ending March 31 2017 and April 1, 2016) based on last drawn basic salary. Liabilities with regard to compensated absence scheme are determined by actuarial valuation. Accumulated leaves above 100 days at the end of each financial year are lapsed.
The Company provides for accumulated leave benefit for sick leaves for eligible employees subject to a maximum of 30 days (30 days for year ending March 31 2017 and April 1, 2016). These leaves are not encashable. Liabilities with regard to compensated absence scheme are determined by actuarial valuation. Accumulated leaves above 30 days at the end of each financial year are lapsed.

(iii) Employee retention scheme (till March 31, 2016)
The Company provides for employee retention scheme for rewarding the performing employees. The scheme is based upon employee designation and is payable @50%/100% of the total policy amount on the condition of fulfilling the respective target.

Balance sheet amounts – Gratuity
The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Gratuity		
	Present value of defined benefit obligation	Fair value of plan assets	Net amount
April 1, 2016	1,150	(576)	574
Current service cost	127	-	127
Interest expense/(income)	79	(52)	27
Total amount recognised in profit or loss	206	(52)	154
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	16	16
(Gain)/loss from change in demographic assumptions	12	-	12
(Gain)/loss from change in financial assumptions	3	-	3
Experience (gains)/losses	(39)	-	(39)
Total amount recognised in other comprehensive income	(24)	16	(8)
Employer contributions	-	(113)	(113)
Benefit payments	(151)	151	-
March 31, 2017	1,181	(574)	607
April 1, 2017	1,181	(574)	607
Current service cost	96	-	96
Interest expense/(income)	67	(49)	18
Past service cost	47	-	47
Total amount recognised in profit or loss	210	(49)	161
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	29	29
(Gain)/loss from change in demographic assumptions	8	-	8
(Gain)/loss from change in financial assumptions	37	-	37
Experience (gains)/losses	(109)	-	(109)
Total amount recognised in other comprehensive income	(64)	29	(35)
Employer contributions	-	(655)	(655)
Benefit payments	(326)	326	-
March 31, 2018	1,001	(923)	78

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

Balance sheet amounts – Provident Fund

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Provident Fund		
	Present value of defined benefit obligation	Fair value of plan assets	Net amount
April 1, 2016	4,849	(4,940)	(91)
Current service cost	339	-	339
Interest expense/(income)	407	(429)	(22)
Total amount recognised in profit or loss	746	(429)	317
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)			-
(Gain)/loss from change in demographic assumptions	(20)		(20)
(Gain)/loss from change in financial assumptions	(50)		(50)
Experience (gains)/losses	(260)	314	55
Total amount recognised in other comprehensive income	(330)	314	(16)
Employer contributions	608	(928)	(319)
Benefit payments	(817)	817	-
March 31, 2017*	5,057	(5,166)	(108)
April 1, 2017	5,057	(5,166)	(108)
Current service cost	326		326
Interest expense/(income)	404	(425)	(21)
Past service cost		-	-
Total amount recognised in profit or loss	730	(425)	305
Remeasurements			
Return on plan assets			-
(Gain)/loss from change in demographic assumptions	(14)		(14)
(Gain)/loss from change in financial assumptions	31		31
Experience (gains)/losses	(422)	(54)	(475)
Total amount recognised in other comprehensive income	(405)	(54)	(460)
Employer contributions	427	(690)	(263)
Benefit payments	(1,463)	1,463	-
March 31, 2018	4,345	(4,872)	(526)

* There is surplus in the provident fund, hence no liability has been recognised. Further, the surplus is allocate to te employees and hence, not recognized as asset in the financial statements

(iv) Post Employment Benefits

The significant actuarial assumptions were as follows:

	Gratuity			Provident Fund		
Particulars	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
Economic Assumptions						
Discount rate (p.a.)	7.20%	6.75%	7.50%	7.20%	6.75%	7.50%
Salary growth rate (p.a.)	9.00%	6.00%	7.00%		-	-
Mortality	Indian Assured Lives Mortality (IALM) (2006-08) modified Ult.	Indian Assured Lives Mortality (2006-08) ultimate table	Indian Assured Lives Mortality (2006-08) ultimate table	Indian Assured Lives Mortality (2006-08) ultimate table	Indian Assured Lives Mortality (2006-08) ultimate table	Indian Assured Lives Mortality (2006-08) ultimate table
Expected rate of return on plan assets (p.a.)	7.20%	8.80%	9.00%	8.65%	8.90%	8.59%
Retirement age	60 Years	60 Years	60 Years	60 Years	60 Years	60 Years
Withdrawal rate	30%	22%	16%	30%	22%	16%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Assumptions regarding future mortality are based on published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.

The expected return on planned asset is based on the portfolio as a whole and not on the sum of the returns on individual asset categories. The return is based on several applicable factors mainly the composition of plan assets held, assessed risk of the asset management and historical returns of the plan assets.

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions are:

	Impact on defined benefit obligation (Gratuity)		
	March 31, 2018	March 31, 2017	April 1, 2016
Delta Effect of 50 basis points Change in rate of discounting	9,881	1,163	1,126
Delta Effect of -50 basis points Change in rate of discounting	1,015	1,201	1,175
Delta Effect of 50 basis points Change in rate of salary increase	1,011	1,195	1,166
Delta Effect of -50 basis points Change in rate of salary increase	9,913	1,168	1,134

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The method and type of assumptions used in preparing the sensitivity analysis were consistently followed in all the reporting periods

(vi) The major categories of plans assets are as follows:

Gratuity	March 31, 2018		March 31, 2017		April 1, 2016	
	Unquoted	in %	Unquoted	in %	Unquoted	in %
Bonds	(923)	100%	(574)	100%	(576)	100%

Provident fund	March 31, 2018		March 31, 2017		April 1, 2016	
	Unquoted	in %	Unquoted	in %	Unquoted	in %
	(4,872)	100%	(5,166)	100%	(4,940)	100%
Government securities (Center and State)	(1,153)	24%	(1,158)	22%	(1,576)	32%
High quality corporate bonds (including public sector bonds)	(2,508)	51%	(2,760)	53%	(2,406)	49%
Special deposit accounts	(961)	20%	(961)	19%	(958)	19%
Other	(250)	5%	(288)	6%	-	-

RICOH INDIA LIMITED

B S R & Co. LLP Noida

(vi) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. Bond yield does have inverse relationsionship with defined benefit obligation.

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

Investment risk : If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria

(vii) Defined benefit liability and employer contributions

The Company has agreed that it will aim to eliminate the deficit in defined benefit gratuity plan over the coming year. Funding levels are monitored on an annual basis and the current agreed contribution rate is as advised by the insurer. The Company considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the coming years and that regular contributions, which are based on service costs, will not increase significantly.

Expected contributions to post employment benefit plan for the year ending March 31 2019 is INR 13 lakhs

The weighted average duration of the defined benefit obligation is 5 years (5 years for March 31 2017 and April 1 2016). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 3 years	Between 3 - 4 years	Between 4 - 5 years	Beyond 5 years
March 31, 2018						
Defined benefit obligation						
Gratuity	295	245	208	174	153	410
Total	295	245	208	174	153	410
March 31, 2017						
Defined benefit obligation						
Gratuity	312	247	218	198	187	661
Total	312	247	218	198	187	661
March 31, 2016						
Defined benefit obligation						
Gratuity	192	227	190	199	217	986
Total	192	227	190	199	217	986

B. **Other provisions**

Provision for warranty

A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of estimate and past experience regarding failure trends of products and costs of rectification or replacement. It is expected that most of this cost will be incurred over the next 12 months.

Provision for Onerous contracts

The Company creates a provision on certain loss making contracts. The contracts are for varying duration and the expected outfow on these contract would be over the unexpired tenure of the contracts.

(i) Movements in provisions

Movements in each class of provision during the financial year, are set out below:

	Warranties	Onerous Contracts
Provision as on 1 April 2016	-	4,006
Addition during the year	27	38
Reversal during the year	-	(1,549)
Utilisation during the year	-	(638)
Provision as at 31 March 2017	27	1,857

	Warranties	Onerous Contracts
Provision as on 1 April 2017	27	1,857
Addition during the year	9	-
Reversal during the year	-	(970)
Utilization during the year	-	(360)
Provision as at 31 March 2018	36	527

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

(Rupees in lakhs, unless otherwise stated)

Note 18 : Other non-current liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unearned revenue	13	4	4
Advance from customers	20	28	39
Total other non- current liabilities	**33**	**32**	**43**

Note 19 : Other current liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Statutory dues			
- Tax deducted at source	206	212	444
- Provident fund and employee state insurance	59	70	84
- Value added tax	-	-	633
- Other statutory dues	8	7	7
Advance from customers	70	5,344	5,184
Unearned revenue	9,331	10	214
Total other current liabilities	**9,674**	**5,643**	**6,566**

Note 20 : Trade payables

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables			
- total outstanding dues of micro and small enterprises (Refer to note 38)	696	20	-
- total outstanding dues of creditors other than micro and small enterprises	83,918	71,791	44,379
Total trade payables	84,614	71,811	44,379

RICOH INDIA LIMITED

B S R & Co. LLP Noida

Ricoh India Limited

Notes to financial statements for the year ended March 31,2018

(Rupees in lakhs, unless otherwise stated)

Note 21 : Deferred tax assets/ (liabilities) (net)

(a) The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax assets			
Property, plant and equipment and intangible assets	5,174	3,966	-
Carry forward tax loss	51,256	42,664	-
Allowance for doubtful trade receivables and advances	10,538	2,707	-
Provision for doubtful deposits	11,828	904	
Provision for employee benefits	360	464	
Others	378	89	
Total deferred tax assets	**79,534**	**50,794**	-
Deferred tax assets recognised	-	-	-

As at March, 31 2018, March, 31 2017 and April 1, 2016, the Company did not recognise deferred tax assets on tax losses and other temporary differences because a trend of future profitability is not yet clearly discernible. The above tax losses expire at various dates ranging from 2024-25 to 2027-28. This excludes depreciation loss which can be carried on for indefinite period.

b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before income tax expense	(89,315)	(33,320)
Tax rate (%)	35%	35%
Tax at the Indian tax rate	**(30,910)**	**(11,531)**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	(2,266)	(1,027)
Losses which are not allowable on which no deferred tax has been created	(28,644)	(10,504)
Income tax expense	-	-

Ricoh India Limited

Notes to financial statements for the year ended March 31,2018

(Rupees in lakhs, unless otherwise stated)

Note 22: Revenue from operations

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of goods	41,664	71,089
Sale of services	23,490	40,366
Other operating revenues		
Finance income	2,722	1,993
Rental income	183	783
Exchange gain (net of exchange loss)	-	1,302
Liabilities/ provisions no longer required written back	-	6,215
Total revenue from operations	**68,059**	**121,748**

Note 23: Other income

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income		
-from fixed deposits	764	443
-from others	105	371
Miscellaneous income	59	107
Total other income	**928**	**921**

Note 24: Purchase of stock in trade and services

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Purchase of stock-in-trade # (Net of subsidy / reimbursements received INR Nil (previous year: INR 4,940 lakhs)	53,617	78,424
Purchase of services	2,856	9,806
Total	**56,473**	**88,230**

includes provision for doubtful balances with customs authorities of INR Nil (March 31, 2017 INR 981 lakhs) and balances with customs authorities written off of INR Nil (March 31, 2017 INR 769 lakhs).

Note 25: Changes in inventories of stock-in-trade

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Stock-in-trade at the beginning of the year	33,328	49,194
Less: Stock-in-trade at the end of the year	20,975	33,328
Changes in inventories of stock-in-trade	**12,353**	**15,866**

Ricoh India Limited
Notes to financial statements for the year ended March 31,2018
(Rupees in lakhs, unless otherwise stated)

Note 26: Employee benefits expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, wages and bonus [net of subsidy / reimbursement received INR 20 lakhs (previous year: INR 356 lakhs)]	9,974	11,696
Contribution to provident and other funds (refer note 17)	322	498
Compensated absences	99	53
Staff welfare expenses	68	141
Total employee benefits expense	**10,463**	**12,388**

Note 27: Finance costs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest on		
- non convertible debentures	1,471	1,560
- short term borrowings	5,351	13,039
- others	83	713
Net loss on foreign currency transactions to the extent regarded as borrowing costs	-	158
Total finance costs	**6,905**	**15,470**

Note 28: Depreciation and amortisation expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation of property, plant and equipment (refer note 3)	1,583	1,596
Amortisation of intangible assets (refer note 4)	153	154
Total depreciation and amortisation expense	**1,736**	**1,750**

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

Ricoh India Limited

Notes to financial statements for the year ended March 31,2018

(Rupees in lakhs, unless otherwise stated)

Note 29: Other expenses

Particulars	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**
Power	366	353
Rent (refer note 39)	4,786	4,944
(Net of subsidy/ reimbursements received INR Nil (previous year: INR 37 Lakhs)		
Advertisement and business promotion	207	47
(Net of subsidy/ reimbursements received INR Nil (previous year: INR 734 Lakhs)		
Repairs and maintenance		
-Buildings	1	10
- Others	257	192
Insurance	713	579
Rates and taxes	149	258
Legal and professional fees*	1,457	1,720
(Net of subsidy/ reimbursements received INR Nil (previous year: INR 3 Lakhs)		
Commission on sales	312	1,274
(Net of subsidy/ reimbursements received INR Nil (previous year: INR 2 Lakhs)		
Freight, clearing and forwarding	2,301	2,612
(Net of subsidy/ reimbursements received INR Nil (previous year: INR 2 Lakhs)		
Communication expenses	724	1,194
Travelling and conveyance expenses	540	714
(Net of subsidy/ reimbursements received INR Nil (previous year: INR 26 Lakhs)		
Outsourcing expenses	3,893	4,105
(Net of subsidy/ reimbursements received INR Nil (previous year: INR 2 Lakhs)		
Recruitment expenses	72	76
Printing and stationery	48	70
Bank charges	239	370
Loss on sale/disposal of property, plant and equipment	149	2
Advances, deposits written off	-	448
Property, plant and equipment written off	-	22
Provision for doubtful deposits		-
Bad debts written off	-	2,028
Provision for doubtful trade receivables	-	514
Training expenses	32	15
Miscellaneous Expenses	99	707
Exchange loss (net of exchange gain)	128	-
Corporate social responsibility expenses (refer note 30)	-	4
Warranty	9	27
Total other expenses	**16,482**	**22,285**

*** Includes payment to auditors (exclusive of service tax / GST)**		
As auditor		
Statutory audit fees		
-pertaining to current year	155	123
-pertaining to previous year	124	225
In other capacity		
Other matters	1	1
Reimbursement of out-of-pocket expenses	11	9
	291	**358**

Note 30: Corporate social responsibility expenditure

Particulars	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**
Gross amount required to be spent by the Company during the year as per Section 135 of the Act	-	4
Amount spent during the year	-	4
	-	4

Note 31 : **Fair value measurement**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
1) Financial asset at amortized cost	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Trade receivables	37,578	37,578	55,296	55,296	54,837	54,837
Loans(current / Non current)	9,648	9,648	6,120	6,120	6,899	6,899
Cash and cash equivalents	14,405	14,405	3,555	3,555	4,083	4,083
Bank balances other than cash and cash equivalents	6,667	6,667	1,449	1,449	1,897	1,897
Other financial assets (current / non current)	32,059	32,059	39,607	39,607	24,002	24,002
Total	100,357	100,357	106,027	106,027	91,718	91,718
2) Financial liability at amortized cost						
Borrowings (current / Non current)	149,528	149,528	106,603	106,603	234,501	234,501
Trade payables	84,614	84,614	71,811	71,811	44,379	44,379
Other financial liabilities (current / non current)	2,166	2,166	22,231	22,231	2,417	2,417
Total	236,308	236,308	200,645	200,645	281,297	281,297

(i) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Management has assessed that trade receivables, cash and cash equivalents, other bank balances, loans, investments, other financial assets, borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(ii) Discount rate used in determining fair value The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(iii) Derivative contracts, foreign currency forward contract are measured at fair value through profit and loss (Level 2). The mark to market loss on such contracts amounting to INR Nil (INR Nil as at March 31, 2017, INR 563 lakhs as at April 1, 2016) is included under other current financial liabilities in these financial statements.

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

Note 32: Financial risk management

The Company has exposure to the following risks from its financial instruments:
- Credit risk
- Liquidity risk
- Market risk – Interest rate, and
- Market risk - Foreign currency

The Company's key management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's activities expose it to a variety of financial risks: market risk including interest rate risk, credit risk and liquidity risk. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, Cash and cash equivalents, bank balance other than cash and cash equivalents, loans and other financial assets.	Aging analysis, Credit ratings	Diversification of bank deposits, credit limits and periodic monitoring of realizable value.
Liquidity risk	Borrowings, trade payables and other financial liabilities	Rolling cash flow forecasts	Availability of Company's operating cash flows and maintaining sufficient cash and cash equivalents.
Market risk – interest rate	Short-term Borrowings at variable rates	Sensitivity analysis	Availability of Company portfolio of fixed and variable interest rate loan. Periodical reset of interest rate linked to market.
Market risk – Foreign exchange	Financial assets and liabilities denominated in other functional currency.	Sensitivity analysis Forward foreign exchange contracts and exposure limits.	Appropriate hedging through forward contracts.

(A) Credit risk

Financial assets other than trade and lease receivables
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks.

For loans which represents security deposits given to the landlords for the lease premises and deposits given to government for tender and other utilities of the Company and other financial assets, the management assesses and manages credit risk based on past experience and ageing analysis.

Trade and lease receivables
Trade and finance lease receivables are exposed to customer credit risk. The management responsible for trade and finance lease receivables is focused on establishing appropriate credit limits, ongoing credit evaluation and account monitoring procedures. Company adjusts the credit limits based on the result of the monitoring procedures in order to minimize the potential risk such as concentration of credit risk and credit default. The total carrying amount of financial assets represents the maximum amount of exposure to credit risk. Company continuously monitors overdue trade and other receivables and finance receivables, which the Company considers as uncollectible risk receivables. For trade and other receivables and finance receivables with specific customer collection issues, Company individually evaluates their collectability in order to determine the amount of allowance for doubtful receivables. For other receivables, the Company categorizes these receivables into groups by their nature and characteristics. The Company collectively evaluates the collectability by each group, using its historical experience of write-offs and determines the amount of allowance for doubtful receivables. The management is also monitoring the receivables levels by having frequent interactions with responsible persons for highlighting the potential instances where receivables might become overdue.

RICOH INDIA LIMITED

B S R & Co. LLP Noida

Provision for expected credit losses

The Company based upon past trends, ageing analysis and customer specific collection issues determined an impairment allowance for loss on receivables from trade and finance lease receivables. The movement in the allowance for impairment in respect of trade and finance lease receivable is as follows:

Particulars	As at March 31,2018	As at March 31,2017
Loss allowance as at the beginning of the year	8,761	8,247
Provided during the year	23,797	514
Amount utilised	2,109	-
Reversal of provision	-	-
Loss allowance as at the end of the year	30,449	8,761

(B) **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. Currently, the Company's principal sources of liquidity are cash and cash equivalents and the cash flows that are generated from the operations. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, process and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. Currently, the Company is facing liquidity issues due to huge borrowings and other financial liabilities being payable in excess of the Company's cash and cash equivalents and other liquid investments. Also refer to note 41.

Maturities of financial liabilities

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities:

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

Contractual maturities of financial liabilities:	Carrying amount	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
March 31, 2018						
Non-derivatives						
Borrowings (including current maturities and accrued interest)	20,774	774	-	20,000		20,774
Trade payables	84,614	84,614	-	-	-	84,614
Other financial liabilities	2,166	1,718	448	-	-	2,166
Total non-derivative liabilities	**107,554**	**87,106**	**448**	**20,000**	**-**	**107,554**
Derivatives (net settled)						
Foreign exchange forward contracts	-	-	-	-	-	-
Total non-derivative liabilities	**-**	**-**	**-**	**-**	**-**	**-**
March 31, 2017						
Non-derivatives						
Borrowings (including current maturities and accrued interest)	20,166	20,166	-	-	-	20,166
Trade payables	71,811	71,811	-	-	-	71,811
Other financial liabilities	22,231	21,845	386	-	-	22,231
Total non-derivative liabilities	**114,208**	**113,822**	**386**	**-**	**-**	**114,208**
Derivatives (net settled)						
Foreign exchange forward contracts	-	-	-	-	-	-
Total non-derivative liabilities	**-**	**-**	**-**	**-**	**-**	**-**

Ap ---- 6						
Non-derivatives						
Borrowings (including current maturities and accrued interest)	21,133	1,133	20,000	-		21,133
Trade payables	44,379	44,379	-	-	-	44,379
Other financial liabilities	2,980	2,611	369	-	-	2,980
Total non-derivative liabilities	68,492	48,123	20,369	-	-	68,492
Derivatives (net settled)						
Foreign exchange forward contracts	-	-	-	-	-	-
Total non-derivative liabilities	-	-	-	-	-	-

(C) **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowings with floating interest rates. The Company has not used any interest rate derivatives.

The Company has also fixed rate borrowings as on the reporting date which is carried at amortised cost. Since the borrowings caries fixed rate of interest, neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.

RICOH INDIA LIMITED

B S R & Co. LLP Noida

(D) Price risk

Price risk is the risk that the fair value of financial instruments will fluctuate due to the changes in market traded prices. The Company does not hold any financial instruments which are exposed to price risk.

(E) Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates internationally and is exposed to foreign exchange risk arising from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

Foreign currency risk exposure

The Company's exposure in respect of foreign currency denominated financial liabilities and financial assets not hedged by derivative instruments at the end of the reporting period expressed in INR, are as follows:

	March 31, 2018		March 31, 2017		April 1, 2016	
	USD	JPY	USD	JPY	USD	JPY
Financial assets						
Trade receivables	1,640	425	3,018	12	8,143	10
Exposure to foreign currency risk (assets)	1,640	425	3,018	12	8,143	10
Financial liabilities						
Trade payables	74,312	250	56,582	539	66,197	201
Foreign currency denominated borrowings	-	-	-	-	-	-
Derivative contracts						
Foreign exchange forward contracts	-	-	-	-	14,262	-
Exposure to foreign currency risk (liabilities)	74,312	250	56,582	539	80,459	201

Sensitivity

A reasonable possible strengthening (weakening) of the Indian Rupee against below currencies at March, 31 2018 and March,31 2017 would have affected the measurements of financial instruments denominated in foreign currency and affected statement of profit and loss by the amounts shown below. This analysis is performed on unhedged foreign currency denominated financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remains constant.

	Impact on profit before tax	
	March 31, 2018	March 31, 2017
USD sensitivity		
INR/USD - Increase by 5%(31 March 2017 - 5%)	(3,634)	(2,678)
INR/USD - Decrease by 5%(31 March 2017 - 5%)	3,634	2,678

	Impact on profit before tax	
	March 31, 2018	March 31, 2017
JPY sensitivity		
INR/JPY - Increase by 5%(31 March 2017 - 5%)	9	(26)
INR/JPY - Decrease by 5%(31 March 2017 - 5%)	(9)	26

USD: United States Dollar and JPY: Japanese Yen

RICOH INDIA LIMITED

BSR & Co. LLP Noida

(Rupees in lakhs, unless otherwise stated)

Note 33: Capital management

Risk management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management also monitors the return on equity

The Board of directors regularly reviews the Company's capital structure in light of the economic conditions, business strategies and future commitments. For the purpose of Company's capital management, capital includes issued share capital, securities premium and all other equity reserves. Debt includes non-convertible debentures and various overdraft facilities.

The objective of the Company's capital management structure is to ensure sufficient liquidity to support its business and provide adequate returns to shareholders. The management monitors the long term cash flow requirements including externally imposed capital requirements of the business in order to assess the requirements for changes to the capital structure to meet the said objective. As part of this monitoring, the management considers the cost of capital and the risks associated with each class of capital and makes adjustments to the capital structure where appropriate, in light of changes in economic conditions and the risk characteristics of the underlying assets. The funding requirement is met through a combination of equity, internal accruals, borrowings or undertake other restructuring activities as appropriate.

The Company is currently experiencing liquidity issues and is facing difficulty in managing the capital to support its business due to significant erosion of the Company's net worth. Also refer to note 1.

The Company's capital and net debt were made up as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total debt (Long term and short term borrowings)	149,528	126,603	234,501
Less: Cash and cash equivalents	14,405	3,555	4,083
Adjusted net debt	**135,123**	**123,048**	**230,418**
Total equity	(104,641)	(15,266)	(94,914)
Adjusted net debt to equity ratio	(1.3)	(8.1)	(2.4)

Note 34: Segment information

The Company is engaged in the business of office imaging equipment, production print solutions, document management systems and information technology services. The Board of Directors during the year were the Company's Chief Operating Decision Maker (CODM) within the meaning of Ind AS 108 'Operating Segments'. CODM examined the Company's performance, reviews internal management reports, allocate resources based on analysis of various performance indicator of the Company as a single unit. The CODM considered that the sale of goods is an integral part of the delivery of services whether it be by way of Ricoh product or third party product. The CODM also considered that the delivery of IT services is an adjacent activity that extends the Company's integrated offering to customers. Therefore, there is only a single reportable segment for the Company as per the requirements of Ind AS 108 'Operating Segments'.

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

(Rupees in lakhs, unless otherwise stated)

Note 35: Related party transactions

(a) Names of related parties and nature of relationship

Name of related party	Nature of relationship
(i) Related parties where control exists	
Ricoh Company, Limited, Japan	Ultimate Holding Company
(ii) Related parties exercising significant influence over the Company	
NRG Group Limited U.K.	Fellow subsidiary
(iii) Fellow subsidiaries	
Ricoh Asia Pacific Operations Limited	Fellow subsidiary
Ricoh Thermal Media Asia Pacific Pvt. Limited	Fellow subsidiary
Ricoh Australia Pty Limited	Fellow subsidiary
Ricoh Imaging Co. Limited	Fellow subsidiary
Ricoh Industrial Solution Inc	Fellow subsidiary
Ricoh Asia Pacific Pte Limited	Fellow subsidiary
Ricoh (Thailand) Limited	Fellow subsidiary
Ricoh Europe SCM BV	Fellow subsidiary
Ricoh Vietnam Company Limited	Fellow subsidiary
Ricoh New Zealand Limited	Fellow subsidiary
Ricoh Technologies Company	Fellow subsidiary
Ricoh España, S.L.U	Fellow subsidiary
Ricoh Hong Kong Limited	Fellow subsidiary
Ricoh Innovations Pvt Limited	Fellow subsidiary
(iv) Key management personnel	
Mr. A.T. Rajan [from 13 April 2016 till 31 March 2018]	Managing Director & CEO
Mr. Manoj Kumar [MD till 2 April 2016 and CEO till 11 October 2016]	Managing Director & CEO
Mr. Bibek Chowdhury [till 30 November 2016]	Interim CFO
Ms Pooja Aggarwal [from 1 December 2016 till 27 December 2017]	CFO
Mr. Arvind Singhal [till 27 November 2016]	CFO
Mr. Ajay Kumar Mishra [from 27 March 2018]	CFO
Mr. Manish Sehgal	Company Secretary
Mr. R K Pandey [till 9 November 2017]	Independent Director
Mr. U P Mathur [till 9 November 2017]	Independent Director
Ms. Ashish Garg [till 9 November 2017]	Independent Director
Mr. Rajeev Ahuja [from 26 May 2017 till 9 November 2017]	Independent Director
Mr. Tanmoy Adhikary [from 27 March 2018]	Independent Director
Ms. Hamsa Vijayaraghavan [from 27 March 2018]	Independent Director
(v) Employee benefit trusts	
Ricoh India Limited Employees Group Gratuity cum Assurance Scheme	Employee benefit trust
Ricoh India Limited Employees Provident Fund	Employee benefit trust

(b) Transactions with related parties during the course of ordinary business :

Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of goods		
Ricoh España, S.L.U.	16	60
Ricoh New Zealand Limited	-	101
Ricoh Company Limited, ultimate holding company	265	-
Ricoh Europe BV	448	-
Ricoh Thailand Ltd	97	-
Others	35	38
Purchases of goods		
Ricoh Asia Pacific Operations Limited	18,992	33,386
Others	502	364
Finance costs: interest on non-convertible debentures		
Ricoh Asia Pacific Pte Limited	1,471	1,560
Services received		
Ricoh Asia Pacific Operations Limited	47	52
Ricoh Asia Pacific Pte Limited	20	27
Ricoh Australia Pty Limited	14	13
Salaries reimbursed		
Ricoh Company Limited, ultimate holding company	202	330
Commission received		
Ricoh Asia Pacific Operations Limited	-	16
Subsidy/ reimbursements received		
Ricoh Asia Pacific Operations Limited	-	5,377
Ricoh Company Limited, ultimate holding company	20	491
Others	-	34
Cancellation of shares		
NRG Group Limited. U.K.	-	1,006
Re-issue of shares		
NRG Group Limited U.K.	-	112,300
Company's contribution to employee benefit trust		
Ricoh India Limited Employees Group Gratuity cum Assurance Scheme	-	114
Ricoh India Limited Employees Provident Fund	-	910
Managerial remuneration #		
Mr. AT Rajan	76	79
Mr. Manoj Kumar	-	13
Ms. Pooja Aggarwal	94	32
Mr. Bibek Chowdhury	-	19
Mr. Arvind Singhal	-	8
Mr. Manish Sehgal	18	17
Mr. Ajay Kumar Mishra	-	-
Mr. U.P Mathur	2	4
Mr. R K Pandey	2	4
Ms. Ashish Garg	2	4
Mr. Rajeev Ahuja	1	-
Mr. Tanmoy Adhikary	-	-
Ms. Hamsa Vijayaraghavan	-	-

The remuneration excludes provision for gratuity and leave benefits as separate actuarial valuation is not available.

(c) Details of balances with related parties at year end

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties.

Balances as at year end	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables			
Ricoh Company Limited, ultimate holding company	250	544	166
Ricoh Asia Pacific Operations Limited	74,208	56,406	27,531
Others	104	105	91
Trade receivables			
Ricoh Company Limited, ultimate holding company	425	324	342
Ricoh Asia Pacific Operations Limited	1,425	242	1,629
Ricoh Asia Pacific Pte Limited	189	189	201
Ricoh New Zealand Limited	-	101	-
Others	26	51	20
Non-convertible debentures			
Ricoh Asia Pacific Pte Limited	20,000	20,000	20,000
Borrowings			
Ricoh Company Limited, ultimate holding company	129,528	-	-

RICOH INDIA LIMITED

BSR & Co. LLP
Noida

Ricoh India Limited

Notes to financial statements for the year ended March 31,2018

(Rupees in lakhs, unless otherwise stated)

Note 36: Contingent liabilities

	March 31, 2018	March 31, 2017	April 1, 2016
a. Claims against the Company not acknowledged as debts			
Sales tax*	50,383	40,384	9,385
Service tax*	250	305	-
Income tax	1,197	735	-
Rent cases	-	20	20
Consumer claims	101	101	3
b. Guarantees outstanding	26,973	31,165	33,842
c. Claims from vendors not acknowledged as debts	75,097	-	-

* The Company has deposited INR 1,678 lakhs upto March,31 2018 (March,31 2017: INR 1,267 lakhs; April 1, 2016 INR 979 lakhs) which have been shown under "Other assets" against various demands disputed by the Company as mentioned above.

The Company is involved in various law suits, claims and proceedings that arise in the ordinary course of business, the outcome of which is inherently uncertain. Some of these matters include speculative and frivolous claims for substantial or indeterminate amounts of damages. The Company records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgement is required to determine both probability and the estimated amount. The Company reviews there provisions atleast quarterly and adjust these provisions accordingly to reflect the impact of negotiation, settlements, rulings, advice of legal counsel and updated information. The Company believes that the amount or estimated range of reasonably possible loss, will not either individually or in aggregate have a material adverse effect on the business, financial position, results of the Company or cash flows with respect to loss contingencies for legal and other contingencies as at March 31, 2018.

Guarantees have been given by the Company to customers against performance of machines, earnest money deposit against tenders. The guarantees have been given in the normal course of the Company's operations and are not expected to result in any loss to the Company, on the basis of beneficiaries fulfilling their ordinary commercial obligations.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

Note 37: Transfer pricing

The Company has a comprehensive system for maintaining information and documents as required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company has such records in existence as required under law. The management is of the opinion that its transactions are at arms length so that the aforesaid legislation will not have any impact on the financial statements particularly on the amount of Income tax expense and that of provision for taxation.

Note 38: Dues to micro and small enterprises

	March 31, 2018	March 31, 2017	March 31, 2016
Principal amount due to suppliers registered under the Micro Small and Medium Enterprises Development Act, 2006 (MSMED) and remaining unpaid as at year end			
Trade payables	696	20	-
Capital creditors	-	-	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	193	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest due and payable towards suppliers registered under the MSMED Act, for payments already made	-	-	-
Further interest remaining due and payable for earlier years	-	-	-

RICOH INDIA LIMITED

B S R & Co. LLP Noida

Ricoh India Limited
Notes to financial statements for the year ended March 31,2018
(Rupees in lakhs, except for share data and if otherwise stated)

Note 39: Leases

(A) Finance leases (As a lessor)
The Company provides Multifunction Devices, Laser Printers, Projectors and Computer Peripherals on finance lease to selected customers. The machines are provided for the major part of the estimated useful life of the asset

(I) Reconciliation between the gross lease recoverable and the present value of minimum lease payment (net lease recoverable) at the Balance sheet date are as follows:

	March 31, 2018	March 31, 2017	As at April 1, 2016
Gross investment in lease	18,770	32,985	15,412
Unearned Finance Income	3,715	5,532	1,393
Net investment in lease	15,055	27,453	14,019

(II) Gross lease recoverable and the present value of minimum lease payment receivable (net lease recoverable) at the Balance sheet date for the following periods are as follows:

	Gross investment			Net investment		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
Within one year	7,400	13,701	2,421	5,405	11,142	1,943
Later than one year and not later than five years	11,370	19,284	12,991	9,650	16,311	12,076
Later than five years	-	-	-		-	-
	18,770	32,985	15,412	15,055	27,453	14,019

The tenure for finance lease is minimum three years.
After the expiry of the contract the lessee has the right to purchase the machine

(B) (i) Operating leases (As a lessor)

The Company provides Multifunction Devices, Laser Printers, Projectors and Computer Peripherals on cancellable operating lease for a period which is substantially less than the estimated useful life of the machine. The monthly rental accruing to the Company on such leases is recognised as income in the Statement of Profit and Loss. During the year, an amount of INR 183 lakhs (March 31, 2017: INR 783 lakhs) was recognised as rental income and have been included in revenue from operations in the Statement of Profit and Loss

	March 31, 2018	March 31, 2017	As at April 1, 2016
Gross carrying amount	2,202	1,918	928
Accumulated depreciation	1,449	670	-
Net Carrying amount	753	1,248	928
Depreciation for the year	779	670	-

The future minimum lease receivables under non-cancellable operating lease are as follows:

	March 31, 2018	March 31, 2017	As at April 1, 2016
Receivable within one year	220	258	82
Receivable between one and five year	333	388	259
Receivable after five years	-	-	-
	553	646	341

(B) (ii) Operating leases (As a lessee)
The Company has taken on lease, premises for sales and service offices, warehouses for storage of inventories and accommodation for its employees under cancellable and non-cancellable operating lease. The leases are renewable on a periodic basis at the option of both the lessor and lessee. During the year amount of INR 4,786 lakhs was recognised as an expense in the Statement of Profit and Loss in respect of the operating leases (March 31, 2017: INR 4,944 lakhs).
A) The premises are typically on a lease for a period of 1 to 4 years,
B) The warehouses are on a lease for period of 1 to 5 years; and
C) Employee accommodation are on lease for a period of 1 to 3 years

Subletting is not permitted in any of the above mentioned lease arrangements

Non cancellable operating lease rental payable (minimum lease payment) under these leases are as follows:

	March 31, 2018	March 31, 2017	April 1, 2016
Within one year	1,189	1,922	2,239
Later than one year but not later than five years	1,316	1,116	1,084
Later than five years	-	-	-
	2,505	3,038	3,323

RICOH INDIA LIMITED

B S R & Co. LLP
Noida

Note 40: Exceptional items	March 31, 2018	March 31, 2017
Provision for doubtful supplier advances #	32,006	-
Allowance for expected credit loss #	23,797	-
Provision for onerous contracts written back #	(970)	
Balances written back / written off *	(943)	-
	53,890	-

* The Company has during the year carried out a detailed examination of certain receivable and payable balances and as a result the Company has written back the balances aggregating to INR 760 lakhs (payable balances of INR 3,266 lakhs, net off receivable balances of INR 2,506 lakhs) where the necessary details / documents were not available with the Company or where the amounts were long outstanding and hence, not considered recoverable / payable. The details of such balances are as follows :

Particulars	Write off	Write back
Liabilities / provisions no longer required written back	-	3,248
Property, plant and equipment written off	353	-
Balances with government authorities written off	1,009	-
Balances receivables from customers written off	349	-
Security deposits written off	477	-
Other miscellaneous balances	318	201
	2,506	3,449

Also refer to note 43

RICOH INDIA LIMITED

B S R & Co. LLP Noida

(Rupees in lakhs, unless otherwise stated)

Note 42: Earning per share

	March 31, 2018	March 31, 2017
(a) Basic (loss) per share (In INR)		
Attributable to the equity holders of the Company	(225)	(82)
(b) Diluted (loss) per share (In INR)		
Attributable to the equity holders of the Company	(225)	(82)
(c) Nominal value per share (In INR)	10	10

(d) Basis for calculating earnings per share

	March 31, 2018	March 31, 2017
(Loss) for the year attributable to the equity holders of the company used for basic and diluted (loss) per share	(89,410)	(32,660)

(e) Weighted average number of shares used as the denominator (nos.)

	March 31, 2018	March 31, 2017
Weighted average number of equity shares used as the denominator in calculating basic earnings per share*	39,766,961	39,766,961
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share*	39,766,961	39,766,961

* On 15 October 2016, 10,959,792 shares of NRG Group Limited were cancelled and re-issued at a premium. There is no effect on the weighted average number of shares due to this cancellation and re-issue.
The Company has not issued any potential equity shares and accordingly, the basic (loss) per share and diluted (loss) per share are the same.

RICOH INDIA LIM

B S R & Co. LLP
Noida

Ricoh India Limited
Notes to financial statements for the year ended March 31,2018
(Rupees in lakhs, unless otherwise stated)

Note 43:

A. Select key assumptions / estimates

In the absence of past trends, reconciliation with customers / certain vendors, reliable estimate of future developments etc., the Company has used assumptions / estimates for accounting in certain areas such as revenue contracts, quantities and valuation of inventories, provision for doubtful receivables in respect of outstanding trade receivables / supplier advances and provision for certain employee benefits. These assumptions / estimates primarily include

Inventories

- To arrive at the quantities of inventories as at the year end, the inventories were physically verified subsequent to the year end and roll back procedures were carried out to record the identified shortages / excesses as on 31 March 2018;
- Basis certain trends of sales and purchases, inventories were categorised into slow and non-moving inventories;
- Provisions were created for damaged, slow moving and non-moving inventories basis inputs from the sales and marketing teams with regard to realisable values of such inventories;

Accounts receivables

- The allowance for trade receivables considered doubtful of recovery aggregating to INR 30,449 lakhs (INR 23,797 lakhs during the current year) has been created on the basis of the best estimate of the Company, actual receipt and information available till date from the customers;
- The expected credit loss model as required under Ind AS 109 has not been followed considering the current state of affairs and the diverse nature of businesses and customers;

Supplier advances

- The provision against certain supplier advances considered doubtful of recovery aggregating to INR 32,006 lakhs (INR 32,006 lakhs during the current year) has been created on the basis of the best estimate of the Company and information / confirmations available till date from the vendors;
- No provision has been created for claims made by the vendors to the extent considered frivolous and not tenable (refer to note 36):

Revenue contracts

- The Company has computed revenue and related costs from ITES (Information Technology Enabled Services) contracts which involve upfront supply of equipment and thereafter related services like warranty, maintenance, training etc. in accordance with Ind AS 17, Ind AS 18 and Ind AS 113;
- Fair values of total consideration under the contracts have been allocated to each separately identifiable components. The fair value of each component has been determined based on the most appropriate method i.e. relative fair values / cost plus a reasonable margin;
- Expected liquidated damages have been ascertained basis the details of actual performance on the contracts vis a vis the terms;
- Interest rates for the finance lease element in the contract is considered at the market rate of interest or implicit rate within the lease, whichever is higher;
- Discounts are allocated to the multiple elements in proportion of their fair values;

Provision for employee benefits

- The withdrawal rate of employees for the purposes of computation of provision for post employment benefits and other long term employee benefits is taken on the basis of recent trends and the future business plans of the Company.

In the view of the management, the actual outcome vis a vis the amounts recorded basis aforementioned assumptions / estimates is not expected to be materially different from that recorded in the financial statements.

B. Prior period adjustments

As a result of the significant corrections/ analysis made by the Company during the current year, the Company has identified expenses(net) amounting to INR 6,548 lakhs as those relating to prior periods. However, in absence of the exact details with regard to the periods to which these pertain, these have not been adjusted in the previous year figures/ opening equity as at April 1, 2016.

RICOH INDIA LIMITED

B S R & Co. LLP Noida

Note 44: Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.
The Company has adopted Indian Accounting Standards (Ind AS) as notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, with effect from April 1 2017, with transition date of 1 April 2016, pursuant to notification issued by Ministry of Corporate Affairs dated February 16, 2015. Accordingly, the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and the opening Ind AS balance sheet as at April 1, 2016 have been prepared in accordance with Ind AS.

In preparing opening Ind AS balance sheet, the Company has adjusted amounts reported previously in the financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended), as notified under section 133 of the Act ("Previous GAAP") and other relevant provisions for the Act. An explanation of how the transition from Previous GAAP to Ind AS has affected our financial performance, cash flows and financial position is set out in the following tables and the notes.

A Exemptions availed and exceptions
Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS, as at the transition date, i.e. April 1, 2016.

A1 Ind AS optional exemptions

A.1.1 Deemed cost

As per Ind AS 101, an entity may elect to use carrying values of all Property, plant and equipment, Capital work-in-progress and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure Property, plant and equipment, Capital work-in-progress and intangible assets at their Previous GAAP carrying values. Refer Note 3 and 4.

A.1.2 Leases
Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The Company has elected to apply this exemption for such contracts/arrangements.

A.1.3 Past business combinations

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1 2016. Consequently, the Company has kept the same classification for the past business combinations as in its previous GAAP financials statements.

A2 Ind AS mandatory exceptions
A.2.1 Estimates
Under Ind AS 101, an entity's estimates in accordance with Ind AS at 'the date of transition to Ind AS' (i.e. April 1, 2016) or 'the end of the comparative period presented in the entity's first Ind AS financial statements' (i.e. March 31, 2017), as the case may be, should be consistent with estimates made for the same date in accordance with the Previous GAAP. The Company's Ind AS estimates as at the transition date are consistent with the estimates made as at the same date made under Previous GAAP.

A.2.2 Classification and measurement of financial assets
Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

A.2.3 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.
The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

B. Reconciliation between previous GAAP and Ind AS
As per the assessment done by the Company, there were no material adjustments required on transition from previous GAAP to Ind AS except actuarial gain of INR 8 lakhs for the year ended March 31, 2017 which has now been classified under other comprehensive income. Accordingly, there is no difference in the amount of total equity as at April 1, 2016 and March 31, 2017 as compared to the financial statements prepared under the previous GAAP. However, the components of the financial statements for the comparative periods have been regrouped and reclassified in accordance with Ind AS.

C. Ind AS 115, Revenue from contracts with customers

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from contract with customers. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under Ind AS 115, an entity recognizes revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Moreover, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018. The Company will adopt the standard on 1 April 2018. The Company is in process of evaluating the impact on the standalone financial statements.

RICOH INDIA LIMITED
BSR & Co. LLP Noida

Ricoh India Limited
Notes to financial statements for the year ended March 31,2018
(Rupees in lakhs, unless otherwise stated)

Note 45: Disclosures relating to Specified Bank Notes (SBNs)

During the previous year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated 31 March 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016. The denomination wise SBNs and other notes as per the notification are given below:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8 November 2016	6	3	9
Add : Permitted receipts	1	23	24
Less : Permitted payments	0	14	14
Less : Amount deposited in banks	7	10	17
Closing cash in hand as on 30 December 2016	0	2	2

(a) the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 8, 2016.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. - 101248W/W-100022

B S R & Co. LLP Noida

Vikram Advani
Partner
Membership No. 091765

Place: Noida
Date: 21 November 2018

For and on behalf of Ricoh India Limited

Subhankar Lahiri
Managing Director
DIN: 08089368

Ajay Kumar Mishra
Chief Financial Officer

Manish Sehgal
Company Secretary

Ricoh India Limited

Taken on record

Krishna Chamadia
Resolution Professional
IP Regn no. IBBI/IPA-001/IP-P00694/2017-2018/11220

RICOH INDIA LIMITED
(Company under Corporate Insolvency Resolution Process By NCLT, order May 14, 2018)

Place: Noida
Date: 21 November 2018