

**RICOH INDIA LIMITED**

7<sup>th</sup> and 11<sup>th</sup> 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](http://www.ricoh.co.in)

21 December 2018

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

**25<sup>TH</sup> ANNUAL REPORT OF RICOH INDIA LIMITED FOR THE FINANCIAL  
YEAR 2017-2018**

Dear Sir

Please find enclose, 25<sup>th</sup> Annual Report of Ricoh India Limited for the financial year 2017-2018 pursuant to requirement of Regulation 24 of SEBI (LODR) Regulations, 2015 duly approved and adopted by the Members of the Company at the 25<sup>th</sup> Annual General Meeting of the Company held on Friday, 21 December 2018 at 10:00 AM at Hotel Mirador, 131/B, New Link Road, Chakala, Andheri East, Mumbai – 400 099.

The same is for your kind information and records.

Yours faithfully

For **Ricoh India Limited**

(Company under Corporate Insolvency Resolution Process)



Manish Sehgal  
Company Secretary

Encl: a/a

# 25<sup>th</sup> ANNUAL REPORT 2017-18

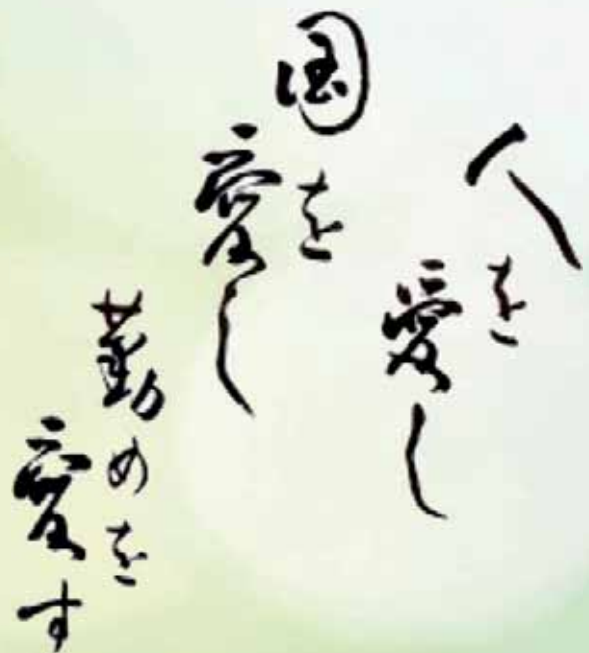
RICOH INDIA LIMITED  
[www.ricoh.co.in](http://www.ricoh.co.in)

**RICOH**  
imagine. change.

## Founding Principles

Love Your Neighbour,  
Love Your Country,  
Love Your Work.

*by Kiyoshi Ichimura, Founder*



## The Spirit of Three Loves

Ricoh founder Kiyoshi Ichimura formulated these Principles in 1946. They inform how we do business, encouraging us to constantly improve and contribute to the wellbeing of all stakeholders, including our families, customers, and society at large.

## Empowering digital workplaces

As our world keeps on changing, every office is evolving its own working style. To keep pace with new needs which constantly emerging, our MFPs have evolved even further. A wide range of Apps to suit many different working styles and support for new ways to leverage your business data, even when you're away from the office.

Digital workspaces have immense advantages and Ricoh can help you tap into all the benefits, by tailoring them according to your needs. Our expertise covers all kinds of businesses spanning several industry verticals, be they traditional or modern in their approach. We completely reimagine your existing workplace through several processes like workplace analysis and design and management based changes. We implement these to positively transform the way in which you work with the help of our quality products and technological offerings.

Ricoh improves workplaces using innovative technologies and services enabling individuals to work smarter.



## Ricoh invites customers to be part of a new Green Revolution

As a company, Ricoh has always been conscious of its environmental responsibilities, as exemplified by its philosophy of pursuing a balance between the '3 Ps' — People, Planet and Profit. Now we extend this commitment to yet another area, and we invite our customers to join hands with us.

To reduce our environmental impact, we are digitising the meter reading and billing process of customers' printing devices by automating meter reading collection through innovative cloud-based Device Management Software, @Remote. Ricoh is also implementing paperless e-billing via email, in addition to encouraging customers to pay bills via electronic transfer through RTGS/NEFT.

By involving our customers, we look forward to helping them switch to digital meter reading, e-billing and e-payment for their monthly printing - in the process, helping them become more efficient more green.





## Robust cloud services for every business need



From hosting a mobile app, e-commerce website, ERP, or any other online application, cloud services empower users in many ways. It could be through complete office automation and document management that includes corporate emailing, delivered via Software as a Service model. Or it could be a disaster recovery mechanism, with automated monitoring and backup, to derisk an organisation. Ricoh Cloud Services take care of all these needs, without the customer having to worry about capex on hardware and routine service issues.

With growing quantum of data and the need for anywhere access, cloud has become an attractive and logical option for today's businesses. The on-demand scalability offered by cloud solutions provides for quick turnaround times at optimal cost. Ricoh offers virtual private servers, dedicated servers and co-location from its cloud-enabled data centre in Kolkata.

Hosting in Ricoh's data centre helps customers to reduce their overall IT budget, while also assuring better connectivity, easy disaster recovery, and improved network security. Ricoh's data centre enjoys many certifications such as TIER III DC, ISO/IEC 27001:2013, CMMI Level 5 & SOC 2.

Ricoh Cloud Services offer robust, affordable, secure solutions, so that customers can enjoy minimum latency and maximum savings, along with improved productivity and better ROI.



## Transforming customers' data into assets with RicohDocs

RicohDocs is Ricoh India's Office Automation & Document Management Solution. It enables customers to work smarter – by managing their unstructured data, automating their business processes, and streamlining the flow of their information.

RicohDocs gives the customer the choice of 'on-premise' solution (where the solution is hosted on the customer's own server), or 'on-cloud' solution (where it is hosted in Ricoh's data centre), and is offered to the customer on a SaaS model.

The solution offers the customer an array of modules so that he can pick the one best suited for his organisational and operational needs. These include Document management, Optical character recognition, Bulk upload, Hot folder, Mobile applications, Process automation through workflows, MS-Office integration, Records management, and Barcode integration. The modules can be customised based on the customer's requirements.

With integration of RicohDocs, organisations derive multiple benefits such as data consistency, reduced dependency, faster decision-making, and better ROI. No longer do they need to worry about managing their document and workflow, setting them free to focus on their core business.





## Corporate Social Responsibility — part of the corporate DNA



Ricoh's commitment to CSR is ingrained in its culture through its founding principles — known as 'The Ricoh Way' — "Love your neighbour, Love your country, Love your work". The Ricoh Way defines the scope of CSR at Ricoh India to cover three areas— corporate governance, welfare of the society, and harmony with the environment.

### Social & environmental initiatives

Our CSR model is broadly divided into two parts: activities that respond to our fundamental obligation to society and value-creating activities that have synergy with our growth strategy. These two pillars support and strengthen our corporate value.

The Company focuses primarily on the following three programme areas with key projects/activities mentioned in-line as follows:

- **Harmony with Society:**

With the core belief of leveraging its competency in the domain of Information & Communication Technology (ICT), the organisation nurtured programmes as initiated in FY 2015-16 such as 'ICT-led Education', 'Adarsh Patra' and 'ViewFinder Project' in monitoring & evaluating their impact and in establishing guidance-mechanism for sustainability of same.



CSR projects of the company got featured in the India's Best Practices in CSR Compendium by ISRN which was launched by Hon. Minister of State (Finance & Corporate Affairs) at Indian Institute of Corporate Affairs in July 2017. Additionally, the World CSR Congress 2017 recognised the representative of CSR & Environment at Ricoh India Ltd. with the Citation of '100 Most Impactful CSR Leaders in Global Listing'.

- **Harmony with Environment:**

EPR Authorisation by CPCB under E-waste Management Rules 2016 – Ricoh India Ltd. was granted the Extended Producer Responsibility Authorisation as Producer of electronic & electrical equipment in India by the Central Pollution Control Board. The organisation informs the procedure of recycling & makes disclosures of its e-waste collection and recycling on its website  
<https://www.ricoh.co.in/about/environment>



As an advisory group member and signatory to the declaration of India Business & Biodiversity Initiative (IBBI), Ricoh India Ltd. promotes sharing and learning on its 'Project Nature Watch' & 'Empowering Digital workplaces' for paperless workflow to mainstream sustainable management of biological diversity by business.

Representative of CSR & Environment at Ricoh India was invited by the Confederation of Indian Industry as Member to the National Environment Committee in June 2017 for term 2017-18 to contribute as work-group member of e-Waste Management & Plastic Waste management.

- **Raising the Next generation:**

Realising the crucial role of management education in shaping of corporate leaders of future, Ricoh India works with premier management institutions and its faculty to conduct guest lectures for students on principles of responsible and inclusive business so as to enable a sustainable ecosystem. Additionally, the organisation has tied up with renowned institutions to build learning modules on efficient & effective end-of-life management to evangelise aspect of product stewardship and circular economy.

'R-UBUNTU' was launched as an employee engagement program to promote culture of skills-based volunteerism at the organisation. Over 1000 person-hours were contributed by employees pan-India during office-hours to conduct activities towards sustainable society.

# RICOH INDIA LIMITED

**Registered Office:** 1132, 3<sup>rd</sup> Floor, Building No. 11, Solitaire Corporate Park,  
Guru Hargovindji Marg, Andheri Ghatkopar Link Road,  
Chakala, Andheri East, Mumbai – 400 093  
Tel: +91-22-66833000, Fax: +91-22-67032099

**Corporate Office:** 7<sup>th</sup> Floor, Tower 'B', Windsor IT Park, A-1, Sector 125,  
Expressway, District Gautam Budh Nagar, Noida, Uttar Pradesh – 201 301  
Tel: +91-120-4988 200, Fax: +91-120-4988 222  
Email: [ril.secretarial@ricoh.co.in](mailto:ril.secretarial@ricoh.co.in), website: [www.ricoh.co.in](http://www.ricoh.co.in)  
CIN: L74940MH1993PLC074694

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<p>Annual General Meeting on Friday, 21 December 2018 at 10:00 AM at Hotel The Mirador 131/B, New Link Road, Chakala, Andheri East, Mumbai – 400099</p>



## COMPANY OVERVIEW

<b>BOARD OF DIRECTORS</b>	Mr. Noboru Akahane Mr. Yoshitaka Motomura Mr. Subhankar Lahiri Mr. Hiroyasu Kitada Mr. AT Rajan Mr. Tanmoy Adhikary Ms Hamsa Vijayaraghavan Mr. U. P. Mathur Mr. R. K. Pandey Ms. Ashish Garg Mr. Rajiv Ahuja	Chairman (Resigned 28 September 2018) Director (Resigned 1 April 2018) Managing Director & CEO (Appointed 1 April 2018) Director (Resigned 21 December 2017) Non Executive Director Independent Director (Appointed 27 March 2018) Independent Director (Appointed 27 March 2018) Independent Director (Resigned 9 November 2017) Independent Director (Resigned 9 November 2017) Independent Director (Resigned 9 November 2017) Independent Director (Resigned 9 November 2017)
<b>CHIEF FINANCIAL OFFICER</b>	Mr. Ajay Kumar Mishra	
<b>COMPANY SECRETARY</b>	Mr. Manish Sehgal	
<b>PRINCIPAL BANKERS</b>	The Mizuho Corporate Bank Limited The Bank of Tokyo – Mitsubishi UFJ Ltd Citibank N.A. BNP Paribas Deutsche Bank AG The Hongkong and Shanghai Banking Corporation Limited	
<b>AUDITORS</b>	<b>BSR &amp; Co. LL.P</b> Chartered Accountants Building No. 10, 8 <sup>th</sup> Floor Tower B, DLF Cyber City Phase 2, Gurugram Haryana - 122002	
<b>REGISTRAR &amp; SHARE</b>	MCS Share Transfer Agent Limited	
<b>TRANSFER AGENT</b>	F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi – 110 020	
<b>DEBENTURE TRUSTEES</b>	IDBI Trusteeship Services Limited Asian Building, Ground Floor 17, R. Kamani Marg, Ballard Estate Mumbai – 400 001	
<b>REGISTERED OFFICE</b>	1132, 3 <sup>rd</sup> Floor, Building No. 11, Solitaire Corporate Park, Guru Hargovindji Marg, Andheri Ghatkopar Link Road, Chakala, Andheri East, Mumbai – 400 093	
<b>CORPORATE OFFICE</b>	7 <sup>th</sup> Floor, Tower 'B', Windsor IT Park, A-1, Sector 125, Noida, District Gautam Budh Nagar, Uttar Pradesh – 201 301	



## **NOTICE**

Ricoh India Limited is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench with effect from 14<sup>th</sup> May 2018. Its affairs, business and assets are being managed by the Resolution Professional Mr. Krishna Chamadia appointed as Interim Resolution Professional by NCLT vide its Order dated 14 May 2018 and continued as Resolution Professional by the Committee of Creditors in its Meeting held on 15 June 2018 under provisions of the Code. In view, the Annual General Meeting is being convened by the Resolution Professional.

The Resolution Professional with the approval of Committee of Creditors of the Company had filed an application before the Hon'ble NCLT, Mumbai seeking an extension of the period of Corporate Insolvency Resolution Process (CIRP) of the Company by Ninety (90) days in terms of Section 12(2) of the Insolvency and Bankruptcy Code, 2016. The Hon'ble NCLT, Mumbai has granted an extension of the CIRP period of the Company by further period of Ninety (90) days vide its Order dated 30<sup>th</sup> October 2018.

Under Section 17 of the IBC 2016 the powers of the Board are suspended and the same are vested on the Resolution Professional, Mr. Krishna Chamadia.

**Notice is hereby given that the 25<sup>th</sup> ANNUAL GENERAL MEETING of the Members of RICOH INDIA LIMITED will be held at –**

<b>Venue</b>	Hotel The Mirador 131/B, New Link Road, Chakala, Andheri East, Mumbai – 400099
<b>Day</b>	Friday
<b>Date</b>	21 December 2018
<b>Time</b>	10:00 AM

To transact the following business:-

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31 March 2018, the Statement of Profit and Loss for the financial year ended as on that date, together with the Reports of Board of Directors and Auditors thereon.
2. To consider and approve not to appoint a Director in place of Mr. AT Rajan (DIN 07487969) who retires by rotation

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and Rules made therein, Mr. AT Rajan, Director being the longest-serving member on the Board retires by rotation at the ensuing Annual General Meeting and that the consent of the Shareholders of the Company be and is hereby accorded not to fill the vacancy caused due to retirement by rotation of Mr AT Rajan.

**RESOLVED FURTHER THAT** the Resolution Professional/Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

(Mr AT Rajan who after demitting Office as Managing Director and CEO of the Company on 31<sup>st</sup> March 2018 at present is on Board of the Company as Non Independent Non Executive Director of the Company as the longest-serving member on the Board retires by rotation at the ensuing Annual General Meeting. The vacancy caused due to retirement by rotation of Mr. AT Rajan be not filled.)

**For Ricoh India Limited**  
**(Company under Corporate Insolvency Resolution Process)**

**Krishna Chamadia**  
**IP Registration No. IBBI/IPA-001/IP-P00694/2017-2018/11220**  
**Resolution Professional**

**Place: Noida**

**Date: 21 November 2018**



## NOTES:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS/HER BEHALF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.**

**A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**

The instrument of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

- b) The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 15 December 2018 to Friday, 21 December 2018 (both days inclusive) for the purpose of the Annual General Meeting.
- c) Members holding shares in physical form are requested to intimate any change in address, change of name, bank details, National Electronics Clearing Service (NECS), Electronics Clearing Service (ECS), mandates, e-mail address, contact numbers etc to the Company's Registrar and Share Transfer Agents, MCS Share Transfer Agent Limited, F-65, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020, Telephone Numbers 011-41406149, Fax 011-41709881, Email ID: [helpdeskdelhi@mcsregistrars.com](mailto:helpdeskdelhi@mcsregistrars.com).

Members holding shares in dematerialized form are requested to intimate such changes to their respective Depository Participants.

- d) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialized form are therefore, requested to submit their PAN details to their respective Depository Participants. While, Members holding shares in physical form are requested to submit their PAN details with MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent of the Company.
- e) Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting. Members/Proxies are requested to carry their identity proof to produce at the venue of the AGM for security reasons.
- f) Member desirous of getting any information in relation to the Annual Report of the Company for the financial year 2017-18 are requested to address their query (ies) well in advance, i.e. at least 10 days before the meeting to the Company at its Corporate Office located at Noida, Uttar Pradesh so as to enable the Management to keep the information readily available at the meeting.
- g) Pursuant to the provisions of Section 124 of the Companies Act, 2013, the Dividend amount which remain unpaid/unclaimed for a period of Seven years is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Members who have not encashed their dividend warrant(s) so far for the Financial Year ended 31st March 2015 are once again requested to make their claim with the Company Secretarial Department of the Company or the Company's Registrar and Share Transfer Agents, MCS Share Transfer Agent Limited for obtaining payment thereof.
- h) As a measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their own copies of the Annual Report at the Meeting.
- i) Members may note that the Notice of the 25 Annual General Meeting and Annual Report 2017-2018 will also be available on the Company's website [www.ricoh.co.in](http://www.ricoh.co.in) for their download.
- Even after registering for e-communication, Members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [ril.secretarial@ricoh.co.in](mailto:ril.secretarial@ricoh.co.in)
- j) Members are requested to quote their Registered Folio Number or Demat Account Number and Depository Participant (DP) ID Number while making correspondence with MCS Share Transfer Agent Limited, the Company's Registrar and Share Transfer Agent or the Company as the case may be.
- k) Corporate Members are requested to send a duly certified copy of the resolution passed by the Board of Directors authorizing their representative(s) to attend and vote on its behalf at the Meeting.
- l) In terms of Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debenture) Rules, 2014, facility for making nominations is available to the Members in respect of shares held by them.
- Nomination forms can be obtained from the Company's Registrar and Share Transfer Agents MCS Share Transfer Agent Limited by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participants (DP).
- m) As per the green initiative taken by the Ministry of Corporate Affairs, the Members are advised to register their e-mail address with the Registrar and Share Transfer Agents of the Company in respect of shares held in physical form and with the concerned Depository Participant in respect of Shares held in electronic form to enable the Company to serve documents in electronic form.
- n) All documents referred to in accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10:00 AM to 5:00 PM) on all working days, up to and including the date of the Annual General Meeting of the Company.

- o) Electronic copy of the Annual Report for the financial year 2017-18 is being sent to all the Members whose email IDs are registered with the Company's Registrar and Share Transfer Agents/Depository Participants (DP). For Members who request for a hard copy and for those who have not registered their email address, physical copies of the Annual Report are being sent through permitted mode.
- p) With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on 8th June, 2018 to permit transfer of listed securities only in the dematerialized form with a depository from 5th December, 2018. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization. Shareholders can contact the Company's Registrar and Transfer Agents, M/s. MCS Share Transfer Agent Limited for assistance in this regard.

#### **Voting through electronic means:-**

#### **The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on **<18 December 2018 at 9:00 AM (IST) >** and ends on **<20 December 2018 at 5:00 PM (IST)>**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **<14 December 2018>** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.





- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, 'A' Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.
- (xxi) The voting rights of Shareholders shall be in proportion to their shares of the paid up capital of the Company as on the Cut Off date i.e. 14 December 2018.
- (xxii) Mr. Naresh Verma, Proprietor of Naresh Verma and Associates, Company Secretaries (Membership No. FC 5403, CP No. 4424) has been appointed as the Scrutinizer to scrutinize the Voting process (electronically or otherwise) in a fair and transparent manner.
- (xxiii) The results declared alongwith the Scrutinizer's report shall be placed on the Company's **website [www.ricoh.co.in](http://www.ricoh.co.in)** and on the website of CDSL **[www.cdslindia.com](http://www.cdslindia.com)** immediately. Further, the results along with the Scrutinizer's report shall also be communicated to BSE Limited where the shares of the Company are listed.
- (xxiv) Facility of voting through Poll papers shall also be made available at the venue of the Annual General Meeting. Members attending the Annual General Meeting who have not cast their vote by e-voting shall be able to exercise their voting rights at the Annual General Meeting.
- (xxv) Any person who acquires shares of the Company and becomes the member of the Company after the dispatch of the AGM notice and holding shares of the Company as on Cut Off date i.e. 14 December 2018 may follow the same instructions as mentioned above for e-voting.
- (xxvi) On receipt of the requisite number of votes, the resolutions shall be deemed to have been passed on the date of the Annual General Meeting of the Company.

**For Ricoh India Limited  
(Company under Corporate Insolvency Resolution Process)**

**Krishna Chamadia  
IP Registration No. IBBI/IPA-001/IP-P00694/2017-2018/11220  
Resolution Professional**

**Place: Noida**

**Date: 21 November 2018**

## DIRECTORS' REPORT

To the Members

Ricoh India Limited is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench with effect from 14<sup>th</sup> May 2018. Its affairs, business and assets are being managed by the Resolution Professional Mr. Krishna Chamadia appointed as Interim Resolution Professional by NCLT vide its Order dated 14<sup>th</sup> May 2018 and continued as Resolution Professional by the Committee of Creditors in its Meeting held on 15<sup>th</sup> June 2018 under provisions of the Code.

Under Section 17 of the IBC, 2016 the powers of the Board are suspended and the same are vested on the Resolution Professional, Mr. Krishna Chamadia.

The Twenty Fifth (25) Annual Report with the Audited Financial Statement for the Financial Year ended 31<sup>st</sup> March 2018 is hereby submitted.

### A. FINANCIAL HIGHLIGHTS AND DISCLOSURES:

Your Directors are pleased to present the 25<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Accounts for the financial year ended 31 March 2018.

#### FINANCIAL HIGHLIGHTS

(INR in Lacs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Net Sales	68,059	1,21,748
Other Income	928	921
<b>Total Income</b>	<b>68,987</b>	<b>1,22,669</b>
Changes in Inventories of Stock-in-Trade	12,353	15,866
Purchase of Stock-in-Trade	56,473	88,230
Employee benefits	10,463	12,388
Other Expenses	16,482	22,285
<b>(Loss)/Profit before interest, depreciation and exceptional items</b>	<b>(26,785)</b>	<b>(16,100)</b>
Finance Cost	6,905	15,470
Depreciation and amortization	1,736	1,750
<b>(Loss)/Profit before exceptional items and tax</b>	<b>(35,425)</b>	<b>(33,320)</b>
Exceptional Items	53,890	
<b>(Loss)/Profit before tax after exceptional items</b>	<b>(89,315)</b>	<b>(33,320)</b>
Tax Expense	(95)	660
<b>(Loss) after tax</b>	<b>(89,410)</b>	<b>(32,660)</b>
Remeasurements of defined benefit liability/ (asset)	35	8
<b>Total comprehensive income/ (loss) for the year, net of tax</b>	<b>(89,375)</b>	<b>(32,652)</b>
(Loss)/Profit Balance B/F from Previous year	(1,37,058)	(1,04,398)
<b>(Loss) carried forward to Balance Sheet</b>	<b>(2,25,468)</b>	<b>(1,37,058)</b>

#### 1. DIVIDEND

In view of the loss for the period under review, no Dividend has been recommended by the Board of Directors of the Company.

#### 2. SHARE CAPITAL

During the year under review, there has been no change in the Capital Structure of the Company.

#### 3. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Under Section 186 of the Companies Act, 2013 the Company has neither given any Loan, Guarantee nor provided any Security in Connection with a Loan, directly or indirectly, to any person or other body corporate.

The Company has also not made any investments by way of subscription, purchase or otherwise, in the securities of any other body corporate during the financial year ended 31 March 2018.

#### 4. DEPOSITS

During the period under review, the Company has not accepted or invited any deposits from the public.



## **5. NON-CONVERTIBLE DEBENTURES (NCDs)**

The Company had raised NCDs amounting to INR 200 Crores by way of Private Placement basis in the year 2014. These INR 200 Crores Non-Convertible Debentures were due for redemption on 10<sup>th</sup> September 2017. However, the redemption period of the NCDs were extended to 10<sup>th</sup> September 2018 and the Coupon Rate was also reduced to 7% from the earlier 7.8%.

The Company defaulted in making payment on Half Yearly Interest on these NCDs for the Half Year ended 10<sup>th</sup> March 2018 and 10<sup>th</sup> September 2018.

## **6. TRANSFER TO RESERVES**

During the year under review, the Company has made no transfer to reserves.

## **7. CHANGE IN REGISTERED AND CORPORATE OFFICE OF THE COMPANY**

The Company had moved its Registered Office to a new location within the local limits of City of Mumbai i.e. to 1132, 3<sup>rd</sup> Floor, Building No. 11, Solitaire Corporate Park, Guru Hargovindji Marg, Andheri Ghatkopar Link Road, Chakala, Andheri East, Mumbai – 400 093 while Corporate Office of the Company was moved to 7<sup>th</sup> Floor, Tower 'B', Windsor IT Park, A-1, Sector 125, Noida, Gautam Budh Nagar, Uttar Pradesh – 201 301 to economise operations.

## **B. STATE OF COMPANY AFFAIRS:**

### **1. INFORMATION ON CORPORATE INSOLVENCY RESOLUTION PROCESS**

Ricoh India Limited is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench with effect from 14<sup>th</sup> May 2018. Its affairs, business and assets are being managed by the Resolution Professional Mr. Krishna Chamadia appointed as Interim Resolution Professional by NCLT vide its Order dated 14<sup>th</sup> May 2018 and continued as Resolution Professional by the Committee of Creditors in its Meeting held on 15<sup>th</sup> June 2018 under provisions of the Code. Under Section 17 of the IBC 2016 the powers of the Board are suspended and the same are vested on the Resolution Professional, Mr. Krishna Chamadia.

The Resolution Professional with the approval of Committee of Creditors of the Company had filed an application before the Hon'ble NCLT, Mumbai seeking an extension of the period of Corporate Insolvency Resolution Process (CIRP) of the Company by Ninety (90) days in terms of Section 12(2) of the Insolvency and Bankruptcy Code, 2016. The Hon'ble NCLT, Mumbai has granted an extension of the CIRP period of the Company by further period of Ninety (90) days vide its Order dated 30<sup>th</sup> October 2018.

### **2. DETAILS ON THE TRADE SUSPENSION OF SHARES AND LISTING**

The Company was delayed in filing its accounts for the quarter and half year ended 30<sup>th</sup> September 2015 and for the quarter and nine month ended 31<sup>st</sup> December 2015. As a result, on 4<sup>th</sup> May 2016, BSE Limited issued a notice that the shares of the Company would be suspended with effect from 26<sup>th</sup> May 2016 on account of non-compliance of Regulation 33 of SEBI (LODR), 2015 for two consecutive quarters.

The Company published its financial results for the quarter and half year ended 30<sup>th</sup> September 2015 on 18<sup>th</sup> May 2016. Following the investigations by PricewaterhouseCoopers Private Limited, India (PwC) and an independent investigation team which were finalised on 17<sup>th</sup> November 2016, the Company was able to progress in bringing its compliances up to date. Consequently, on 18<sup>th</sup> November 2016, the results along with the auditor's report for the quarter and nine months ended 31<sup>st</sup> December 2015 and quarter and year ended 31<sup>st</sup> March 2016 were filed with BSE Limited. On 12<sup>th</sup> December 2016 the results and auditor's report for the quarter ended 30<sup>th</sup> June 2016 and the results and auditor's report for the quarter and half year ended 30 September 2016 were filed with BSE Limited and those for the quarter and nine months ended 31<sup>st</sup> December 2016 were filed on 8<sup>th</sup> February 2017.

Having brought its compliances up to date, the Company proceeded to file an application for revocation of suspension of trading of shares of the Company with BSE Limited on 19<sup>th</sup> December 2016. All necessary payments of penalties and filing fees were made at the same time.

BSE Limited has appealed with the Hon'ble National Company Law Appellate Tribunal (NCLAT) on 21<sup>st</sup> November 2016. This appeal was in respect of the Order of the Hon'ble National Company Law Tribunal (NCLT) dated 30<sup>th</sup> September 2016 under which the NCLT had approved that the Company did not need to follow Sections 100 to 104 of the Companies Act, 1956. BSE Limited contended that the Company should follow such Sections and hence should have filed an advance Scheme with BSE Limited/SEBI prior to gaining NCLT approval on 23<sup>rd</sup> August 2016.

The Hon'ble NCLAT disposed of the appeal of BSE Limited on 23<sup>rd</sup> May 2017. The Order of the NCLAT stated that the Company should comply with SEBI rules but that Sections 100 to 102 of the Companies Act, 1956 were not relevant.

As on date, the trading of Shares of the Company on BSE Limited remains suspended.

### **3. LISTING**

The Shares of the Company are listed on the Bombay Stock Exchange Limited.

The Company has paid Annual Listing Fee for the year 2018-19 to BSE Ltd.

The Shares of the Company were placed in Z category by BSE Limited with effect from 4<sup>th</sup> May 2016 and subsequently suspended from trading on 26<sup>th</sup> May 2016.



The facility of trading in the shares of the Company on trade for trade basis in Z Group on the first trading day of every week was discontinued by BSE Ltd with effect from 13<sup>th</sup> December 2016.

#### 4. OPERATIONAL REVIEW:

INR Crores	Year ended 31 <sup>st</sup> March 2018	Year ended 31 <sup>st</sup> March 2017
Net Sales and other income	689.9	1,226.7
(Loss) before exceptional items	(354.3)	(333.2)
Exceptional items	538.9	-
(Loss) before tax	(893.2)	(333.2)

The net sales has decreased from INR 1,226.7 Crores to INR 689.9 Crores on account to slowdown in business and decline in market share from the previous financial year. There has been a withdrawal of support from Ricoh Japan in October 2017 which has further impacted the ability to drive growth in the company. Furthermore, the company was severely affected by the fall in the ITS (Information Technology Services) business segment; the company did not bid for any new projects during the financial year, ongoing projects were delayed as collections were hindered on account of lack of investments into ITS projects during the period. Exception items increased to INR 538.9 Crores on account of doubtful deposits, debts and write offs which were incurred during the financial year.

#### 5. SUBSIDIARY AND ASSOCIATE COMPANIES

The Company does not have any subsidiary Company. However, IDC Electronics Limited is an Associate Company of Ricoh India Limited. As per the requirement of Rule 5 of the Companies (Accounts) Rules, 2014, Form AOC-1 (Statement containing salient features of financial statement of an Associate Company) is annexed and forms part of the Directors Report as Annexure 'H'

##### Performance of the Associate Company

##### IDC Electronics Limited

The investment in IDC Electronics Limited (IDC) is valued at INR 1 only.

#### 6. HUMAN RESOURCE

At Ricoh, Human Resource Development is considered vital for effective implementation of Business Plans, Constant endeavors are being made to offer professional growth opportunities and recognition, apart from imparting training to employees.

#### 7. CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of the business of the Company.

#### 8. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN 31 MARCH 2018 AND AS ON DATE

The Promoter of the Company, Ricoh Company Limited, Japan had announced in October 2017 that it will not provide any additional financial support to Ricoh India Limited going forward. The withdrawal of financial support to the Indian Arm Ricoh India Limited by its Promoter deeply impacted the financial position of Ricoh India Limited.

The Minority Shareholders of the Company filed a Petition before the Hon'ble NCLT, Mumbai Bench under Sections 241 and 242 read with Chapter XVI of the Companies Act, 2013. The matter is pending before NCLT.

Ricoh India Limited is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench with effect from 14<sup>th</sup> May 2018. Its affairs, business and assets are being managed by the Resolution Professional Mr. Krishna Chamadia appointed as Interim Resolution Professional by NCLT vide its Order dated 14<sup>th</sup> May 2018 and continued as Resolution Professional by the Committee of Creditors in its Meeting held on 15<sup>th</sup> June 2018 under provisions of the Code.

Under Section 17 of the IBC 2016 the powers of the Board are suspended and the same are vested on the Resolution Professional, Mr. Krishna Chamadia.

#### C. INITIATIVES:

##### 1. QUALITY INITIATIVES

In its endeavor to enhance Corporate Excellence, an org-wide quality training was conducted to impart learnings on the subject of quality management and enable cross-pollination of best practices across regions.

Ricoh Way Values and Guiding Principles continue to guide the organisation in establishing stakeholder-oriented culture by 360-degree approach of Customer & Partner Feedback Management Continuous Improvement ('Each One Kaizen'), Corporate Innovation Management ('Ideaz 3.0' & 'incub@R') and benchmarking conformance to various Quality Management Systems such as ISO27001- 2005 and CMMI Level 4 certification standards.



Cross-functional team of volunteers was formed in July-August 2017 to conduct a baseline study on Corporate Sustainability of Ricoh India in-line to the integrated sustainability management framework defined under global standard ISO 26000.

## **2. SOCIAL & ENVIRONMENTAL INITIATIVES**

Our CSR model is broadly divided into two parts: activities that respond to our fundamental obligation to society and value-creating activities that have synergy with our growth strategy. These two pillars support and strengthen our corporate value.

The Company focuses primarily on the following three programme areas with key projects/activities mentioned in-line as follows:

### **A. Harmony with Society:**

With the core belief of leveraging its competency in the domain of Information & Communication Technology (ICT), the organisation nurtured programmes as initiated in FY 2015-16 such as 'ICT-led Education', 'Adarsh Patra' and 'ViewFinder Project' in monitoring & evaluating their impact and in establishing guidance-mechanism for sustainability of same.

CSR projects of the company got featured in the India's Best Practices in CSR Compendium by ISRN which was launched by Hon'ble Minister of State (Finance & Corporate Affairs) at Indian Institute of Corporate Affairs in July 2017.

Additionally, the World CSR Congress 2017 recognised the representative of CSR & Environment at Ricoh India Ltd. with the Citation of '100 Most Impactful CSR Leaders in Global Listing'.

### **B. Harmony with Environment:**

EPR Authorisation by CPCB under E-waste Management Rules 2016 – Ricoh India Ltd. was granted the Extended Producer Responsibility Authorisation as Producer of electronic & electrical equipment in India by the Central Pollution Control Board.

The organisation informs the procedure of recycling & makes disclosures of its e-waste collection and recycling on its website <https://www.ricoh.co.in/about/environment>

As an advisory group member and signatory to the declaration of India Business & Biodiversity Initiative (IBBI), Ricoh India Ltd. promotes sharing and learning on its 'Project Nature Watch' & 'Empowering Digital workplaces' for paperless workflow to mainstream sustainable management of biological diversity by business.

Representative of CSR & Environment at Ricoh India was invited by Confederation of Indian Industry as Member to the National Environment Committee in June 2017 for term 2017-18 to contribute as work-group member of e-Waste Management & Plastic Waste management.

### **C. Raising the Next generation:**

Realising the crucial role of management education in shaping of corporate leaders of future, Ricoh India works with premier management institutions and its faculty to conduct guest lectures for students on principles of responsible and inclusive business so as to enable a sustainable ecosystem.

Additionally, the organisation has tied up with renowned institutions to build learning modules on efficient & effective end-of-life management to enhance the aspect of product stewardship and circular economy.

'R-UBUNTU' was launched as an employee engagement program to promote culture of skills-based volunteerism at the organisation. Over 1,000 person-hours were contributed by employee's pan-India during office-hours to conduct activities towards sustainable society.

## **3. CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to the requirement of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of Ricoh India Limited in its meeting held on 24<sup>th</sup> March 2014 constituted a Corporate Social Responsibility Committee which got dissolved during the year under review on account of resignation of all of the Independent Directors of the Company on 9<sup>th</sup> November 2017. The said Committee was re-constituted on 27<sup>th</sup> March 2018.

Ms. Hamsa Vijayaraghavan was appointed as Chairperson of the Committee while Mr. Yoshitaka Motomura (Non-Executive Director) and Mr. Noboru Akahane (Non-Executive Director) were inducted as Members of the Committee.

On account of resignation of Mr. Yoshitaka Motomura as Director of the Company on 1<sup>st</sup> April 2018, the said Committee on 15<sup>th</sup> May 2018 was again re-constituted with Mr. Subhankar Lahiri, Managing Director and CEO of the Company becoming Member of the said Committee in place of Mr. Yoshitaka Motomura with Ms. Hamsa Vijayaraghavan and Mr. Noboru Akahane as Chairperson and Member of the Committee respectively.

Mr. Noboru Akahane resigned as Chairman/Director of the Company effective 28<sup>th</sup> September 2018.

A detailed CSR Policy has been framed which is placed on the website of the Company.

The CSR activities are in accordance with Schedule VII of the Companies Act 2013 and the Company's CSR Policy.

Details of the CSR activities as required under Section 135 of the Companies Act 2013 and the Rules framed thereunder are given in the CSR Report as Annexure 'G' of the Directors Report.

The Corporate Social Responsibility Policy of the Company is available on the website of the Company [www.ricoh.co.in](https://www.ricoh.co.in/RID/sites/www.ricoh.co.in/files/corporate-social-responsibility-policy.pdf) at the link <https://www.ricoh.co.in/RID/sites/www.ricoh.co.in/files/corporate-social-responsibility-policy.pdf>

The Company's commitment towards social responsibility is woven into its Corporate DNA, which has always been part of the Ricoh Way, the foundation of all of our business activities.

The Ricoh Way constitutes the basis of all corporate activities of the Ricoh Group. It comprises of Founding Principles (Love Your Neighbour, Love Your Country, Love Your Work or The Spirit of Three Loves).

Our CSR focuses inter-alia on using our capabilities as a business to improve lives and sustain our planet through contributions to local communities and society at large.

In other words, to fully realise our potential as a global organisation to make a better world through new value creation and innovation.

To grow as a respected enterprise, the Ricoh Group must fully discharge its CSR from a consistent global perspective and throughout every aspect of its operations. In the context of the above, Ricoh India Limited would like to communicate its position as a Member of the community and establish for both internal and external stakeholders, its philosophy, guiding principles and areas of focus that it would as an organisation seek to promote in the arena of CSR.

Our CSR model is broadly divided into two parts: activities that respond to our fundamental obligation to society, and value-creating activities that have synergy with our growth strategy. These two pillars support and strengthen our corporate value.

By embedding value-creating CSR activities into our core business processes, we make the most of our talents and resources - technologies, products, services and employees, to help solve social issues while simultaneously fostering the growth of the Ricoh Group.

Drawing from its vision and mission statement, through CSR, Ricoh seeks to proactively engage with society by working with communities to improve their well-being in a compassionate and sensitive manner.

The Company will focus primarily on the following three programmes:

- a. Harmony with Society - Community Development / Welfare of the Society;
- b. Raising the Next Generation - Education and Skills Development;
- c. Harmony with Environment-Sustainable Environment Management

Further, the Company apart from the above mentioned programmes may also participate into other activity(ies) as stipulated under Schedule VII of the Companies Act 2013.

#### **4. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Necessary information on Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as Annexure 'F' of the Directors Report.

### **D. CORPORATE GOVERNANCE:**

#### **1. DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(3) (c) of the Companies Act, 2013, the Board of Directors affirm:-

- a) That in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanations relating to material departures. In view of the management, the observations of the auditors are not likely to have a material impact on the financial statements. Further, in view of the management, it is impracticable to do a retrospective restatement of the financial statements to take impact of prior period adjustments.
- b) The Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the interests of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the Annual Accounts on a going concern basis; and
- e) The priority for the Company was to restore its compliance by filing financial results and also to bring timely visibility of the Company's performance to enable actions to be taken to address the underline operational issues. Consequently, there was limited time to address internal control and financial reporting deficiencies. Even so, substantial improvements has been realized and improvements are ongoing..
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **2. BOARD OF DIRECTORS**

Mr. Subhankar Lahiri was appointed as Managing Director and CEO of the Company by the Board of Directors on the recommendation of the Nomination and Remuneration Committee in their meetings held on 27<sup>th</sup> March 2018 effective 1<sup>st</sup> April 2018 for a period of One year i.e. till 31<sup>st</sup> March 2019.

Mr. Noboru Akahane, Director and Chairman of the Board of Directors of the Company who was appointed as the Chairman and Director of the Company on 3<sup>rd</sup> August 2017 had tendered his resignation from the Board of the Company with effect from 28<sup>th</sup> September 2018.





Mr. Ian Winham resigned as Director / Chairman of the Company with effect from 3<sup>rd</sup> August 2017.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. A. T. Rajan, Director being the longest-serving member on the Board retires by rotation at the forthcoming Annual General Meeting of the Company and the Resolution Professional / Directors recommends to the Shareholders not to fill up the vacancy caused due to retirement of Mr. A. T. Rajan in the ensuing Annual General Meeting of the Company.

Mr. A. T. Rajan ceased to be the Managing Director and CEO of the Company from 1 April 2018. Mr. Rajan's tenure as Managing Director and CEO of the Company expired on 31<sup>st</sup> March 2018. However, he continues to be a Non-Executive Director on the Board of the Company.

During the year Mr. U. P. Mathur, Mr. R. K. Pandey, Ms. Ashish Garg and Mr. Rajiv Ahuja, Independent Directors of the Company all of them resigned on 9<sup>th</sup> November 2017.

Mr. Hiroyasu Kitada resigned from the Board of the Company with effect from 21<sup>st</sup> December 2017 while Mr. Yoshitaka Motomura resigned as Director of the Company on 1<sup>st</sup> April 2018.

The Board of Directors at its meeting held on 27<sup>th</sup> March 2018 appointed Mr. Tanmoy Adhikary and Ms. Hamsa Vijayaraghavan Additional Directors (Independent Directors) of the Company with effect from 27<sup>th</sup> March 2018.

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164 of the Companies Act, 2013.

In terms of Section 161(1) of the Companies Act, 2013, the Company took approval of its Shareholders by the way of Postal Ballot to regularize/reappoint Mr. Tanmoy Adhikary, Ms. Hamsa Vijayaraghavan and Mr. Subhankar Lahiri. The result of the said Postal Ballot was declared on 28<sup>th</sup> September 2018.

During the year, non-executive Directors of the Company had no pecuniary relationship or transactions with the Company.

The composition of the Board, Meetings of the Board held during the year and the attendance of the Directors have been mentioned in the Report on Corporate Governance in the Annual Report.

*The Company is currently under Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code, 2016 (IBC) by the Order of Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench dated 14th May 2018. As per Section 17 of the IBC, 2016, the Powers of the Board of Directors stands suspended and such powers shall be vested with Mr. Krishna Chamadia (IP Registration No. IBBI/IPA-001/IP-P00694/2017-2018/11220) appointed as the IRP with respect to the Company. The IRP further continued as Resolution Professional by the Committee of Creditors in its first meeting held on 15<sup>th</sup> June 2018 under the provisions of the Code.*

### **3. RELATIONSHIP BETWEEN DIRECTORS INTER-SE**

None of the Directors are related to each other within the meaning of the term "relative" as per Section 2(77) of the Companies Act, 2013.

### **4. NUMBER OF MEETINGS OF BOARD OF DIRECTORS**

During the year, 17 (Seventeen) Meetings of the Board of Directors of the Company were convened and held. The details of which are given in the Corporate Governance Report which forms part of this Report.

### **5. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS**

All of the 4 Independent Directors of the Company namely Mr. UP Mathur, Mr. RK Pandey, Ms. Ashish Garg and Mr. Rajiv Ahuja resigned together on 9<sup>th</sup> November 2017. This resulted in dissolution of all of the Committees of the Board.

Mr. Ian Winham resigned as Chairman/Director of the Company on 3<sup>rd</sup> August 2017.

Mr. Hiroyasu Kitada resigned as Director of the Company on 21<sup>st</sup> December 2017.

Mr. A. T. Rajan, Managing Director and CEO of the Company proceeded on leave till further Orders of the Board effective 23<sup>rd</sup> February 2018.

While Mr. Tanmoy Adhikary and Ms. Hamsa Vijayaraghavan were appointed as Independent Directors of the Company only on 27<sup>th</sup> March 2018.

Given the above, the annual evaluation of Board Performance and of its Committees and Directors could not be done by the Directors.

*The Company is currently under Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code, 2016 (IBC) by the Order of Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench dated 14th May 2018. As per Section 17 of the IBC, 2016, the Powers of the Board of Directors stands suspended and such powers shall be vested with Mr. Krishna Chamadia (IP Registration No. IBBI/IPA-001/IP-P00694/2017-2018/11220) appointed as the IRP with respect to the Company. The IRP further continued as Resolution Professional by the Committee of Creditors in its first meeting held on 15<sup>th</sup> June 2018 under the provisions of the Code.*

### **6. DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received necessary declarations from all of its Independent Directors as required under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and other applicable regulations.

### **7. SEPARATE MEETING OF THE INDEPENDENT DIRECTORS**

The Independent Directors conducted a meeting on 27<sup>th</sup> March 2018 without the attendance of Non-Independent Directors and Members of Management. Both of the newly appointed Independent Directors namely Mr. Tanmoy Adhikary and Ms. Hamsa Vijayaraghavan were present at the meeting.

## 8. KEY MANAGERIAL PERSONNEL

Mr. A. T. Rajan ceased to be the Managing Director and CEO of the Company with effect from 1<sup>st</sup> April 2018.

The Board of Directors of the Company in their meeting held on 27<sup>th</sup> March 2018 had appointed Mr. Subhankar Lahiri as Managing Director and CEO of the Company effective 1<sup>st</sup> April 2018 for a term of One year.

Ms. Pooja Aggarwal had resigned as Chief Financial Officer of the Company w.e.f. 23<sup>rd</sup> December 2017.

Mr. Ajay Kumar Mishra was appointed as Chief Financial Officer of the Company with effect from 27<sup>th</sup> March 2018.

Mr. Manish Sehgal continues to hold the position of the Company Secretary in the Company.

## 9. COMPOSITION OF AUDIT COMMITTEE

The Audit Committee consisted of Mr. U. P. Mathur, Mr. R. K. Pandey, Ms. Ashish Garg and Mr. H. Kitada while Mr. U. P. Mathur was the Chairman of the Committee. The Audit Committee of the Board of Directors got dissolved on 9<sup>th</sup> November 2017 when all of the Independent Directors resigned.

The said Committee was re-constituted on 27<sup>th</sup> March 2018 and the Committee consisted of the following Directors:-

Mr. Tanmoy Adhikary	Chairman
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*Mr. Noboru Akahane	Member
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Ms. Hamsa Vijayaraghavan	Member
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\*Mr. Noboru Akahane, Chairman of the Board of Directors of the Company and Member of the Audit Committee of the Board of Directors resigned with effect from 28<sup>th</sup> September 2018.

## 10. RELATED PARTY TRANSACTIONS

All Related Party transactions that were entered into during the year under review were on an arm's length basis and in the ordinary course of business. The Audit Committee has given prior approval for the Related Party Transactions.

None of the transactions with any of Related Parties were in conflict with the Company's interest. Suitable disclosure as required by Indian Accounting Standard (INDAS 24) has been made in the Notes to the Financial Statements.

Further, a Policy on Related Party Transactions as approved by the Board of Directors of the Company is duly uploaded on the Company's website under the web-link: <https://www.ricoh.co.in/RID/sites/www.ricoh.co.in/files/ricoh-india-related-party-transaction-policy.pdf>

The particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) is given in Form AOC-2 annexed as Annexure 'E' of the Directors Report.

## 11. NOMINATION AND REMUNERATION POLICY

The Board, on the recommendation of the Nomination and Remuneration Committee of the Company, has framed and adopted, a policy namely Nomination and Remuneration Policy to deal with matters of appointment and remuneration of Directors, Key Managerial Personnel, Senior Management and other Employees of the Company. The said policy focuses on the following aspects:-

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its Goals.

Details of the Remuneration Policy are given in the Corporate Governance Report.

## 12. STATUTORY AUDITORS

BSR & Co. LLP, Chartered Accountants (Firm Registration No. 101248 W/W-100022) were appointed as Statutory Auditors of the Company at the 22<sup>nd</sup> Annual General Meeting of the Company held on 24<sup>th</sup> September 2015 to hold the Office of the Auditors for a period of five years till the conclusion of 27<sup>th</sup> Annual General Meeting.

The Ministry of Corporate Affairs vide Companies Amendment Act, 2017 omitted the requirement related to ratification of appointment of Statutory Auditors by Members at every Annual General Meeting with effect from 7<sup>th</sup> May 2018. Pursuant to the said amendment, the Company hereby recommends to the Shareholders for their approval that the requirement of seeking ratification of appointment of Statutory Auditors at every Annual General Meeting (referred in the resolution passed at the Shareholders meeting held on 24<sup>th</sup> September 2015 be deleted.

## 12. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed Mr. Naresh Verma, a practicing Company Secretary to conduct Secretarial Audit for the Financial year 2017-2018.

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March 2018 is annexed herewith as Annexure 'A' of the Directors' Report.



### 13. CORPORATE GOVERNANCE

The Company is committed to maintain the highest standard of Corporate Governance.

Accordingly, your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under SEBI (LODR) Regulations, 2015.

A separate report on Corporate Governance from a practicing Company Secretary confirming compliance with the requirement as stated under SEBI (LODR) Regulations, 2015 is attached and forms part of this report.

### E. CONTROL ENVIRONMENT AND BUSINESS OPERATIONS:

#### 1. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE STATUTORY AUDITORS IN THEIR REPORT AND BY THE COMPANY SECRETARY IN PRACTICE IN HIS SECRETARIAL AUDIT REPORT

With regard to the statement of impact of audit qualifications, the directors have confirmed that they believe that there is no impact of audit qualification and that, based on their analysis and assumptions, the balance sheet at 31 March 2018 is materially correct

- (i) An application for initiation of corporate insolvency resolution process of Ricoh 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 corporate insolvency resolution process ("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 15th June, 2018 under the provisions of IBC.

The Section 20 (1) of IBC, 2016 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 is 28<sup>th</sup> January 2019 as per the extension granted by Hon'ble Adjudicating Authority vide its order dated October 30<sup>th</sup>, 2018

- (ii) Considering the above facts and continuing operations of the company, the financial results have been prepared on a going concern basis.
- (iii) In view of the management and as per the information available with the Company, the ongoing investigation is not likely to have any adverse impact on the functioning of the Company or the financial statements.
- (iv) The auditor in point (ii & iii), disclaimed their opinion on the accounts for the financial year ending on 31 March 2016 and 31 March 2017, the Directors confirmed that, based on their assumptions and analysis, the financial statement ending 31 March 2017 was materially correct. Given this, the Directors are of the view that the disclaimer of opinion for the prior year shall have no material impact on the accounts for the financial year ended 31 March 2018
- (v) With regard to point (iv) (a) of the Independent auditors report, the Company acknowledges that owing to the legacy IT system and processes, it is not practical to derive this information, the directors do not believe that manual tracking on a line item basis of such information is cost effective.
- (vi) The Company has reconciled all the vendors balances as on May 14<sup>th</sup>, 2018 as a part of the ongoing CIRP. The Company is of the view that no material claims or monies will be payable in the future.
- (vii) The company has submitted original documents for revenue contracts to nodal agencies in regular course of business and it retains copies of such contracts 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. The Directors have no reason to believe that the copies provided are not a true reflection of the originals.
- (viii) The Directors have no reason to believe that there are any material inconsistencies/error in calculation of amount allocable to multiple elements in the lease contracts which shall significantly impact the true and fair view of the financial statements. Further, the company has been unable to trace all original contracts for all these arrangements in respect to previous years. Whilst, errors have been identified, such errors are an outcome of the volume of transactions and such errors are not impeding payment or services in respect of the arrangements.
- (ix) The Company has reconciled all the vendors balances as on May 14<sup>th</sup>, 2018 as a part of the ongoing CIRP. The Company is of the view that no material claims or monies will be payable in the future.
- (x) The management was informed that Ricoh Company Limited, Japan (RCL) had given corporate guarantees towards Stand-by Letters of Credit (SBLC) / Stand-by Documentary Credit (SBDC) issued by Japanese branches of banks whose Indian branches had advanced loans to Ricoh India Limited. The Indian Banks, thereafter, invoked the SBLCs/SBDCs upon the public announcement of withdrawal of financial support by RCL, Japan for Ricoh India Limited. The invoked SBLCs/SBDCs were honoured by the Japanese Banks. Pursuant to the payments made by the Japanese Banks, RCL made payments to the Japanese Banks in terms of the Undertakings.

Under the Section 140 of the Indian Contract Act, RCL, Japan stepped in the shoes of the creditors (in respect of the debt and default to which the guarantee relate) by way of right of subrogation. Hence, the company recorded RCL, Japan as its Creditor. However, in the absence of any agreement towards these borrowings, Ricoh India has not recorded interest claimed by RCL Japan in the financial statements.

Further, the Company is of the view that there is no significant difference between interest rate on NCD and similar instrument in similar situation and hence there is no requirement to report under Ind AS 109.

- (xi) The management is of the view that the foreign / local currency receivables and payables recorded in the books of accounts are correct. The Company will take necessary legal advice in order to regularise the non-compliance with the RBI guidelines.
- (xii) The management is of the view that all the significant assumption/estimates used in the preparation of the financial statements are reliable
- (xiii) The Company has exercised adequate internal control in the process of identification and accounting of such write offs/write backs
- (xiv) There are no significant adjustments pertaining to prior period in the financial statements other than those reflected in Note 43(B) of the financial statements.
- (xv) The Company is in the process of regularizing the non-compliance with regard to filing of quarterly and annual financial results in accordance with the SEBI regulations.
- (xvi) The Company is currently undergoing CIRP process and significant investments needed to enhance the IT systems and Controls shall be made by the Resolution Applicant.

The Directors will continue to ensure that the accounting policies are followed consistently such that the results reported, regardless of the audit disclaimer will, going forward, be a reflection of the Company's operating performance.

The Statutory auditors have also raised matters in their report on Internal Financial Controls. As regards the comments of the auditors on internal financial controls we comment as follows:-

- a) **IT Control Environment:** The Company is currently undergoing CIRP process and significant investments needed to enhance the IT systems. These investments shall be made by the Resolution Applicant.
- b) **Deficiency of maintenance of books of accounts and documentation:** The Company has significantly improved its documentation management and retention process. Also, the company is in the process of implementing requisite controls in relation to maintenance of books of accounts and documentation.
- c) **Internal control systems relating existence of contract work-in-progress:** The directors of the view that there are adequate internal controls towards existence of contract work-in-progress.
- d) **Lack of analysis regarding breakup of consumables and spares consumed:** The auditor in this particular point is referring to two different reports getting populated from the same system. The management is of the view that these two reports need not be compared for further analysis.
- e) **Deficiencies in accounting of revenue recognition from leases:** The management is of the view that there is absolutely no deficiencies in accounting of revenue recognition from leases.
- f) **Deficiencies relating to accounts payables including vendor selection process and periodic reconciliations with vendors and customers:** Management is of the view that in its judgment and based on analysis: The Company has a significant number of customers and vendors who will not participate in reconciliation process. This was also experienced by the auditor where they did not receive responses against confirmation request sent by them to our customers/vendors.
- g) **Periodicity and process of physical verification of inventories:** Management has the system of periodic physical verification of Inventory.
- h) The Company acknowledges that owing to the legacy IT system and processes, it is not practical to derive this information, the directors do not believe that manual tracking on a line item basis of such information is cost effective.
- i) **Process of disposal of property, plant and equipment:** The Company has laid down internal process for disposal of Fixed Assets.

**The Directors comment on the Secretarial Audit Report for the year ended 31 March 2018 are mentioned herein below:-**

1. As you are aware that your Company is undergoing a difficult phase and a corporate insolvency resolution process is on as per the directions of Hon'ble NCLT, Mumbai Bench given vide its Order dated 14<sup>th</sup> May 2018. Under Section 17 of the IBC 2016, the powers of the Board are suspended and the same are vested with the Resolution Professional Mr. Krishna Chamadia.

The Directors state that due to resignations of all of the Four (4) Independent Directors of the Company on 9<sup>th</sup> November 2017 the composition of the Board of Directors of the Company and its Committees got disturbed and became not in conformity with the requirement of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Board was aware of the discrepancy in the composition of the Board as the issue was highlighted and flagged by the Company Secretary of the Company before the Board of Directors from time to time. The Promoter of the Company RCL, Japan had withdrawn financial support to the Company on 27 October 2017 and the Promoter did not take any initiative or effort on its part to reconstitute the Board and its Committees and for taking other critical decisions.

Due to turmoil in the Company it was very difficult for the Company to find suitable candidates for being appointed as Independent Directors given the fact that all of the Four (4) Independent Directors of the Company had resigned together on a single day. Hence, it took time for the Company to find suitable replacement of Independent Directors.

The Board of Directors in its meeting held on 22<sup>nd</sup> February 2018 decided to send Mr. AT Rajan, former Managing Director and CEO of the Company on leave with effect from 23<sup>rd</sup> February 2018 till further Orders of the Board. It is hereby informed that Mr. A. T. Rajan continues to be a Non-Executive Director of the Company till date. The Declaration to be provided under section 164 of Companies Act, 2013 is the responsibility of Director and the Company has not received any declaration from Mr. AT Rajan for placing before the Board.

2. With regard to the observation of the Secretarial Auditor on non-submission of quarterly results post June 2017, the Directors state that a Board Meeting was duly convened by the Company to be held on 28 November 2017 to consider and approve Unaudited Financial Results for the quarter ended 30 September 2017.





However, due to the resignations of all of the Four (4) Independent Directors on 9<sup>th</sup> November 2017 and withdrawal of financial support by the Promoter of the Company RCL, Japan, the Audit Committee got dissolved. In the absence of Audit Committee in the Company, the Statutory Auditor also did not release the financial results to the Company.

3. With regard to the observation of the Secretarial Auditor on the non-payment of Half Yearly Interest of INR 200 Crores NCDs of the Company for two consecutive half year periods i.e. 10 March 2018 and 10 September 2018, the Directors state that the Company had filed for Insolvency Petition under Section 10 of IBC, 2016 and hence the Company was not in a position to pay and honour its obligation to pay half yearly interest to the Debenture Holder namely Ricoh Asia Pacific Pte Limited. Regulation 52 and Regulation 56 pertains to financial results and Auditors Certificate to be submitted to BSE / Debenture Trustee and the reasons for non compliance are already explained above in point no. 2.

The decision of not to make half yearly interest payment to the Non-Convertible Debenture holder was taken by the Board with a view to conserve limited resources of the Company.

Your Directors and the Resolution Professional are doing their best to keep the company as on going concern.

4. With regard to the observation of the Secretarial Auditor that the Company did not prepare consolidated financial statement for the year ended 31 March 2018 in respect of investment in equity shares of IDC Electronics Limited (An Associate Company) as required under Section 129(3) of the Companies Act, 2013. The Directors state that the Company does not exercise any Control or has any significant influence over the financial and/or operating policies of IDC Electronics Limited. Accordingly, the Company did not prepare Consolidated Financial Statement as required under Section 129(3) of the Companies Act, 2013.

The Investment is valued at INR One only. The Directors do not believe that there is any material difference between the Accounts reported on a stand-alone basis and those that would be reported on a consolidated basis.

## **2. PARTICULARS OF EMPLOYEES**

A Statement containing the names of the every Employee employed throughout the financial year and in receipt of remuneration of INR 1.02 Crore or more or employed for part of the year and in receipt of INR 8.50 Lakh or more a month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure 'B' of the Directors Report.

## **3. RATIO OF REMUNERATION**

The information relating to remuneration of Directors of the Company as required under Section 197(12) of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure 'C' of the Directors Report.

## **4. RISK MANAGEMENT POLICY**

In today's economic environment, Risk Management is a very important part of the business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company recognizes risk management as an integral component of good corporate governance. The Company has developed and adopted a risk management policy.

Risks that are assessed encompass operational risks, internal control risks, external risks, information technology risks etc.

## **5. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has significantly improved its documentation management and retention process. The Company is in the continuous process of implementing requisite controls inter alia in relation to maintenance of books of accounts and documentation.

## **6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In accordance with the requirement of SEBI (LODR) Regulations, 2015, the Management Discussion and Analysis Report form part of this Report.

## **F. OTHERS**

### **1. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has put in place a mechanism of reporting illegal or unethical behavior through its Whistle Blower Policy. Employees and Directors are free to report violations of laws, rules, regulations or unethical conduct. The report, if any, in this regard as received from any person will be reviewed by the Audit Committee of the Company.

It is affirmed that no person has been denied access to the Audit Committee of the Company in this respect. It is also ensured that confidentiality of such reporting is strictly maintained and that Whistle Blowers are not subjected to any discriminatory practice or harassment.

The Whistle Blower Policy is uploaded on the Company's website under the web-link: <https://rconnect.ricoh.co.in/Content/CMSIMAGE/Policies/WhistleBlowing%20and%20Vigil%20Mechanism%20Policy1.pdf>

### **2. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirement of The Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.



There were no complaint(s) received from any employee during the financial year 2017-2018.

### **3. MAINTENANCE OF COST RECORDS**

There is no need to maintain cost records as the Company is not in the business of manufacturing any goods.

### **4. DETAILS IN RESPECT OF FRAUD REPORTED BY THE AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE REPORTABLE TO CENTRAL GOVERNMENT**

Not applicable.

### **5. FUTURE PLANS**

The Company is currently undergoing CIRP under the provisions of the Insolvency and Bankruptcy Code, 2016 where in Resolution Plan can be submitted by a Resolution Applicant within 180 or 270 days from the day of the NCLT order. Considering this, the Future Plans of the Company will depend upon future course of events.

The Resolution Professional with the approval of Committee of Creditors of the Company had filed an application before the Hon'ble NCLT, Mumbai seeking an extension of the period of Corporate Insolvency Resolution Process (CIRP) of the Company by Ninety (90) days in terms of Section 12(2) of the Insolvency and Bankruptcy Code, 2016. The Hon'ble NCLT, Mumbai has granted an extension of the CIRP period of the Company by further period of Ninety (90) days vide its Order dated 30<sup>th</sup> October 2018.

### **6. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

(a) Securities and Exchange Board of India passed an Interim Order dated 12<sup>th</sup> February 2018 in the matter of Ricoh India Limited.

(b) Ricoh India Limited is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench with effect from 14<sup>th</sup> May 2018. Its affairs, business and assets are being managed by the Resolution Professional Mr. Krishna Chamadia appointed as Interim Resolution Professional by NCLT vide its Order dated 14<sup>th</sup> May 2018 and continued as Resolution Professional by the Committee of Creditors in its Meeting held on 15<sup>th</sup> June 2018 under provisions of the Code. Under Section 17 of the IBC 2016 the powers of the Board are suspended and the same are vested on the Resolution Professional, Mr. Krishna Chamadia.

(c) Resolution Professional with the approval of Committee of Creditors of the Company had filed an application before the Hon'ble NCLT, Mumbai seeking an extension of the period of Corporate Insolvency Resolution Process (CIRP) of the Company by Ninety (90) days in terms of Section 12(2) of the Insolvency and Bankruptcy Code, 2016. The Hon'ble NCLT, Mumbai has granted an extension of the CIRP period of the Company by further period of Ninety (90) days vide its Order dated 30<sup>th</sup> October 2018.

### **7. DISCLOSURES**

#### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT - 9 is annexed herewith as Annexure 'D' of the Directors Report.

#### **ACKNOWLEDGEMENT**

The Directors wish to convey their appreciation to all stakeholders and business associates for their support and contribution during the year. The Directors would also like to thank the employees, shareholders, customers, suppliers and bankers for the continued support given by them to the Company and their confidence reposed in management.

**For and on behalf of the Board of Directors**

Dated : 21 November 2018

Place : Noida

**Subhankar Lahiri**  
Managing Director & CEO



**ANNEXURE 'A' OF THE DIRECTORS' REPORT**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018**

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

**To,  
The Members,**

Ricoh India Limited  
1132, 3rd Floor, 11 Solitaire Corporate Park  
Andheri Ghatkopar Link Road,  
Chakala, Andheri (E) Mumbai 400093

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

Based on our verification of Ricoh India Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company, during the audit period covering the financial year ended on 31 March, 2018 complied with the statutory provisions listed hereunder and also that the Company had proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The present audit report also refers to certain events that occurred after the close of financial year ended 31 March, 2018 to present a fair view of the state of affairs of the company; however, the events that happened after the close of the financial year were not reviewed for audit purpose. Our Report is to be read along with the Statutory Auditors observations in their Audit report dated 26 May 2017 on the financial statements of the company for the year ended 31 March, 2017 and the Audit report dated 21 November, 2018 on the financial statements of the company for the year ended 31 March, 2018.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Ricoh India Limited ("the Company") for the financial year ended on 31 March, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and by-laws framed thereunder to the extent of Regulation 55A;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ;
  - # (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended by the SEBI Issue and Listing of Debt Securities (Amendment) Regulations 2012;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
  - # (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - # (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

**# No event covered under these Regulations took place during the Audit period.**

- vi. There are no specific laws applicable to Company as stated in ICSI guidance note on secretarial audit as per the Company's management representation letter during the year 2017-2018.

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

- (i) Secretarial Standards issued by "The Institute of Company Secretaries of India";
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including amendments thereto.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned **above except to the extent stated hereunder:-**

**Observations:-**

**During the year under review, the company filed a petition with the National Company Law Tribunal, Mumbai under Section 10 of Insolvency and Bankruptcy Code, 2016 on 29.01.2018. The National Company Law Tribunal, Mumbai (NCLT) ordered the commencement of Corporate Insolvency Resolution Process (CIRP) on 14 May 2018 and appointed Mr. Krishna Chamadia, Registration No. IBBI/IPA-001/IP-P00694/2017-**

18/11220 as the Interim Resolution Professional who has continued as Resolution Professional pursuant to the approval of the Committee of Creditors in its Meeting held on 15.06.2018 and the NCLT under the provisions of the Code. The CIRP of Ricoh India Limited is in progress as on the date of this report and its affairs, business and assets are being managed by the Resolution Professional.

**The matter against the Corporate Insolvency Resolution Process is pending for admission before the Hon'ble NCLAT vide Company Appeal (AT) No. 621/2018.**

**We further report that:**

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

*The Independent Directors of the company Mr R K Pandey, Mr U P Mathur, Mr Rajiv Ahuja and Ms Ashish Garg resigned from the Board of the company w.e.f. 9 November, 2017. In terms of the regulation 17 and 25 of the Listing (Obligation & Disclosures) Regulations, 2015 as amended where the chairman of the company is related to the promoter, at least half of the Board should comprise of Independent Directors. The company was however not able to comply with this requirement till the time Mr. Noboru Akahane, Chairman related to promoter resigned from the Board of the company. Further the vacancy caused by resignation of Independent directors in listed entity be filled up at the earliest but not later than the immediate next meeting of the Board of directors or three months from the date of such vacancy, whichever is later. Mr. Tanmoy Adhikary and Ms. Hamsa Vijayaraghavan were appointed as Independent Directors on 27 March 2018 i.e. after the expiry of prescribed period of 3 months.*

*The changes in Board of Directors had also affected the composition of Nomination and Remuneration committee and Audit Committee of the Board during the year.*

*Mr A T Rajan, Director has not provided written representations as on 31 March 2018, to the Board of Directors, that he is not disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.*

*The Company is yet to approve and present quarterly and year to date results along with limited review report for the quarters ended post 30 June 2017 in terms of requirement of regulation 33 of Listing (Obligation & Disclosures) Regulations, 2015 as amended*

*The Company has defaulted in making payment of half yearly interest at the rate of 7% on Rs 200 Crores Non Convertible Debentures issued by the Company to Ricoh Asia Pacific Pte Limited (The Debenture Holder) listed on BSE Limited due on 10 March 2018 and 10 September 2018 and is not able to comply with the provisions of regulation 52 and 56 of (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

*The Company has not prepared a consolidated financial statement for the year ended 31 March 2017 in respect of I.D.C. Electronics Limited (an associate company) as required under section 129(3) of Companies Act, 2013 As per the management the Company does not exercise control or has any significant influence over the financials and/or operating policies of IDC Electronics Limited ("IDC" IDC. Accordingly the Company did not prepare consolidated financial statement as required under Section 129(3) of the Companies Act, 2013. The investment is valued at Rs. 1. However the Company had attached Form AOC-1 in its financial statement for the year ended 31 March 2017 and 31 March 2018 and provided reason therein for not consolidating its financial statement.*

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 (seven) days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decision of the Board were unanimous and dissenting views, if any, were found to be duly recorded.

**We further report that** in view of the frequent changes in management and ongoing Corporate Insolvency Resolution Process we are not in a position to comment whether there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that**, in our opinion based on the discussion we had with the management officials, following are the events / actions which have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines standards etc. happened during the audit period:-

- The Statutory Auditors have not expressed any opinion on the financial statements of the company for the financial year ended 31.03.2018 as they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. They have given an adverse opinion on the Company's internal financial controls system over financial reporting.
- As per the disclosure submitted by the Company to BSE Limited dated 30 October 2017, the Promoter of the Company, Ricoh Company Limited, Japan, had announced that it will not provide any additional financial support to Ricoh India Limited going forward.
- SEBI passed an Interim Order No. WTM/GM/CFD/87/2017-18 dated 12 February 2018 in the matter of Ricoh India Limited and a corrigendum vide order no. WTM/GM/IMD/87A/2017-18 dated 6 March 2018. In view of the aforesaid order, after the Board of Directors meeting of the company held on 22 February 2018, Mr AT Rajan proceeded on leave with effect from Friday, 23 February 2018 till further orders of the Board of Directors of the company. Mr. Shubhankar Lahiri was appointed by the Board as Interim Chief Operating Officer of the Company till further orders of the Board of the Company.
- BSE vide its order dated 28 March 2018 appointed M/s CJS Nanda & Associates, Chartered Accountants as the Forensic Auditors to conduct forensic audit of the company for the financial year 2012-2013 onwards till date.
- The Office of Regional Director, Western Region carried out an inspection under section 206 and 207 of the Companies Act 2013 and issued show



cause notice(s) against the company and its officers for violations of the provisions of Companies Act, 2013. The Company and its Directors / officers have filed applications for compounding of offences before appropriate authorities as provided under the Companies Act.

- India Ratings and Research Private Limited (Ind-Ra) revised the Credit Ratings for 7.8%, Privately Placed, 2000, Unsecured, Non Cumulative, Redeemable, Taxable, Listed, Rated Non Convertible Debentures of Rs 200 Crores to IND BBB-/Stable. The Board of Directors of the Company subject to approval from BSE Limited approved the matter of amendment/restructuring of terms of existing Rs 200 Crores Non Convertible Debentures and the Coupon Rate was revised from the existing 7.8% per annum payable on semi-annual basis to 7% per annum and date of maturity of the Debentures was extended from 10 September 2017 to 10 September 2020.
- As per Disclosure to BSE dated 3 October, 2017 an application to initiate Corporate Insolvency Resolution Process against the company by Fourth Dimension Solution Limited was withdrawn by the said Company on 29 September 2017. Later on, a separate application filed again by Fourth Dimension Solution Limited to initiate Corporate Insolvency Resolution Process under Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 was dismissed by National Company Law Tribunal, Mumbai Bench vide its order dated 19.03.2018.
- The Minority Shareholders of the Company filed a Petition before the Hon'ble NCLT, Mumbai Bench under Sections 241 and 242 read with Chapter XVI of the Companies Act, 2013. The matter is pending before NCLT.
- Mr Tomohiro Kitabatake was appointed as Internal Auditor of the Company with effect from 20 April 2017 and resigned on 23 November 2017. Mr. Rajat Jain was appointed as Internal Auditor on 27 March 2018, he however resigned on 27 April 2018. Thereafter M/s Sanjay Batra and Co., Chartered Accountants have been appointed as new Internal Auditors of the Company with effect from 27 March 2018.
- The Company during the year shifted its Corporate Office from 2<sup>nd</sup> Floor, SalconAurum Building, District Centre, Jasola, New Delhi – 110025 to 7th, 10th and 11th Floors Tower 'B', Windsor IT Park A-1, Sector 125 Expressway, GautamBudh Nagar Noida, Uttar Pradesh – 201 301 w.e.f. 19 February 2018.
- The Registered Office of the Company was also shifted from 801, 8<sup>th</sup> Floor, Akruti Star MIDC Central Road, Near Marol Telephone Exchange, MIDC, Andheri East, Mumbai – 400093 to 1132, 3rd Floor, 11 Solitaire Corporate Park, Andheri Ghatkopar Link Road, Chakala, Andheri (E) Mumbai 400093 w.e.f. 20th June 2018.
- Securities and Exchange Board of India has passed another Order No. WTM/GM/CFD/50/2018-19 dated 16th August 2018 in the matter of Ricoh India Limited whereby it confirm the directions issued vide the ad interim ex-parte order dated February 12, 2018 read with order dated March 06, 2018 against the Notices

During the year, there were several changes made in the Board of Directors as listed below:-

S. No.	Name of Director	Date	Appointment/Cessation
1.	Mr AT Rajan, Managing Director	01.04.2017	Appointment
2.	Mr Rajiv Ahuja, Independent Director	26.05.2017	Appointment
3.	Mr Ian Peter Winham, Chairman & Non Executive Director	03.08.2017	Cessation
4.	Mr Noboru Akahane, Chairman & Non Executive Director	03.08.2017	Appointment
5.	Mr Yoshitaka Motomura, Non Executive Director	03.08.2017	Appointment
6.	Mr R K Pandey, Independent Director	09.11.2017	Cessation
7.	Ms Ashish Garg, (Independent Director	09.11.2017	Cessation
8.	Mr U P Mathur (ID)	09.11.2017	Cessation
9.	Mr Rajiv Ahuja, Independent Director	09.11.2017	Cessation
10.	Mr Hiroyasu Kitada , Non Executive Director	21.12.2017	Cessation
11.	Mr. Tanmoy Adhikary , Independent Director	27.03.2018	Appointment
12.	Ms. Hamsa Vijayaraghavan, Independent Director	27.03.2018	Appointment
13.	Mr. Subhankar Lahiri , Managing Director & CEO	01.04.2018	Appointment
14.	Mr. Yoshitaka Motomura, Non Executive Director	01.04.2018	Cessation
15.	Mr. Noboru Akahane Non Executive Director and Chairman	28.09.2018	Cessation

**For NARESH VERMA & ASSOCIATES  
COMPANY SECRETARIES**

**NARESH VERMA**

**FCS: 5403**

**CP: 4424**

**Date : 21 November, 2018**

**Place : Delhi**

Note: This report is to be read with our letter of even date which is annexed as Annexure- I and forms an integral part of this report.

Annexure-I

To,  
The Members,  
Ricoh India Limited  
1132, 3rd Floor, 11 Solitaire Corporate Park  
Andheri Ghatkopar Link Road,  
Chakala, Andheri (E) Mumbai 400093

Our report on even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **NARESH VERMA & ASSOCIATES**  
**COMPANY SECRETARIES**

**NARESH VERMA**  
**FCS- 5403; CP-4424**

**Date : 21 November, 2018**  
**Place : Delhi**





## ANNEXURE 'B' OF THE DIRECTORS' REPORT

### STATEMENT CONTAINING PARTICULARS OF THE EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016

Top Ten Employees of the Company in terms of Remuneration\* drawn:

(In Indian Rupees)

Employee name (Designation) [Age(in years)]	Educational Qualification	Experience (years)	Date of Joining	Gross Remuneration paid	Previous Employment	% of Equity shares held in the Company	Whether related to any Director/ Manager of the Company
Mr. Y. Uchida (Vice President & CMO) [58]	B.A Applied Mathematics	33	01-06-2015	INR 91,61,785	Ricoh Company Limited	NIL	No
Mr. Tomohiro Kitabatake (Internal Auditor) [57]	B.A. Economics, Waseda University, Tokyo Japan	33	20-09-2016	INR 86,71,821	Hitachi Koki Co. Limited	NIL	No
Mr. T. Ohta (Associate Vice President) [40]	Bachelor Degree in Economics	18	08-04-2013	INR 72,68,879	Ricoh Company Limited	NIL	No
Mr. A.T. Rajan (Managing Director & CEO) [54]	BE, Mechanical Engineer	30	10-06-1994	INR 70,28,953	Indian Hotels Company Ltd	Nil	No
Ms.Pooja Aggarwal (Chief Financial Officer) [42]	Chartered Accountant	18	1 – 12-2016	INR 69,85,405	Birlasoft	Nil	No
Mr. Sambit Misra (COO-PP) [45]	B.A. Economic Honours & PGDBM	21	08-06-2015	INR 68,40,167	Canon India Limited	Nil	No
Ms. Belinda Howell (General Counsel) [ 44 ]	Law Graduate from University of South Africa	20	24-10-2016	INR 61,49,650	Freelancer	Nil	No
Mr. Manish Kumar (Head HR) [44]	MBA (HR), XISS	19	13-4-2011	INR 57,67,550	IndusInd Bank	Nil	No
Mr. Shubhankar Lahiri (45) MD and CEO	B.Com and PGDBM	22	10-6-1996	INR 55,82,676	Gestetner India Limited	Nil	No
Mr. Raj Kumar Bawa (COO- NS & ASB)(56)	Diploma in Electrical Engineering	35	17/10/1994	INR 51,02,258	Xerox India Limited	Nil	No

(a) (i) If employed throughout the financial year was in receipt of remuneration not less than INR 102 lacs:

(In Indian Rupees)

Employee name (Designation) [Age(in years)]	Educational Qualification	Experience (years)	Date of Joining	Gross Remuneration paid (INR)	Previous Employment	% of Equity shares held in the Company	Whether related to any Director/ Manager of the Company
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(ii) If employed for part of the year with an average salary not less than INR 8.50 lacs per month:

(In Indian Rupees)

Employee name (Designation) [Age(in years)]	Educational Qualification	Experience (years)	Date of Joining	Gross Remuneration paid (INR)	Previous Employment	% of Equity shares held in the Company	Whether related to any Director/ Manager of the Company
Mr. Y. Uchida (Vice President & CMO) [58]	B.A Applied Mathematics	33	01-06-2015	INR 91,61,785	Ricoh Company Limited	NIL	No
Mr. T. Ohta (Associate President) [40] Vice	Bachelor Degree in Economics	18	08-04-2013	INR 72,68,879	Ricoh Company Limited	NIL	No
Mr. Tomohiro Kitabatake (Internal Auditor) [57]	B.A. Economics, Waseda University, Tokyo Japan	33	20-09-2016	INR 86,71,821	Hitachi Koki Co. Limited	NIL	No

(iii) If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his Spouse and dependent Children not less than 2% of the Equity Shares of the Company - : **None**

1. All appointments of above mentioned persons are contractual in accordance with terms and conditions as per the Company's rules.
2. None of the above mentioned persons holds more than 2% of the equity shares of the Company either by himself or along with spouse and dependent children.
3. None of the above employees is a Relative of any Director of the Company.
4. All above mentioned



## ANNEXURE 'C' OF THE DIRECTORS REPORT

### DETAILS OF RATIO OF REMUNERATION OF DIRECTORS UNDER SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES 2014

**a) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:**

Name of the Directors	Ratio to Median Remuneration
Mr. Ian Winham, Chairman *	Nil
Mr. A.T. Rajan, Managing Director and CEO **	12.05 : 1
Mr. H.K. Kitada, Non Executive Director ***	Nil
Mr. U.P. Mathur, Independent Director ****	Nil
Mr. R.K. Pandey, Independent Director #	Nil
Ms. Ashish Garg, Independent Director ##	Nil
Mr. Rajiv Ahuja, Independent Director ###	Nil
Mr. Noboru Akahane, Chairman \$	Nil
Mr. Yoshitaka Motomura, Director \$\$	Nil
Mr. Subhankar Lahiri, Managing Director and CEO @	Not Applicable
Mr. Tanmoy Adhikary &	Not Applicable
Ms Hamsa Vijayaraghavan &	Not Applicable

\*Mr. Ian Winham had resigned as Chairman/Director of the Company on 3<sup>rd</sup> August 2017.

\*\*Mr. AT Rajan has ceased to be Managing Director and CEO of the Company effective 1 April 2018.

\*\*\*Mr. Hiroyasu Kitada has resigned as Director of the Company on 21 December 2017.

\*\*\*\*Mr. UP Mathur has resigned as Independent Director of the Company on 9 November 2017.

# Mr. RK Pandey has resigned as Independent Director of the Company on 9 November 2017.

## Ms Ashish Garg has resigned as Independent Director of the Company on 9 November 2017.

### Mr. Rajiv Ahuja has resigned as Independent Director of the Company on 9 November 2017.

\$ Mr. Noboru Akahane has been appointed as Non Executive Chairman of the Company on 3 August 2017.

\$\$ Mr. Yoshitaka Motomura has resigned as Director of the Company on 1<sup>st</sup> April 2018.

@ Mr. Subhankar Lahiri has been appointed as Managing Director and CEO of the Company effective 1<sup>st</sup> April 2018.

& Mr. Tanmoy Adhikary appointed as an Independent Director on 27 March 2018

&& Ms Hamsa Vijayaraghavan appointed as an Independent Director on 27 March 2018.

Independent Directors were paid only Sitting Fees during the Financial year under review. Hence, their Ratio to Median Remuneration has been shown as Nil.

**b) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;**

Name of the Persons	% Increase in Remuneration
Mr. Ian Winham, Chairman *	Nil
Mr. A. T. Rajan, Managing Director and CEO **	Nil
Mr. H.K. Kitada, Non Executive Director ***	Nil
Mr. U.P. Mathur, Independent Director ****	Nil
Mr. R.K. Pandey, Independent Director #	Nil
Ms. Ashish Garg, Independent Director ##	Nil
Mr. Rajiv Ahuja, Independent Director ###	Nil

Name of the Persons	% Increase in Remuneration
Mr. Noboru Akahane, Chairman \$	Nil
Mr. Yoshitaka Motomura, Director \$\$	Nil
Ms. Pooja Aggarwal, Chief Financial Officer+	15%
Mr. Ajay Kumar Mishra, Chief Financial Officer ++	NA
Mr. Manish Sehgal, Company Secretary	5%
Mr. Subhankar Lahiri, Managing Director and CEO @	NA
Mr. Tanmoy Adhikary &	NA
Ms Hamsa Vijayaraghavan &&	NA

\*Mr. Ian Winham had resigned as Chairman/Director of the Company on 3<sup>rd</sup> August 2017.

\*\*Mr. AT Rajan has ceased to be Managing Director and CEO of the Company effective 1 April 2018.

\*\*\*Mr. Hiroyasu Kitada has resigned as Director of the Company on 21 December 2017.

\*\*\*\*Mr. UP Mathur has resigned as Independent Director of the Company on 9 November 2017.

# Mr. RK Pandey has resigned as Independent Director of the Company on 9 November 2017.

## Ms Ashish Garg has resigned as Independent Director of the Company on 9 November 2017.

### Mr. Rajiv Ahuja has resigned as Independent Director of the Company on 9 November 2017.

\$ Mr. Noboru Akahane has been appointed as Non Executive Chairman of the Company on 3 August 2017.

\$\$ Mr. Yoshitaka Motomura has resigned as Director of the Company on 1<sup>st</sup> April 2018.

+ Ms Pooja Aggarwal has resigned as Chief Financial Officer of the Company on 23 December 2017.

++ Mr. Ajay Kumar Mishra has been appointed as Chief Financial Officer of the Company on 27<sup>th</sup> March 2018.

@ Mr. Subhankar Lahiri has been appointed as Managing Director and CEO of the Company effective 1<sup>st</sup> April 2018.

# Ms Pooja Aggarwal was appointed as Chief Financial Officer of the Company with effect from 1 December 2016.

& Mr. Tanmoy Adhikary appointed as Independent Director on 27 March 2018

&& Ms Hamsa Vijayaraghavan appointed as Independent Director on 27 March 2018.

Independent Directors were paid only Sitting Fees during the Financial year under review. Hence, their Ratio to Median Remuneration has been shown as Nil.

**(c) the percentage increase in the median remuneration of employees in the financial year**

The percentage increase in the median remuneration of employees of Ricoh India Limited during the financial year is 5.25%.

**(d) the number of permanent employees on the rolls of company as on 31 March 2018:**

The Number of permanent employees on the rolls of the company as on 31 March 2018 are 641

**(e) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial Remuneration**

The average increase in Salaries of employees other than managerial personnel in 2017-2018 was 5.25%.

**(f) affirmation that the remuneration is as per the remuneration policy of the Company**

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavours to attract, retain, develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.



## ANNEXURE 'D' TO THE DIRECTORS REPORT

### Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

- |  |   |
|--|---|
| i) CIN   | : L74940MH1993PLC074694   |
| ii) Registration Date  | : 22 <sup>nd</sup> October 1993   |
| iii) Name of the Company   | : Ricoh India Limited   |
| iv) Category / Sub-Category of the Company                                     | : Company Limited By Shares / Indian Non-Government Company   |
| v) Address of the Registered office  | : 1132, 3 <sup>rd</sup> Floor, Building No. 11,<br>Solitaire Corporate Park, Guru Hargovindji Marg,<br>Andheri Ghatkopar link Road, Chakala, Andheri East,<br>Mumbai - 400093<br>Tel : 022-66833000<br>Website: <a href="http://www.ricoh.co.in">www.ricoh.co.in</a> ,<br>Email: <a href="mailto:ril.secretarial@ricoh.co.in">ril.secretarial@ricoh.co.in</a> |
| vi) Whether listed company Yes / No  | : Yes, Listed on Bombay Stock Exchange Limited  |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any | : M/s MCS Share Transfer Agent Limited<br>F-65, 1st Floor, Okhla Industrial Area, Phase-I<br>New Delhi – 110 020<br>Tel : 011-41406149, 51<br>Email id: <a href="mailto:helpdeskdelhi@mcsregistrars.com">helpdeskdelhi@mcsregistrars.com</a>  |

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	IT Services	6209	30.96%
2	Multifunctional Printers (MFPs)	4799	69.04%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Ricoh Company Limited Rico Building , 8-13-1, Ginza, Chuo, Ku, Tokyo 104-8222, Japan	Foreign Company	Holding	46.04%	2(46)
2	NRG Group Limited 20 Triton Street, London, England NW13BF	Foreign Company	Holding	27.56%	2(46)
3	I.D.C. Electronics Limited 40-46, IDA Cherlapally HCL Post Hyderabad 500051	U29309AP1987PLC007845	Associate	39.97%	2(6)



**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

Category of Shareholder	No. of Shares held at the beginning of the Year as on 1 <sup>st</sup> April 2017				No. of Shares held at the end of the Year as on 31 <sup>st</sup> March 2018				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individuals / Hindu Undivided Family	--	--	--	--	--	--	--	--	--
b) Central Government / State Government(s)	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	--	--	--	--	--	--	--	--	--
d) Banks/Financial Institutions	--	--	--	--	--	--	--	--	--
e) Any Other (specify)	--	--	--	--	--	--	--	--	--
<b>Sub - Total (A)(1)</b>	--	--	--	--	--	--	--	--	--
<b>(2) Foreign</b>									
a) NRIs-Individuals	--	--	--	--	--	--	--	--	--
b) Other-Individuals									
c) Bodies Corporate	29270370	--	29270370	73.60	29270370	--	29270370	73.60	--
d) Bank/Financial Institutions	--	--	--	--	--	--	--	--	--
e) Any Other (specify)	--	--	--	--	--	--	--	--	--
<b>Sub - Total (A)(2)</b>	<b>29270370</b>	--	<b>29270370</b>	<b>73.60</b>	<b>29270370</b>	--	<b>29270370</b>	<b>73.60</b>	--
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>29270370</b>	--	<b>29270370</b>	<b>73.60</b>	<b>29270370</b>	--	<b>29270370</b>	<b>73.60</b>	--
<b>B.</b>									
<b>C. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	400	400	.0010	0	400	400	.0010	--
b) Banks / Financial Institutions	900	4900	5800	.0146	900	4900	5800	.0146	--
c) Central Government	--	--	--	--	--	--	--	--	--
d) State Government(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	2400	--	2400	.0060	2400	--	2400	.0060	--
g) Foreign Portfolio Investors	77079	--	77079	0.19	77079	--	77079	0.19	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
<b>Sub - total (B)(1)</b>	<b>80379</b>	<b>5300</b>	<b>85679</b>	<b>0.22</b>	<b>80379</b>	<b>5300</b>	<b>85679</b>	<b>0.22</b>	--
<b>2. Central Govt/State Govt/POI</b>	--	--	--	--	--	--	--	--	--
<b>Sub - total (B)(2)</b>	--	--	--	--	--	--	--	--	--
<b>3. Non-Institutions</b>									
a) Bodies Corporate	1741662	27258	1768920	4.45	1781613	27258	1808871	4.55	0.09
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs.1 lakh	3273431	1276464	4549895	11.44	3326606	1250100	4576706	11.51	.06
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	3969842	--	3969842	9.98	3906102	--	3906102	9.82	0.16
c) Qualified Foreign Investor	--	--	--	--	--	--	--	--	--
d) NBFCs Registered with RBI	--	--	--	--	--	--	--	--	--
e) Any other	--	--	--	--	--	--	--	--	--
I. Trust & Foundation	5200	--	5200	0.01	5200	--	5200	0.01	--
II. Cooperative Societies	--	--	--	--	--	--	--	--	--
III. Educational Institutions	--	--	--	--	--	--	--	--	--
IV. Non- Resident Individual	116894	1361	118255	0.30	113872	1361	115233	.29	.01
V. Foreign Companies	--	--	--	--	--	--	--	--	--
VI. OCBs	--	--	--	--	--	--	--	--	--
<b>Sub - Total (B)(3)</b>	<b>9107029</b>	<b>1305083</b>	<b>10412112</b>	<b>26.18</b>	<b>9133393</b>	<b>1278719</b>	<b>10412112</b>	<b>26.18</b>	--



Category of Shareholder	No. of Shares held at the beginning of the Year as on 1 <sup>st</sup> April 2017				No. of Shares held at the end of the Year as on 31 <sup>st</sup> March 2018				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)	9187408	1310383	10497791	26.40	9213772	1284019	10497791	26.40	--
TOTAL (A)+(B)	38457778	1310383	39768161	100	38484142	1284019	39768161	100	--
(c) Shares held by Custodian and against which Depository Receipts have been issued	--	--	--	--	--	--	--	--	--
1. Promoter and Promoter Group	--	--	--	--	--	--	--	--	--
2. Public	--	--	--	--	--	--	--	--	--
GRAND TOTAL (A) + (B) +(C)	38457778	1310383	39768161	100.00	38484142	1284019	39768161	100	--

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year as on 1 <sup>st</sup> April 2017			Shareholding at the end of the year as on 31 <sup>st</sup> March 2018			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Ricoh Company Limited	18310578	46.04	--	18310578	46.04	--	--
2	NRG Group Limited	10959792	27.56	--	10959792	27.56	--	--

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

Sl. No.		Shareholding at the beginning of the year as on 1 <sup>st</sup> April 2017		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	At the beginning of the year	Nil	Nil	Nil	Nil
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3	At the End of the year	Nil	Nil	Nil	Nil

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

Sl. No	Folio no./DP ID	For Each of the Top 10 Shareholders	Shareholding			Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)		Category
			PAN	No of Shares at the Beginning (31-03-17) / end of the year (31-03-18)	% of total Shares of the company				Shares	% of total Shares of the company	
1	IN30133021242333	QUEST PORTFOLIO SERVICES PVT LTD	AAACQ1454B	650000 750000	1.63 1.89	20170331 20170623 20180331	100000	Purchase	750000	1.89	OTHER BODIES CORPORATES
2	IN30133021663494	KALPRAJ DAMJI DHARAMSHI	AABPD7704K	275000 275000	0.69 0.69	20170331 20180331	NIL	NIL			INDIAN PUBLIC

Sl. No	Folio no./DP ID	For Each of the Top 10 Shareholders	Shareholding			Date	Increase/Decrease in Share holding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)		Category
			PAN	No of Shares at the Beginning (31-03-17) / end of the year (31-03-18)	% of total Shares of the company				Shares	% of total Shares of the company	
3	IN30267930987076	BENU GOPAL BANGUR	ADRPB5687N	224200 224200	0.56 0.56	20170331 20180331	NIL	NIL			INDIAN PUBLIC
4	1201060001670851	SUBHASH CHAND MANTRI HUF	AAHS4865F	210000 210000	0.53 0.53	20170331 20180331	NIL	NIL			HINDU UNDIVIDED FAMILY HUF
5	IN30133021242430	HINA KALPRAJ DHARAMSHI	AAEPD7137P	200000 200000	0.5 0.5	20170331 20180331	NIL	NIL			INDIAN PUBLIC
6	1202810000028124	CHETAN G CHOLERA HUF	AAHC9870N	178276 178276	0.45 0.45	20170331 20180331	NIL	NIL			HINDU UNDIVIDED FAMILY HUF
7	IN30133021242413	HARSHA HEMANG DHARAMSHI	AAEPD7167K	175000 175000	0.44 0.44	20170331 20180331	NIL	NIL			INDIAN PUBLIC
8	IN30133021242243	HEMANG RAICHAND DHARAMSHI	AAEPD7168G	150000 150000	0.38 0.38	20170331 20180331	NIL	NIL			INDIAN PUBLIC
9	1201130000063540	DIVYESH AMBALAL SHAH	AAFPS8205E	143000 143000	0.36 0.36	20170331 20180331	NIL	NIL			INDIAN PUBLIC
10	1203230001197128	DILIP TALAKSHI	AAIFN4109P	138395 138395	0.35 0.35	20170331 20180331	NIL	NIL			INDIAN PUBLIC
11	IN30267930957134	NBI INDUSTRIAL FINANCE CO. LTD	AAACN3868N	148425 124131	0.37 0.31	20170331 20170414 20180331	-24294	Sale	124131	0.31	OTHER BODIES CORPORATES

(v) *Shareholding of Directors and Key Managerial Personnel: Nil*

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year as on 1 <sup>st</sup> April 2016		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	At the beginning of the year	Nil			
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil			
3	At the End of the year	Nil			

None of the Directors and Key Managerial Personnel's of the Company hold any Shares of the Company both at the beginning of the year and at the end of the year.



## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rupees in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year as on 1<sup>st</sup> April 2017</b>				
i) Principal Amount	--	126,603	8,784	1,17,819
ii) Interest due but not paid	--	-	-	-
iii) Interest accrued but not due	--	166	353	(187)
<b>Total ( i + ii + iii)</b>	--	<b>126,769</b>	<b>9,137</b>	<b>1,17,632</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	--	-	-	-
• Reduction		22,925	2,451	20,474
<b>Net Change</b>		<b>22,925</b>	<b>2,451-</b>	<b>20,474</b>
<b>Indebtedness at the end of the financial year as on 31<sup>st</sup> March 2015</b>				
i) Principal Amount	--	1,49,528	11,235	1,38,293
ii) Interest due but not paid	--	734	879	(105)
iii) Interest accrued but not due				
<b>Total (i + ii + iii)</b>	--	<b>1,50,302</b>	<b>12,114</b>	<b>1,38,188</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(In Rupees)

Sl. No.	Particulars of Remuneration	Mr.AT Rajan, Managing Director & CEO	Total Amount
1.	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	75,62,330	75,62,330
	b) Value of perquisites u/s 17(2)Income-tax Act, 1961	70,29,050	70,29,050
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	5,33,280	5,33,280
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others	--	--
	<b>Total (A)</b>		<b>75,62,330</b>
	Ceiling as per the Act*		<b>1,20,00,000/-</b>

Remuneration paid to the Managing Director and CEO is within the ceiling provided under applicable sections of the Companies Act, 2013

**B. Remuneration to other directors:**

(In Rupees)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1(a).	<b>Independent Directors</b>	<b>Mr. U.P. Mathur</b>	<b>Mr. R.K. Pandey</b>	<b>Ms. Ashish Garg</b>	<b>Mr. Rajiv Ahuja</b>	
	• Fee for attending board / committee meetings	2,00,000	2,00,000	200,000	1,05,000	
	• Commission	--	--	--	--	
	• Others, please specify	--	--	--	--	
	<b>Total1(a)</b>	<b>2,00,000</b>	<b>2,00,000</b>	<b>2,00,000</b>	<b>1,05,000</b>	
1(b).	<b>Independent Directors</b>	<b>Mr. Tanmoy Adhikary</b>	<b>Ms. Hamsa Vijayaraghavan</b>			
	• Fee for attending board / committee meetings	25,000	25,000			7,55,000
	• Commission					
	• Others, please specify					
	<b>Total1(b)</b>	<b>25,000</b>	<b>25,000</b>			<b>7,55,000</b>
2.	<b>Others Non- Executive Directors</b>	<b>Mr. H.Kitada</b>	<b>Mr. Ian Winham</b>	<b>Mr. Yoshitaka Motomura</b>	<b>Mr. Noboru Akahane</b>	
	• Fee for attending board / committee meetings	--	--	--	--	--
	• Commission	--	--	--	--	--
	• Others, please specify	--	--	--	--	--
	<b>Total B(2)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
	<b>Total (B) = (1+2)</b>					<b>7,55,000</b>
	<b>Total Managerial Remuneration (Mr. AT Rajan remuneration)</b>					<b>75,62,330</b>
	<b>Overall Ceiling as per the Act *</b>					<b>1,20,00,000</b>

\* Ceiling has been calculated as per first proviso of Section II, part II of Schedule V of the Companies Act, 2013

**D. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR/MANAGER/WHOLE TIME DIRECTOR**

(in Rupees)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		Mr. AT Rajan Managing Director & CEO	Mr. Manish Sehgal, Company Secretary	Ms. Pooja Aggarwal, Chief Financial Officer	Mr. Ajay Mishra, Chief Financial Officer	
1	<b>Gross salary</b>					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	75,62,330	18,39,958	93,96,000	31,29,304	2,19,27,592
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	70,29,050	18,39,958	93,96,000	31,29,304	2,13,94,312
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	5,33,280	--	--	--	5,33,280
2	Stock Option	Nil	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4	Commission _ as % of profit _ others, specify...	Nil	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil	Nil



**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil**

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

Date : 21 November 2018

**For Ricoh India Limited**Subhankar Lahiri  
Managing Director and CEO

## ANNEXURE 'E' OF THE DIRECTORS REPORT

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with Related Parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain Arm's Length transactions under third proviso thereto**

1	Details of Contracts or arrangement or transactions not at arm's length basis	Not Applicable (Ricoh India Limited has not entered into any Contract or Arrangement or Transaction(s) with its Related Parties which is not at Arm's Length during the Financial Year 2017-2018)
(a)	Name(s) of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transactions	Not Applicable
(c)	Duration of the contracts / arrangements/transactions	Not Applicable
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
(e)	Justification for entering into such contracts or arrangements or transactions	Not Applicable
(f)	date(s) of approval by the Board	Not Applicable
(g)	Amount paid as advances, if any	Not Applicable
	Date on Which the Special Resolution was passed in General Meeting as required under first proviso to Section 188	Not Applicable
2.	Details of material contracts or arrangement or transactions at arm's length basis	
(a)	Name(s) of the related party and nature of relationship	Ricoh Asia Pacific Operations Ltd, Fellow Subsidiary
(b)	Nature of contracts/arrangements/transactions	Purchase of Goods and Services
(c)	Duration of the contracts / arrangements/transactions	On Going Contract Basis
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	General Business Transactions which are based on transfer pricing guidelines
(e)	date(s) of approval by the Board	The Transactions are as per the Related Party Policy of the Company, Further, the approval of the Audit Committee is sought as per the requirement of the Listing Agreement and Companies Act, 2013
(f)	Amount paid as advances, if any	Nil

Date : 21 November 2018

For Ricoh India Limited

Subhankar Lahiri  
Managing Director and CEO



## ANNEXURE 'F' OF THE DIRECTORS REPORT

### PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

#### (A) Conservation of Energy

##### (i) the Steps taken or impact on conservation of energy

*In its endeavour to optimise the consumption of electricity at its premises, the company initiated a voluntary practice of switching off non-essential lights during lunch hours effective June 5, 2017 (World Environment Day). This initiative led to a substantial reduction in its energy consumption in operations during the year.*

##### (ii) the Steps taken by the Company for utilizing alternate sources of energy

*Not Applicable*

##### (iii) the capital investment on energy conservation equipment's

*Nil*

#### (B) Technology Absorption –

1. the efforts made towards technology absorption *Nil*
2. the benefits derived like product improvement, cost reduction, product development, import substitution. *Nil*
3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
  - a) the details of technology imported *Nil*
  - b) the year of import *N.A*
  - c) Whether the technology been fully absorbed *N.A*
  - d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof and *N.A*
4. the expenditure incurred on Research and Development *Nil*

#### (C) Foreign Exchange Earnings and Outgo:

Earnings (INR Lacs)	2017-2018	2016-2017
Exports	860	176
Others	20	6,118
<b>Total Earnings</b>	<b>880</b>	<b>6,294</b>
Outgo	INR in Lacs	INR in Lacs
Raw Materials	-	-
Finished Goods, Spare Parts & Capital Goods	19,192	34,391
Other Expenses	284	454
<b>Total Outgo</b>	<b>19,476</b>	<b>34,845</b>

## ANNEXURE 'G' OF THE DIRECTORS REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

Pursuant to Section 135 of the Companies Act 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors have constituted a CSR Committee. The Board of Directors have also framed a CSR Policy in compliance with provisions of Section 135 of the Companies Act, 2013.

The said Policy is placed on the website of the Company and is available on the web link

[https://www.ricoh.co.in/RID/sites/www.ricoh.co.in/files/corporate-social-responsibility-policy\\_2017.pdf](https://www.ricoh.co.in/RID/sites/www.ricoh.co.in/files/corporate-social-responsibility-policy_2017.pdf)

Ricoh's commitment to CSR is ingrained in culture through its founding principles – The Ricoh Way: Love Your Country. Love your neighbor. Love your Work. The Ricoh way defines the scope of CSR at Ricoh India covering three areas – corporate governance, welfare of the society and harmony with environment.

We believe that in order to ensure sustainability, CSR should be an integral part of our business strategies. We call it 'value-creating CSR', which strives to achieve its twin objectives: solutions to social and environmental problems and at the same time driving business results. Hence, sustainability at Ricoh is not 'beyond business' but an inclusive way to 'business beyond'.

As we say in our corporate tagline, 'imagine. change.' we help organizations harness the knowledge and collective imagination of their people, to enjoy a more productive, fulfilling, and sustainable quality of work and life.

The Company will focus primarily on the following three programme areas with key projects/activities mentioned in-line as follows:

#### **A. Harmony with Society:**

With the core belief of leveraging its competency in the domain of Information & Communication Technology (ICT), the organisation nurtured programmes as initiated in FY 2015-16 such as 'ICT-led Education', 'Adarsh Patra' and 'View Finder Project' in monitoring & evaluating their impact and in establishing guidance-mechanism for sustainability of same.

CSR projects of the company got featured in the India's Best Practices in CSR Compendium by ISRN which was launched by Hon. Minister of State (Finance & Corporate Affairs) at Indian Institute of Corporate Affairs in July 2017. Additionally, the World CSR Congress 2017 recognised the representative of CSR & Environment at Ricoh India Ltd. with the Citation of '100 Most Impactful CSR Leaders in Global Listing'.

#### **B. Harmony with Environment:**

EPR Authorisation by CPCB under E-waste Management Rules 2016 – Ricoh India Ltd. was granted the Extended Producer Responsibility Authorisation as Producer of electronic & electrical equipment in India by the Central Pollution Control Board. The organisation informs the procedure of recycling & makes disclosures of its e-waste collection and recycling on its website <https://www.ricoh.co.in/about/environment>

As an advisory group member and signatory to the declaration of India Business & Biodiversity Initiative (IBBI), Ricoh India Ltd. promotes sharing and learning on its 'Project Nature Watch' & 'Empowering Digital workplaces' for paperless workflow to mainstream sustainable management of biological diversity by business.

Representative of CSR & Environment at Ricoh India was invited by Confederation of Indian Industry as Member to the National Environment Committee in June 2017 for term 2017-18 to contribute as work-group member of e-Waste Management & Plastic Waste management.

#### **C. Raising the Next generation:**

Realising the crucial role of management education in shaping of corporate leaders of future, Ricoh India works with premier management institutions and its faculty to conduct guest lectures for students on principles of responsible and inclusive business so as to enable a sustainable ecosystem. Additionally, the organisation has tied up with renowned institutions to build learning modules on efficient & effective end-of-life management to evangelise aspect of product stewardship and circular economy.

'R-UBUNTU' was launched as an employee engagement program to promote culture of skills-based volunteerism at the organisation. Over 1000 person-hours were contributed by employees Pan-India during office-hours to conduct activities towards sustainable society.2.

The Composition of the CSR Committee.

Pursuant to the requirement of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of Ricoh India Limited in its Meeting held on 24th March 2014 had constituted a Corporate Social Responsibility Committee which got dissolved during the year under review on account of resignation of all of the Independent Directors of the Company on 9th November 2017. The said Committee was re-constituted on 27th March 2018.

Ms. Hamsa Vijayaraghavan was appointed as Chairperson of the Committee while Mr. Yoshitaka Motomura (Non-Executive Director) and Mr. Noboru Akahane (Non-Executive Director) were inducted as Members of the Committee. On account of resignation of Mr. Yoshitaka Motomura as Director of the Company on 1st April 2018, the said Committee on 15th May 2018 was again re-constituted with Mr. Subhankar Lahiri, Managing



Director and CEO of the Company becoming Member of the said Committee in place of Mr. Yoshitaka Motomura with Ms. Hamsa Vijayaraghavan and Mr. Noboru Akahane as Chairperson and Member of the Committee respectively. Mr. Noboru Akahane resigned as Chairman / Director of the Company effective 28th September 2018.

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

Average net loss amounting to INR (7,79,47,52,332) /-

**4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above):**

NIL

**5. Details of CSR spent during the financial year. N.A.**

(a) Total amount spend for the financial year N.A.

(b) Amount unspent, if any; N.A.

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

**7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company.**

The CSR Committee hereby confirms that the implementation and monitoring of CSR policy has been carried out with all reasonable care and Diligence and the same is in compliance with the CSR objectives and the policy of the company

**Shubhankar Lahiri**  
Managing Director & CEO  
Ricoh India Limited

**Hamsa Vijayaraghavan**  
Chairman of CSR Committee  
Ricoh India Limited.



## ANNEXURE 'H' OF THE DIRECTORS REPORT

### Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
 Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

#### Part 'A': Subsidiaries

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

Not Applicable

#### Part 'B': Associates and Joint Ventures

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

Name of Associates or Joint Ventures Name	I.D.C. Electronics Limited (Associate Company) The Company does not have any Joint Venture
1. Latest audited Balance Sheet Date	31 March 2017
2. Date on which the Associate or Joint	8 July 2005 (I.D.C. Electronics Limited got associated with Ricoh India Limited due to merger/amalgamation of Gestetner India Limited with Ricoh India Limited
3. Shares of Associate or Joint Ventures held by the company on the year end : No. of shares Amount of Investment in Associates or Joint Venture Extent of Holding (in percentage)	3,98,910  INR 39,89,100 39.97%
4. Description of how there is significant Influence	Control of 39.97% of its total shareholding
5. Reason why the associate/joint venture is not consolidated	The investment in IDC Electronics Limited is valued at INR 1 only. IDC Electronics Limited has not traded for many years. The amount under consideration is not material to impact true and fair presentation of the financial statements. The Directors do not believe that there is any material difference between the accounts reported on a stand alone basis and those that would be reported on a consolidated basis.
6. Networth attributable to shareholding as per latest audited Balance Sheet	(39,500)
7. Profit or Loss for the year	
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	(8000)

- Names of associates or joint ventures which are yet to commence operations - Nil
- Names of associates or joint ventures which have been liquidated or sold during the year- Nil

For and on behalf of the board of Directors of Ricoh India Limited

**Shubhankar Lahiri**  
 Managing Director & CEO

Date : 21 November 2018  
 Place: Noida



## REPORT ON CORPORATE GOVERNANCE

Ricoh India Limited is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench with effect from 14<sup>th</sup> May 2018. Its affairs, business and assets are being managed by the Resolution Professional Mr. Krishna Chamadia appointed as Interim Resolution Professional by NCLT vide its Order dated 14 May 2018 and continued as Resolution Professional by the Committee of Creditors in its Meeting held on 15 June 2018 under provisions of the Code.

Under Section 17 of the IBC 2016 the powers of the Board are suspended and the same are vested on the Resolution Professional, Mr. Krishna Chamadia.

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Ricoh India Limited recognizes that good Corporate Governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in overall interests of the Company and its Stakeholders.

### CORPORATE GOVERNANCE

The business of the Company was being managed by the Board of Directors. However, pursuant to initiation of Corporate Insolvency Resolution Process (CIRP), the powers of the Board of Directors of the Company stood suspended with effect from 14 May 2018 and the Powers of the Board remains vested with the Resolution Professional Mr. Krishna Chamadia.

### BOARD OF DIRECTORS

#### COMPOSITION OF BOARD OF DIRECTORS

*The Company is currently under Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code, 2016 (IBC) by the Order of Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench dated 14<sup>th</sup> May 2018. As per Section 17 of the IBC, 2016, the Powers of the Board of Directors stands suspended and such powers shall be vested with Mr Krishna Chamadia (IP Registration No. IBBI/IPA-001/IP-P00694/2017-2018/11220) appointed as the IRP with respect to the Company. The IRP further continued as Resolution Professional by the Committee of Creditors in its first meeting held on 15 June 2018 under the provisions of the Code.*

The Composition of the Board of Directors had fallen below the minimum requirement in FY 2017-18 as stipulated under the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 when all of the Four (4) Independent Directors of the Company namely Mr UP Mathur, Mr. RK Pandey, Mr. Rajiv Ahuja and Ms Ashish Garg resigned together as Directors of the Company on 9<sup>th</sup> November 2017. Further, Mr. Hiroyasu Kitada also resigned as Director of the Company on 21 December 2017.

The Company Secretary/Compliance Officer of the Company have been periodically informing the Senior Management and Board of Directors of the Company on the matters pertaining to Compliance of various Regulations of SEBI (LODR) Regulations, 2015 and Companies Act, 2013 which got effected due to resignations of all of the Independent Directors of the Company on 9<sup>th</sup> November 2017.

The Board of Directors in their meeting held on 25 January 2018 approved the matter to file an Application under Section 10 of the Insolvency and Bankruptcy Code, 2016 (IBC) to initiate Corporate Insolvency Resolution Process (CIRP) Process.

As on the date of the said financial year end i.e 31 March 2018, the Company had the following Directors on the Board.

Mr. Noboru Akahane, Chairman

\*Mr. AT Rajan, Managing Director and CEO

Mr. Yoshitaka Motomura, Non Executive Director

Mr. Tanmoy Adhikary, Independent Director

Ms. Hamsa Vijayaraghavan, Independent Director

\*The Board of Directors in their meeting held on 22 February 2018 unanimously decided that on account of SEBI Order dated 12 February 2018 passed in the matter of Ricoh India Limited Mr. A.T Rajan shall proceed on leave till further Orders of the Board.

The Board evaluates the Company's strategic direction, management policies, performance objectives and effectiveness of Corporate Governance practices.

As on 31 March, 2018 the total strength of the Board of Directors of the Company was Five, comprising of One Executive Director, Two Non-Executive Directors and Two Non-Executive Independent Directors. One of the two Non-Executive Independent Directors namely Ms Hamsa Vijayaraghavan is a Woman Director.

During the year under review, Mr. Noboru Akahane was Non-Executive Chairman of the Board.

All Directors possess relevant skills and experience to bring rational judgement for running the affairs of the Company.

No Director is related to any other Director on the Board in terms of the definition of 'Relative' given under the Companies Act, 2013.

Mr. AT Rajan term as Managing Director and CEO of the Company expired on 31<sup>st</sup> March 2018. However, as on date he continues to be Non Executive Director of the Company.

Mr. Yoshitaka Motomura resigned as Director of the Company on 1<sup>st</sup> April 2018.

Mr. Noboru Akahane resigned as Chairman/Director of the Company on 28 September 2018.

Mr. RK Pandey, Mr. UP Mathur, Ms Ashish Garg and Mr. Rajiv Ahuja, Independent Directors of the Company resigned together on 9<sup>th</sup> November 2017.

Mr. Subhankar Lahiri was appointed as an Additional Director of the Company in the Meeting of the Board held on 27 March 2018 effective 1<sup>st</sup> April 2018.

Further, Mr. Subhankar Lahiri was also appointed as Managing Director and Chief Executive Officer of the Company by the Board in their meeting of 27<sup>th</sup> March 2018 for a period from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019 subject to approval of the Shareholders of the Company which was subsequently obtained by way of Postal Ballot conducted by the Company. The result of the Postal Ballot was declared on 28 September 2018.

## **INDEPENDENT DIRECTORS**

Mr. Tanmoy Adhikary is a Management Graduate from IIM, Ahmedabad with Graduation from IIT, Kharagpur and having more than 20 years experience in varied Industries including last 10 - 12 years in Leadership Roles.

Mr. Tanmoy Adhikary has worked as CEO of Delhi Aviation Services Private Limited from May 2011 to November 2017. He has been CEO of Innovative Tech Pack Limited from June 2009 to April 2011. He has worked as Vice President of Betts Indian Private Limited from May 2002 to May 2007.

Ms. Hamsa Vijayaraghavan (Woman Director) is a Law Graduate from Symbiosis Society's Law College, Pune.

She is Masters in European Law and Practice from the Universite de Rouen, France and the Universidade Catolica, Lisbon, Portugal. She is presently working as Senior Legal Protection Officer in the Ara Trust (A Private Charitable Trust).

Ms. Hamsa Vijayaraghavan is there a Member of Management Board and responsible for the overall Management and Implementation of the Programme and day to day decisions.

Ms. Hamsa Vijayaraghavan has experience in Budgeting, Fund Raising and Preparing Annual Financial Reports.

Ms. Hamsa Vijayaraghavan has also worked as Legal Consultant in Ministry of Women and Child Development, Government of India.

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013. Formal letters of appointments have been issued to the Independent Directors.

The Independent Directors do not have any material pecuniary relationship or transactions with the Company, its Promoters, its Management or its Associates, which in the judgment of the Board may affect independence of judgment of the Director, apart from the Sitting Fees received by them for attending the Meetings of the Board and Audit Committee Meeting.

## **Managing Director and CEO**

Mr. Subhankar Lahiri age 45 years holds Bachelor Degree in Commerce and also Post Graduate Diploma in Business Management.

He is also a Certified Auditor under ISO 9001.

In a career spanning 23 Years Mr. Subhankar Lahiri has worked in areas of Product Marketing, Sales, ERP Implementation, Service Management, Supply Chain, Total Quality Management, Vertical Business - Manufacturing and Project Management.

He has previously worked as Head - Centre of Excellence and Project Director in Ricoh India Limited.

Mr. Subhankar Lahiri started his career with Gestetner India Limited in the year 1997.

Mr. Subhankar Lahiri has been working in Ricoh India Limited from July 2005 onwards post merger of Gestetner India Limited with Ricoh India Limited.

## **BOARD MEETINGS**

The Board meets frequently to discuss and decide on Company's business policy (ies) and strategies apart from transacting other normal Board business.

During the year ended 31st March, 2018, Seventeen (17) meetings of the Board of Directors of the Company were held, i.e on 20 April 2017, 26 May 2017, 3 August 2017, 30 August 2017, 1 September 2017, 15 September 2017, 26 October 2017, 27 October 2017, 3 November 2017, 9 November 2017, 25 January 2018, 8 February 2018, 13 February 2018, 22 February 2018, 6 March 2018, 9 March 2018 and 27 March 2018.

The maximum interval between any two meetings was less than One Hundred and Twenty days, as stipulated under Regulation 17 of the SEBI (LODR) Regulations, 2015.

None of the Director of the Company is a Member of more than (Ten) 10 Committees or is Chairman of more than (Five) 5 Committees across all Listed Companies in which they are Directors.

Details of attendance of the Directors at the Board Meetings during the financial year ended 31st March, 2018, the last Annual General Meeting of the Company held on Monday, 25 September 2017 and also the number of other Directorships and Committee Memberships/Chairmanships in other Public Companies of the Directors of the Company are as follows:-



#### **Details of Attendance at Board Meetings and Annual General Meeting:-**

Name of the Director	Category	Attendance Particulars			No. of Directorship and Committee* Membership/Chairmanship in other Companies		
		No. of Board Meetings		Last AGM	Other Directorship	Committee Membership	Committee Chairman-ship
		Held	Attended				
Mr. AT Rajan #	MD/CEO	17	14	Yes	NIL	NIL	NIL
Mr. Noboru Akahane %	NED	17	14	Yes	NIL	NIL	NIL
Mr. Yoshitaka Motomura +	NED	17	11	Yes	NIL	NIL	NIL
Mr. Ian Winham ++	NED	17	2	N/A	NIL	NIL	NIL
Mr. H Kitada *	NED	17	0	No	NIL	NIL	NIL
Mr. R.K. Pandey **	NED/ID	17	10	Yes	10	3	1
Mr. U.P. Mathur \$	NED/ID	17	10	Yes	NIL	NIL	NIL
Mr. Rajeev Ahuja \$\$	NED/ID	17	7	Yes	4	NIL	NIL
Ms. Ashish Garg ##	NED/ID	17	10	Yes	1	NIL	NIL
Mr. Tanmoy Adhikary @	NED/ID	17	1	N/A	NIL	NIL	NIL
Ms. Hamsa Vijayaraghavan @@	NED/ID	17	1	N/A	NIL	NIL	NIL
Mr. Subhankar Lahiri ***	MD/CEO	17	N/A	N/A	NIL	NIL	NIL

Note:-

Committee position of only Audit and Stakeholders Relationship Committee mentioned.

% Mr. Noboru Akahane resigned as Chairman of the Board on 28 September 2018.

# Mr. AT Rajan has ceased to be the Managing Director and Chief Executive Officer (CEO) of the Company w.e.f. 1<sup>st</sup> April 2018. However, he continues to be Non-Executive Director on the Board of the Company. As decided by the Board in its meeting held on 22 February 2018, Mr. AT Rajan proceeded on leave till further Orders of the Board.

+ Mr. Yoshitaka Motomura has resigned as Director of the Company on 1<sup>st</sup> April 2018.

++ Mr. Ian Winham had resigned as Chairman/Director of the Company on 3 August 2017.

• Mr. H Kitada has resigned as Director of the Company on 21<sup>st</sup> December 2017.

\*\* Mr. R.K. Pandey resigned as Independent Director of the Company on 9<sup>th</sup> November 2017.

\$ Mr. U.P. Mathur resigned as Independent Director of the Company on 9<sup>th</sup> November 2017.

\$\$ Mr. Rajiv Ahuja resigned as Independent Director of the Company on 9<sup>th</sup> November 2017.

## Ms. Ashish Garg resigned as Independent Director of the Company on 9<sup>th</sup> November 2017.

@ Mr. Tanmoy Adhikary has been appointed as Independent Director of the Company with effect from 27<sup>th</sup> March 2018.

@@ Ms. Hamsa Vijayaraghavan has been appointed as Independent Director of the Company with effect from 27<sup>th</sup> March 2018.

\*\*\*Mr. Subhankar Lahiri has been appointed as Managing Director and Chief Executive Officer (CEO) of the Company with effect from 1<sup>st</sup> April 2018.

NED – Non-Executive Director

ID - Independent Director

MD - Managing Director

CEO - Chief Executive Office

#### **DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE**

None of the Directors are related to each other within the meaning of term 'Relative' as per Section 2(77) of the Companies Act 2013 and SEBI (LODR) Regulations, 2015.

#### **NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON EXECUTIVE DIRECTORS**

None of the Non-Executive Directors of the Company hold either any Shares of the Company or convertible instruments.

#### **INFORMATION SUPPLIED TO THE BOARD**

The Members of the Board are provided with well-structured and comprehensive agenda papers. All major agenda items are backed by in-depth background information and analysis, wherever possible, to enable the Board Members to take informed decisions.

## DIRECTORS REMUNERATION

The Independent Directors of the Company are being paid only sitting fees towards attending the Board of Directors and Audit Committee Meetings. No other Remuneration or Commission is paid to Non-Executive/Independent Directors of the Company.

The following table gives details of remuneration paid to the Directors during the financial year 2017-18:-

(In Rupees)

Name of the Director	Salary and Perquisites	Performance linked Bonus	Commission	Sitting Fee	Total
Mr. AT Rajan #	75,62,330	-	-	-	75,62,330
Mr. Noboru Akahane	-	-	-	-	-
Mr. Yoshitaka Motomura +	-	-	-	-	-
Mr. Ian Winham ++	-	-	-	-	-
Mr. H Kitada *	-	-	-	-	-
Mr. R.K. Pandey **	-	-	-	2,00,000	2,00,000
Mr. U.P. Mathur \$	-	-	-	2,00,000	2,00,000
Mr. Rajeev Ahuja \$\$	-	-	-	1,05,000	1,05,000
Ms. Ashish Garg ##	-	-	-	2,00,000	2,00,000
Mr. Tanmoy Adhikary @	-	-	-	25,000	25,000
Ms. Hamsa Vijayaraghavan @@	-	-	-	25,000	25,000
Mr. Subhankar Lahiri ***	-	-	-	-	-

# Mr. AT Rajan has ceased to be the Managing Director and Chief Executive Officer (CEO) of the Company w.e.f. 31<sup>st</sup> March 2018 on account of expiration of his term. However he continues to be Non-Executive Director on the Board of the Company.

\*\* Mr. R.K. Pandey has resigned as Independent Director of the Company on 9<sup>th</sup> November 2017.

\$ Mr. U.P. Mathur has resigned as Independent Director of the Company on 9<sup>th</sup> November 2017.

\$\$ Mr. Rajiv Ahuja has resigned as Independent Director of the Company on 9<sup>th</sup> November 2017.

## Ms. Ashish Garg has resigned as Independent Director of the Company on 9<sup>th</sup> November 2017.

Mr. Yoshitaka Motomura resigned as Director of the Company on 1 April 2018.

Mr. Ian Winham resigned as Director/Chairman of the Company on 3 August 2017

Mr. Hiroyasu Kitada resigned as Director of the Company on 21 December 2017.

@ Mr. Tanmoy Adhikary has been appointed as Independent Director of the Company with effect from 27<sup>th</sup> March 2018.

@@ Ms. Hamsa Vijayaraghavan has been appointed as Independent Director of the Company with effect from 27<sup>th</sup> March 2018.

\*\*\*Mr. Subhankar Lahiri has been appointed as Managing Director and Chief Executive Officer (CEO) of the Company with effect from 1<sup>st</sup> April 2018.

No Stock Option or Pension was given to any of the Director of the Company during the financial year 2017-18.

The remuneration policy of the Company is to pay competitive remuneration, thereby facilitating the Company to recruit and retain the best talent. The remuneration paid to the Independent Non-Executive Directors of the Company is decided by the Board of Directors.

The Company is paying only Sitting fees to its Independent Directors for attending the Meetings of the Board of Directors and Audit Committee. The Independent Directors of the Company were being paid Sitting Fees of Rs. 10,000/- and Rs. 15,000/- each for attending the meetings of the Audit Committee and Board of Directors respectively.

The remuneration of the Managing Director/Executive Director consists of fixed component and variable performance incentive and is determined by the Nomination and Remuneration Committee and is subsequently approved by the Board of Directors and Shareholders of the Company as per applicable provisions of Law.

## PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS

During the year under review, Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

## SHAREHOLDING OF DIRECTORS

None of the Directors of the Company holds any shares in the Company as on date of this Report.





## CODE OF CONDUCT

Commitment to ethical professional conduct is a must for every employee, including Board members and senior management personnel of Ricoh India Limited. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work.

The Code of Conduct is available on the website of the Company [www.ricoh.co.in](http://www.ricoh.co.in). All Board members and Senior Management Personnel affirm compliance with the Code of Conduct annually.

A declaration signed by the Managing Director & Chief Executive Officer of the Company to this effect is annexed and forms part of this report.

## FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

In accordance with Regulation 25(7) of the SEBI (LODR) Regulations, 2015, the Company shall familiarise its Independent Directors with their Roles, Responsibilities in the Company, Nature of the Industry in which the Company operates and Business Model/Profile of the Company through various Programme(s). A familiar Programme was conducted on 27<sup>th</sup> March 2018.

The objective of a familiarisation programme is to ensure that the Independent Directors understand the business of the Company and contribute accordingly to the cause of the Company.

The Company had conducted a familiarisation programme for its Independent Directors, the purpose was to familiarise them inter alia with the Company, their roles, rights, responsibilities, the code of conduct to be adhered, to the nature of the industry in which the Company operates, the business model of the Company, meeting with the senior management team members etc.

The details of such familiarisation programme has been disclosed on the website of the Company at [www.ricoh.co.in](http://www.ricoh.co.in) and the weblink thereto is [http://www.ricoh.co.in/investors/Familiarisation Programme](http://www.ricoh.co.in/investors/Familiarisation_Programme) for Independent Directors.

## SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

The Independent Directors of the Company met separately on 27 March 2018 without the presence of Non-Independent Directors and the members of management. The meeting was attended by both of the Independent Directors.

Pursuant to the requirement of sub-regulation (7) of Regulation 25 of SEBI (LODR) Regulations, 2015, Independent Directors were familiarized with the following:-

- (i) Nature of the Industry in which the Company operates
- (ii) Business model of the Company
- (iii) Products and Services offered by the Company to its Customers
- (iv) Roles, Right and Responsibilities of the Independent Directors

A familiarization session incorporating the above was conducted during the meeting to train and update the Independent Directors.

A separate meeting of the two newly appointed Independent Directors of the Company was held on 27<sup>th</sup> March 2018.

## COMMITTEES OF THE BOARD

The Board has constituted various Committees of Directors to deal with specific areas/ activities which concern the Company. The Board Committees are set up under the formal approval of the Board, to carry out the clearly defined role which is considered to be performed by members of the Board as part of good governance practice. The Minutes of the Meetings of all of the Committees are placed before the Board for review.

## AUDIT COMMITTEE

In accordance with Section 177 of the Companies Act 2013 and as per the requirement of Regulation 18 of SEBI (LODR), the Company has an Audit Committee. The composition of the Audit Committee during the year has fallen below the minimum requirement as prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 when all of the Four (4) Independent Directors of the Company resigned together on 9<sup>th</sup> November 2017.

The main role and functions of the Audit Committee, inter alia include:

- a) Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company
- b) Review and monitor the Auditors Independence and performance and effectiveness of Audit process
- c) Examination of the Financial Statement and the Auditors Report thereon
- d) Approval or any subsequent modification of transactions of the Company with Related Parties
- e) Evaluation of Internal Financial controls and risk management systems.

The Audit Committee of the Company comprises of Non-Executive Directors.

As on 31<sup>st</sup> March 2018, the Committee was headed by Mr. Tanmoy Adhikary, Chairman of the Audit Committee and comprises of Mr. Noboru Akahane and Ms. Hamsa Vijayaraghavan as its Members.

All the current Members of the Audit Committee have relevant experience in financial matters.

During the year, the committee held Six (6) meetings i.e. on 20 April 2017, 26 May 2017, 30 August 2017, 1 September 2017, 17 October 2017 and 27 March 2018.

The attendance record for the Audit Committee Meetings held during the year is as under:-

Name of the Members	Attendance
Mr. U.P. Mathur (Resigned on 9 November 2017)	5 of 5
Mr. R.K. Pandey (Resigned on 9 November 2017)	5 of 5
Mr. H. Kitada (Resigned on 21 December 2017)	1 of 5
Ms. Ashish Garg (Resigned on 9 November 2017)	5 of 5
Mr. Tanmoy Adhikary (Appointed on 27 March 2018)	1 of 1
Ms. Hamsa Vijayaraghavan (Appointed on 27 March 2018)	1 of 1
Mr. Noboru Akahane (Resigned on 28 September 2018)	1 of 1

Attendance is expressed as number of meetings attended out of number eligible to attend.

All Members of the Audit Committee of the Board are Financially literate.

Mr. UP Mathur, Chairman of the Audit Committee of the Company had attended the last Annual General Meeting (AGM) of the Company held on Monday, 25 September 2017.

The Company Secretary of the Company acts as the Secretary of the Committee.

#### **FINANCE COMMITTEE/BOARD COMMITTEE (FOR FINANCE MATTERS)**

The Finance Committee/Board Committee (For Finance Matters) is entrusted inter alia with the functions pertaining towards borrowing from time to time any sum or sums of money for meeting the financial requirements of the Company, to increase, decrease or modify any of the existing Working Capital Limits etc.

The Finance Committee/Board Committee (For Finance Matters) until 9<sup>th</sup> November 2017 consisted of two Directors and it met as and when required.

The Committee consisted of Mr. AT Rajan, Managing Director & CEO and Mr. U.P. Mathur, Director. Mr. AT Rajan, Managing Director and CEO was the Chairman of the Committee.

On 9<sup>th</sup> day of November 2017 the Finance Committee/Board Committee (For Finance Matters) got dissolved on account of resignation of all of the Independent Directors of the Company considering the fact that one of the Independent Directors Mr. U.P. Mathur was a Member of the said Committee.

The Finance Committee/Board Committee (For Finance Matters) of the Company had held (Five) 5 Meetings during the year under review i.e on 2 May 2017, 7 June 2017, 7 July 2017, 1 September 2017 and 9 October 2017.

Further at the Board Meeting of the Company held on 27 March 2018 the Finance Committee/Board Committee (For Finance Matters) was again re-constituted effective 1<sup>st</sup> April 2018.

Mr. Subhankar Lahiri was appointed as Chairman of the said Committee while Mr. Tanmoy Adhikary and Ms. Hamsa Vijayaraghavan were Members of the said Committee.

#### **NOMINATION AND REMUNERATION COMMITTEE**

In view of Section 178(1) of the Companies Act, 2013, which became effective from 1st April 2014, all Listed Companies are required to constitute the Nomination and Remuneration Committee. The Company has a Nomination and Remuneration Committee.

#### **TERMS OF REFERENCE**

The role of the Nomination and Remuneration Committee shall be to identify persons who are qualified to become Directors and who may infact be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board such Directors' appointment and removal and shall



carry out evaluation of every Directors' performance.

The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board, a Policy, relating to the Remuneration for the Directors, Key Managerial Personnel and other Employees.

The Nomination and Remuneration Committee shall on the basis of the report of performance evaluation of independent directors decide whether to extend or continue the term of appointment of the independent director.

The Nomination and Remuneration Committee shall, while formulating the Policy ensure that:-

- The level and composition of Remuneration is reasonable and sufficient to attract, retain and motivate Directors of the Quality required to run the Company successfully;
- Relationship of Remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The said Committee consisted of three Non-executive Independent Directors of the Company namely Mr. U. P. Mathur, Mr. R. K. Pandey and Ms. Ashish Garg.

The Chairman of the Committee is Mr. U.P. Mathur, Independent Director.

On account of resignation of all of the Independent Directors of the Company on 9<sup>th</sup> November 2017, the Nomination and Remuneration Committee got dissolved on 9<sup>th</sup> November 2017.

Further, the said Committee was re-constituted and re-casted on 27<sup>th</sup> March 2018. Ms. Hamsa Vijayaraghavan was appointed Chairperson of the said Committee while Mr. Tanmoy Adhikary and Mr. Noboru Akahane were appointed as Members of the said Committee.

During the year under review (Four) 04 meetings of the Committee were held i.e on 26 May 2017, 03 August 2017, 30 August 2017 and 27 March 2018.

The attendance record for the meeting of the Nomination and Remuneration Committee held during the year is as under:-

Name of the Members	Attendance
Mr. U.P. Mathur @	3 of 3
Mr. R.K. Pandey @@	3 of 3
Ms. Ashish Garg @@@	3 of 3
Mr. Tanmoy Adhikary #	1 of 1
Ms. Hamsa Vijayaraghavan ##	1 of 1
Mr. Noboru Akahane \$	1 of 1

@ Mr. UP Mathur resigned as Independent Director of the Company on 9<sup>th</sup> November 2017.

@@ Mr. RK Pandey resigned as Independent Director of the Company on 9<sup>th</sup> November 2017.

@@@ Ms Ashish Garg resigned as Independent Director of the Company on 9<sup>th</sup> November 2017.

# Mr. Tanmoy Adhikary was appointed as Director of the Company on 27<sup>th</sup> March 2018.

## Ms. Hamsa Vijayaraghavan was appointed as Director of the Company on 9<sup>th</sup> November 2017.

\$ Mr. Noboru Akahane resigned as Director of the Company on 28 September 2018.

Attendance is expressed as number of meetings attended out of number eligible to attend.

#### PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The Board of Directors upon recommendation of Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board members, including Independent Directors.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (LODR) Regulations, 2015, the performance of Independent Directors of the Company shall be evaluated by the entire Board of Directors provided that the directors who are subject to evaluation shall not participate.

Performance evaluation is normally done by the Company in the month of March of an year. However, evaluation for the Financial Year 2017-2018 could not be done by the Company on account of resignation of Directors of the Company at regular intervals throughout the year.

All of the 4 Independent Directors of the Company together resigned from the Board of the Company on 9 November 2017. Mr. Hiroyasu Kitada

resigned from the Directorship of the Company on 21 December 2017. Mr. Ian Winham resigned as Director/Chairman of the Company on 3 August 2017. Mr. AT Rajan proceeded on leave under instructions of the Board effective 23 February 2018.

Mr. Tanmoy Adhikary and Ms Hamsa Vijayaraghavan were appointed as Independent Directors of the Company on 27 March 2018.

#### **REMUNERATION POLICY OF THE COMPANY**

The Remuneration policy of your Company is a comprehensive policy which is competitive, in cognizance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives.

The Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed and variable pay. Individual performance pay is determined by business performance and the performance of the individuals is measured through the annual process.

The Company's philosophy for remuneration of Directors, Key Managerial Personnel, Senior Management and all other Employees is based on the commitment of nurturing a culture of leadership with trust.

Keeping in view the above, the Company has adopted a Policy towards remuneration of Directors, Key Managerial Personnel, Senior Management and other Employees which is fully aligned to this Philosophy.

The key factors considered in formulating the Policy are as under:-

- (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its Goals.

#### **OBJECTIVE OF THE REMUNERATION POLICY**

The objective of the Company's Remuneration Policy is to ensure that the Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees of the Company are governed by comprehensive compensation criteria that foster meritocracy and right behavior. Remuneration packages are designed to attract and retain high caliber personnel required to run the Company successfully. The remuneration shall be competitive and based on the individual responsibilities and performance.

One of the objective of the Remuneration Policy is to ensure that it is aligned to the overall performance of the Company. The Policy ensures that it is fair and reasonable to attract and retain requisite talent, is linked to attaining performance benchmarks and involves a judicious balance of fixed and variable components.

The Remuneration Policy is guided by a common reward, retention framework and set of principles and objectives as more fully and particularly envisaged under Section 178 of the Companies Act, 2013 read with related rules issued thereon, inter-alia principles pertaining to determining qualifications, positives attributes, integrity and independence etc.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

In view of Section 178(5) of the Companies Act, 2013, which became effective from 1 April 2014, all Listed Companies are required to constitute the Stakeholders Relationship Committee.

On account of resignation of all of the Independent Directors of the Company on 9<sup>th</sup> November 2017, the Stakeholders Relationship Committee got dissolved on 9<sup>th</sup> November 2017.

The said Committee was re-constituted on 27<sup>th</sup> March 2018 effective 1 April 2018 with Mr. Noboru Akahane, Chairman while Mr. Subhankar Lahiri and Ms Hamsa Vijayaraghvan acting as Members of the Committee.

Mr. Noboru Akahane resigned as Chairman/Director of the Company with effect from 28 September 2018.

Mr. Manish Sehgal, Company Secretary acts as a Compliance Officer of the Company.

The Company had received (Fourteen) 14 complaints during the year. All the complaints have been duly settled and redressed by the Company. All Share transfers are completed within statutory time period from the date of receipt provided the documents meet the legal requirements in all respects.

The Committee is inter alia entrusted with the responsibility to address the shareholders' and investors' complaints with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividends and approves and monitors transfers, transmission, splitting and consolidation of shares issued by the Company.

As on date there is no complaint of any Shareholder which has not been resolved by the Company to the satisfaction of the Shareholder.

The Committee met (Ten) 10 times during the year. There are no shares pending transfer.



## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE UNDER SECTION 135 OF THE COMPANIES ACT, 2013

Pursuant to the requirement of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of Ricoh India Limited in its Meeting held on 24 March 2014 had constituted a Corporate Social Responsibility Committee which got dissolved during the year under review on account of resignation of all of the Independent Directors of the Company on 9<sup>th</sup> November 2017.

Further, the said Committee was re-constituted on 27<sup>th</sup> March 2018.

Ms. Hamsa Vijayaraghavan was appointed as Chairperson of the Committee while Mr. Yoshitaka Motomura (Non-Executive Director) and Mr. Noboru Akahane (Non-Executive Director) were Members of the said Committee.

On account of resignation of Mr. Yoshitaka Motomura as Director of the Company on 1<sup>st</sup> April 2018, the said Committee on 15 May 2018 was again re-constituted with Mr. Subhankar Lahiri, Managing Director and CEO of the Company becoming Member of the said Committee in place of Mr. Yoshitaka Motomura with Ms. Hamsa Vijayaraghavan and Mr. Noboru Akahane as Chairperson and Member of the Committee respectively.

Mr. Noboru Akahane resigned as Chairman/Director of the Company effective 28<sup>th</sup> September 2018.

The role of Corporate Social Responsibility (CSR) Committee inter-alia is as under:-

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Companies Act, 2013 and rules thereunder.
- Recommend the amount of expenditure to be incurred on CSR activities.
- Monitor the CSR Policy of the company from time to time.

During the year, One meeting of the CSR Committee was held on 27<sup>th</sup> March 2018.

Further, the Company has formulated a CSR Policy which has been uploaded on the website of the Company

(Web link: [http://www.ricoh.co.in/Investors/Policies/Corporate Social Responsibility Policy](http://www.ricoh.co.in/Investors/Policies/Corporate%20Social%20Responsibility%20Policy))

## GENERAL BODY MEETINGS

Location and time, where last three AGMs were held:				No. of Special Resolutions passed
Financial Year	Date	Venue	Time	
2016-2017	25 September 2017	MC Ghia Hall, 4 <sup>th</sup> Floor, Bhogilal Hargovinddas Building, 18/20, K. Dubhash Marg, Kala Ghoda Fort, Mumbai – 400001	3.00 P.M.	5
2015-2016	22 December 2016	Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground Floor, opp. INOX Cinema, Jamnalal Bajaj Marg 226, Nariman Point, Mumbai-400021.	9.00 A.M.	1
2014-2015	24 September 2015	The Leela Hotel, Sahar, Andheri East, Mumbai – 400059	10.00 A.M.	3

Details of Special Resolution(s) passed in the last 3 Annual General Meetings are as under:

Financial Year	Particulars
2016-2017	Re-appointment of Mr. UP Mathur as Independent Director of the Company for the period of Five years. Re-appointment of Mr. RK Pandey as Independent Director of the Company for the period of Five years. Re-appointment of Ms. Ashish Garg as Independent Director of the Company for the period of Five years. Re-appointment of Mr. AT Rajan as Managing Director and CEO of the Company for the period of One year from 1st April 2017 to 31st March 2018. To consider and approve the matter of issuance of appropriate financial instruments in one or more series/tranches up to Rs 1000 Crores.
2015-2016	To consider and approve the matter of issuance of appropriate financial instruments in one or more series/tranches up to Rs 1000 Crores.
2014-2015	Appointment of Mr. Manoj Kumar as Managing Director and CEO of the Company for the period of three years from 1st April 2015 to 31st March 2018. To authorise Board of Directors to raise or borrow money up to Rs 600 crores (Rupees Six Hundred Crores only) To authorize Board of Directors to create charge/ mortgage on the assets of the Company

## Extraordinary General Meetings:

During the period under review from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018, no Extraordinary General Meeting was held.



## WHETHER ANY SPECIAL RESOLUTIONS PASSED IN POSTAL BALLOT

Whether any Special Resolution passed last year through Postal Ballot – No

However, the Company has conducted the Postal Ballot in the Financial Year 2018-2019 for the purpose of taking approval of the Shareholders of the Company for the following Resolution:

1. Appointment of Mr. Tanmoy Adhikary as an Independent Director (Ordinary Resolution)
2. Appointment of Ms. Hamsa Vijayaraghavan as an Independent Director (Ordinary Resolution)
3. Appointment of Mr Subhankar Lahiri as Director (Ordinary Resolution)
4. Appointment of Mr. Subhankar Lahiri as Managing Director and CEO of the Company (Special Resolution)

The Board of Directors of the Company in their meeting held on 22 August 2018 had appointed Mr. Naresh Verma, FCS, Proprietor of M/s Naresh Verma & Associates, Companies Secretaries as Scrutinizer to conduct the Postal Ballot and Remote E-Voting process in a fair and transparent manner.

M/s Central Depository (India) Services Limited (CDSL) was appointed as the Agency for providing Remote E-voting platform.

The Company had completed the dispatch of notice of Postal Ballot along with Postal Ballot Form on 27 August 2018.

Further, Friday, 10 August 2018 was fixed as Cut off date/Record Date for ascertaining the names of the Shareholders of the Company to whom the notice of the Postal Ballot was required to be sent.

The Voting period remained open from Wednesday, 29 August 2018 from 9:00 AM onwards to Thursday, 27 September 2018 till 5:00 PM.

All Postal Ballot Forms received up to 5:00 PM on Thursday, 27 September 2018 being the last date and time fixed by the Company for the receipt of the Postal Ballot Forms were considered for scrutiny.

The result of the Postal Ballot was declared on Friday, 28 September 2018 at 4:00 PM at the Corporate Office of the Company located at 7<sup>th</sup> Floor, Tower 'B', Windsor IT Park Building, Sector 125, Expressway, Noida, Gautam Budh Nagar, Uttar Pradesh – 201 301.

As per the Scrutinizer Report dated 28 September 2018, all Resolutions were passed with requisite majority.

The results of the Postal Ballot were communicated to the BSE Limited and were also uploaded in the website of the Company.

### Details of Voting Pattern:

Particulars of the Resolutions	(Consolidated (E-voting and voting through Postal Ballot Forms))				
	No of Votes Polled	No of Votes in Favour	No of Votes against	% of Votes in Favour	% of Votes in against
Appointment of Mr. Tanmoy Adhikary as an Independent Director (Ordinary Resolution)	31095079	31092529	2550	99.99	0.01
Appointment of Ms. Hamsa Vijayaraghavan as an Independent Director (Ordinary Resolution)	31095079	31092029	3050	99.99	0.01
Appointment of Mr. Subhankar Lahiri as a Director (Ordinary Resolution)	31095079	31091029	4050	99.99	0.01
Appointment of Mr. Subhankar Lahiri as Managing Director and CEO (Special Resolution)	31095079	31092529	2550	99.99	0.01

No Special Resolutions are proposed to be conducted through Postal Ballot at the forthcoming Annual General Meeting of the Company to be held on Friday, 21 December 2018. Hence, the procedure of Postal Ballot is not laid down.

### MEANS OF COMMUNICATION

The Company's Quarterly results along with the Notes are published within 48 hours of approval by the Board in English and Regional language newspaper (viz. Free Press Journal in English and Navshakti in Marathi) in accordance with the requirement of Regulation 47 of SEBI (LODR) Regulations, 2015 circulating in the State of Maharashtra and are also intimated to the Stock Exchange.

Any website where displayed	Yes, Results are displayed on the Company's website i.e <a href="http://www.ricoh.co.in">www.ricoh.co.in</a>
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Whether it also displays official news releases	Yes
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The Company's results and other information are displayed on the Company's website namely [www.ricoh.co.in](http://www.ricoh.co.in)

## GENERAL SHAREHOLDER INFORMATION

### Annual General Meeting

Date	: 21 December 2018
Time	: 10:00 AM
Venue	: Hotel The Mirador 131/B, New Link Road Chakala, Andheri East, Mumbai – 400 099
Financial Year	: 1 April 2017 to 31 March 2018
Listing on Stock Exchange	: The Shares of the Company are listed on BSE Limited, 25th Floor, P.J. Towers, Dalal Street, Mumbai 400001. Listing Fee for the year 2018-2019 has been duly paid by the Company to the BSE Limited.
Scrip code at BSE	: 517496
ISIN No.	: INE291B01015 (Equity)
Corporate Identification Number (CIN) of the Company	: L74940MH1993PLC074694
Details of Debenture Trustee	: IDBI Trusteeship Services Limited Asian Building, Ground Floor 17, R. Kamani Marg, Ballard Estate Mumbai – 400001 Telephone : 022-40807000 Fax : 022-66311776 Email : <a href="mailto:response@idbitrustee.com">response@idbitrustee.com</a>

### Payment of Depository Fees

Annual Custody / Issuer Fee for the year 2018-2019 has been paid by the Company to National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).

### Market Price Data

The facility of trading in the shares of the Company on Trade for Trade basis in Z group on the first trading day of every week was discontinued by BSE Ltd with effect from 13 December 2016.

Shares of the Company were suspended from Trading with effect from 26 May 2016 on account of non compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 for two successive quarters.

Hence, Market Price Data is not available for the Financial Year 2017-2018.

### Share Price Performance in comparison to the BSE Sensex

The facility of trading in the shares of the Company on Trade for Trade basis in Z group on the first trading day of every week was discontinued by BSE Ltd with effect from 13 December 2016. Further, Shares of the Company were suspended from Trading with effect from 26 May 2016 on account of non compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 for two successive quarters.

Hence, Share price and BSE Sensex data is not available for the Financial Year 2017-2018.

### In case the Securities are suspended from Trading, the Directors Report shall explain the reasons thereof

As detailed in the financial statements and fully explained in the Annual Report 2015-2016, the Company was impacted by financial irregularities and falsifications, the impact of which were included in the financial statements for the year ended 31 March 2016. Due to these issues, the Company delayed in filing its accounts for the quarter and half year ended 30 September 2015 and for the quarter and nine month ended 31 December 2015. As a result on 4 May 2016, BSE Limited issued a notice that the shares of the Company would be suspended with effect from 26 May 2016 on account of non compliance of Regulation 33 of SEBI (LODR), 2015 for two consecutive quarters.

The Shares of the Company at present remains under suspension.

The Company had filed an application for revocation of suspension of Trading of Shares of the Company with BSE Limited on 19 December 2016. All necessary payments of penalties and filing fees were made at the same time.

BSE Limited listed an appeal with the Hon'ble National Company Law Appellate Tribunal (NCLAT) on 21 November 2016. This appeal was in respect of the Order of the Hon'ble National Company Law Tribunal (NCLT) dated 30 September 2016 under which the NCLT had approved that the Company did not need to follow Sections 100 to 104 of the Companies Act, 1956.

BSE Limited contended that the Company should follow such Sections and hence should have filed an advance Scheme with BSE Limited/SEBI prior to gaining NCLT approval on 23 August 2016.

The Hon'ble NCLAT disposed of the appeal of BSE Limited on 23 May 2017.

The Order of the NCLT stated that the Company should comply with SEBI rules but that Sections 100 to 102 of the Companies Act, 1956 were not relevant.

#### Registrar and Transfer Agent

All work related to Share Registry is handled by the Company's Registrar and Share Transfer Agents, MCS Share Transfer Agent Limited, F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020.

Phone: 011-41406149 to 51 Fax: 011-41709881

E-mail: [helpdeskdelhi@mcsregistrars.com](mailto:helpdeskdelhi@mcsregistrars.com)

Website: [www.mcsregistrars.com](http://www.mcsregistrars.com)

#### Share Transfer System

The Share Transfers (pertaining to Shares in Physical Mode) are approved by the Stakeholders Relationship Committee which normally meets twice in a month.

Share Transfers are normally processed well within the time stipulated under SEBI (LODR) Regulations, 2015, provided the documents are complete in all respect.

Investors/Shareholders Correspondence(s) may be addressed either to the Company at its Corporate Office or to its Share Transfer Agents at the following respective address(s):-

Mr. Manish Sehgal  
 Company Secretary  
 Ricoh India Limited  
 7<sup>th</sup> Floor, Tower B,  
 Windsor IT Park Building,  
 A-1, Sector 125, Noida,  
 Uttar Pradesh – 201301  
 Tel: 0120-4988 200  
 Email: [ril.secretarial@ricoh.co.in](mailto:ril.secretarial@ricoh.co.in)

MCS Share Transfer Agent Limited  
 (Unit: Ricoh India Limited)  
 F-65, 1<sup>st</sup> Floor, Okhla Industrial Area  
 Phase I, New Delhi - 110020  
 Tel: 011-41406149 to 51  
 Email: [helpdeskdelhi@mcsregistrars.com](mailto:helpdeskdelhi@mcsregistrars.com)  
 Website: [www.mcsregistrars.com](http://www.mcsregistrars.com)  
 Fax: 0120-4988 222

#### Distribution of Shareholding of the Company as on 31 March 2018

Range (Number of Shares)	Folio		Shares	
	Nos.	Percentage %	Nos.	Percentage %
1 to 500	13758	85.66	1714982	4.31
501 to 1000	1262	7.86	919643	2.31
1001 to 2000	578	3.60	838760	2.11
2001 to 3000	155	0.97	398341	1.00
3001 to 4000	52	0.32	188027	0.47
4001 to 5000	50	0.31	234194	0.59
5001 to 10000	97	0.60	719831	1.81
10001 to 50000	81	0.50	1660233	4.17
50001 to 100000	11	0.07	810873	2.04
100001 and above	17	0.10	32283277	81.18
Total	16061	100.00	39768161	100.00



### **Dematerialisation of Shares and Liquidity**

The Company has arrangements with National Securities Depositories Ltd. (NSDL) as well as the Central Depository Services (India) Ltd. (CDSL) for demat facility.

As on 31 March 2018, 96.77% of the Shares of the Company were held in dematerialised mode. ISIN for the Company's Shares is INE291B01015

### **Outstanding GDRs/ADRs/Warrants or any other Convertible Instruments, conversion date and likely impact on Equity**

As of 31 March, 2018, the Company has not issued any GDRs/ADRs/ Warrants or any other Convertible Instruments.

### **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

The Company does not have a Hedging Policy but follows treasury policies of Ricoh Company, Limited. The Company before Hedging evaluates the likely gain/loss on account of hedging. An average foreign exchange rate is worked out based on the purchase made during a particular period.

Thereafter, the foreign exchange premium and changes are worked upon based on the current foreign exchange rates and future foreign exchange rates. Further, in consultation with our Bankers, it is further analysed whether current open foreign exchange needs to be hedged considering the likely foreign exchange gain/loss.

This exercise is repeated over a period of time and the foreign exchange is hedged once it is within the range of an average foreign exchange purchase price.

**Plant Locations:** Not Applicable

### **Address for Correspondence and E-mail ID for Investors:**

Compliance Officer - Mr. Manish Sehgal, Company Secretary

#### **Corporate Office:**

7<sup>th</sup> Floor, Tower B,  
Windsor IT Park Building,  
A-1, Sector 125, Noida,  
Uttar Pradesh – 201301  
E-mail: ril.secretarial@ricoh.co.in  
Tel: 0120-4988 200  
Fax: 0120-4988 222

#### **Registered Office:**

Unit No. 1132, 3<sup>rd</sup> Floor Building No. 11,  
Solitaire Corporate Park, Guru Hargovindji Marg,  
Andheri Ghatkopar Link Road, Chakala,  
Andheri East, Mumbai – 400 093

### **Designated e-mail ID for Investors:**

ril.secretarial@ricoh.co.in

### **OTHER DISCLOSURES**

#### **(A) Disclosures on materially significant Related Party Transactions that may have potential conflict with the interests of the Company at large.**

There are no materially significant Related Party Transactions with the Company's Promoters, Directors, Key Managerial Personnel or their relatives, which may have potential conflict with the interest of the Company at large.

Disclosures on transactions with related parties have been incorporated in the notes to the Accounts, being part of the Annual Report.

None of the transactions with any of the related parties were in potential conflict with the Company's interest at large.

All the Related Party Transactions were in ordinary course of the business and negotiated on an arm length basis and were intended to further the Company's interest.

#### **(B) Details of non-compliance by the Company, Penalties, Strictures imposed on the Company by Stock Exchange(s) or the Board or any Statutory Authority, or any matter related to capital markets, during the last three years.**

The Company defaulted in making half yearly interest payment on its Rs 200 Crores Non Convertible Debentures for the half year ended 10 March 2018 and 10 September 2018.

The Company defaulted in making timely submission of quarterly financial results for the quarter ended 30 September 2015 and 31 December 2016. Further, there was non compliance in submission of audited results for the year ended 31 March 2016.

The Company defaulted in making timely submission of quarterly financial results for the quarters ended 30 September 2017, 31 December 2017 and for the year ended 31 March 2018. Further, there was non compliance with timely submission of results for the quarters ended 30 June 2018 and 30 September 2018.

The Company has initially paid a penalty of Rs 18,86,593 (Rupees Eighteen Lakh Eighty Six Thousand Five Hundred Ninety Three only) to BSE Limited while a sum of Rs 24,46,976/- (Rupees Twenty Four Lakhs Forty Six Thousand Nine Hundred Seventy Six only) was also paid as penalty to BSE Limited for non-compliance with Regulation 33 of SEBI (LODR), 2015.

#### **(C) Details of establishment of Vigil Mechanism, Whistleblower Policy affirmation that no personnel has been denied access to the Audit Committee.**

The Company has put in place a mechanism of reporting illegal or unethical behavior through its Whistle Blower Policy. Employees and Directors are free to report violations of laws, rules, regulations or unethical conduct.

The report, if any in this regard as received from any person will be reviewed by the Audit Committee of the Company. It is affirmed that no person has been denied access to the Audit Committee of the Company in this respect.

It is also ensured that confidentiality of such reporting is strictly maintained and that Whistleblowers are not subjected to any discriminatory practice or harassment.

**(D) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.**

The Company is in full compliance with all the mandatory requirements of Regulation 27 of the SEBI (LODR) Regulations, 2015 with the Stock Exchange.

**(E) Web link where Policy for determining ‘material’ subsidiaries is disclosed- Not Applicable**

**(F) Web link where Policy on dealing with related party transactions: [https://ricoh.co.in/about/Investors/Policies/Related Party Transaction Policy](https://ricoh.co.in/about/Investors/Policies/Related%20Party%20Transaction%20Policy).**

**(G) Non Compliance of any requirement of Corporate Governance report of sub-para (2) to (10) of Part-C of Schedule V of Listing Obligations and Disclosure Requirements, Regulations 2015, with reasons thereof shall be disclosed.**

On account of resignation of all of the Four (4) Independent Directors of the Company on 9 November 2017, the composition of the Board and its Committees got disturbed and the same became not in conformity with the requirement of Regulations 17, 18, 19 and 20 of SEBI (LODR) Regulations, 2015.

The Company had not complied with the requirement of Regulation 33 of SEBI (LODR) Regulations, 2015 which stipulated submission of financial results to the Stock Exchange.

The financials for the quarters ended 30 September 2017, 31 December 2017 and 30 March 2018 were not submitted by the Company as per the time frame provided by SEBI (LODR) Regulations.

**(H) The Corporate Governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted**

The Company had not adopted discretionary requirements as specified in Part E of schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**(I) The disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 shall be made in the section on Corporate Governance of the Annual Report**

On account of resignation of all of the Four (4) Independent Directors of the Company on 9 November 2017, the composition of the Board and its Committees got disturbed and the same became not in conformity with the requirement of Regulations 17, 18, 19 and 20 of SEBI (LODR) Regulations, 2015.

The Company has duly complied with the requirement of Regulations 22, 23, 25, 26, 27 and 46(2) of SEBI (LODR) Regulations, 2015 while Regulation 21 and Regulation 24 of SEBI (LODR) Regulations, 2015 are not applicable upon the Company.

The Company had not complied with the requirement of Regulation 33 of SEBI (LODR) Regulations, 2015 which stipulated submission of financial results to the Stock Exchange.

The financials for the quarters ended 30 September 2017, 31 December 2017 and 30 March 2018 were not submitted by the Company as per the time frame provided by SEBI (LODR) Regulations.

The Company has complied with the disclosures as required in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015.

**Details of Non-Convertible Debentures (NCDs)**

Rs 200 Crores Unsecured, Non-cumulative, Redeemable, Listed, Rated Non-Convertible Debentures (NCDs) are listed on the Wholesale Debt Market Segment of BSE Limited.

The Coupon Rate on the NCDs was reduced from 7.8% to 7% and the period of maturity of the NCDs was also extended to 10 September 2020.

The relevant details are mentioned below:-

Coupon Rate in %	ISIN	Principal Amount	Date of Maturity	Name of the Debenture Trustee	Credit Rating for Debentures
7 %	INE291B01028	Rs 200	10 September 2020	IDBI Trusteeship Services Limited	IND BBB- Stable

The Company defaulted in making Half Yearly payment of Interest on these Non Convertible Debentures (NCDs) to the Debenture Holders on previous two occasions i.e for the Half Year ended 10 March 2018 and 10 September 2018.

**Certificate on Corporate Governance**

As required under Schedule V of the SEBI (LODR) Regulations 2015, Certificate on Corporate Governance is given in the Annual Report.

**For and on Behalf of the Board of Directors**  
**Subhankar Lahiri**  
**Managing Director & CEO**

**Dated: 21 November 2018**

**Place: Noida**



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### **Declaration by Managing Director and Chief Executive Officer of Ricoh India Limited on Compliance of Code of Conduct**

I, Subhankar Lahiri, Managing Director and Chief Executive Officer of Ricoh India Limited based on confirmation received from all the Directors and Senior Management of the Company, do hereby state that all the current Board Members and Senior Management personnel of the Company has affirmed compliance with the Code of Conduct of the Company for the year ended 31st March 2018.

**Date: 21 November 2018**

**For Ricoh India Limited  
Subhankar Lahiri  
Managing Director & CEO**

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### **COMPLIANCE CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

We, Naresh Verma & Associates, Company Secretaries, have examined the compliance of conditions of Corporate Governance by Ricoh India Limited, for the year ended on March 31, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

#### **Managements' Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

#### **Auditors' Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

#### **Opinion**

In our opinion and to the best of information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended on March 31, 2018 *except that the company is in non-compliance of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as financials for the quarters ended 30 September 2017, 31 December 2017 and 31 March 2018 alongwith limited review report are yet to be made available by the company and trading of its shares has been suspended. Further on account of resignation of all of the Four (4) Independent Directors of the Company on 9 November 2017, the composition of the Board and its Committees got altered and the same became not in conformity with the requirement of Regulations 17, 18, 19, 20 and 25(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

The Company presently is undergoing Corporate Insolvency Resolution Process (CIRP) in terms of Insolvency & Bankruptcy Code, 2016 (IBC) regulations and Mr Krishna Chamadia, Registration No. IBBI/IPA-001/IP-P00694/2017-18/11220 has been appointed as Resolution Professional by the Hon'ble National Company Law Tribunal, Mumbai in this regard.

#### **Other matters and Restriction on Use**

This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to Corporate Governance Report accompanied with by a report thereon from the statutory auditors and should not be used by any other person or for any other purpose.

Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

**For Naresh Verma & Associates  
Company Secretaries**

**Naresh Verma  
CP:4424, FCS: 5403**

**Date : 21 November 2018  
Place : Delhi**



## MANAGEMENT DISCUSSION & ANALYSIS ECONOMIC REVIEW

### INDIAN ECONOMY

India will clock a GDP growth rate of 7.2% in 2018 and 7.4% in 2019 as a result of robust private consumption, public investment and government reforms, says United Nations 'World Economic Situation and Prospects 2018' report released on Monday.

The Indian economy will grow at 7.2% in 2018 and accelerate to 7.4% in the following year as a result of robust private consumption, public investment and structural reforms, but it still faces the risk of sudden capital withdrawal on account of monetary policy normalization in developed countries, a United Nations report said.

"Despite the slowdown observed in early 2017 and the lingering effects from the demonetization policy, the outlook for India remains largely positive, underpinned by robust private consumption and public investment as well as ongoing structural reforms," this is as per the United Nations *World Economic Situation and Prospects 2018* Report. At the global level, growth is expected to remain steady at 3% in 2018 and 2019, it said.

The report also forecast that inflation in India will be 4.5% in 2018 and 4.8% in 2019, slightly above the Reserve Bank of India's (RBI) medium-term consumer price index-based (CPI-based) inflation target of 4%. The Central Bank had in its 6 December monetary policy review had raised its fiscal second-half inflation estimate range marginally to 4.3-4.7%.

"Subdued inflation, coupled with a good monsoon season, offers scope for additional monetary easing. However, if inflation accelerates faster than anticipated, the loosening cycle could end abruptly," said the report.

In the latest review, Reserve Bank of India left its repurchase rate—the rate at which it infuses liquidity in the banking system—unchanged at 6%. The UN Report listed sluggish private investment as a key macroeconomic concern for India.

Subdued credit growth, low capacity utilization in some industrial sectors and balance sheet problems in the banking and corporate sectors have been the problems faced by the Indian economy, while public investment in infrastructure has played a critical role in propping up overall investment growth.

The other challenge is a spike in risk aversion and sudden capital withdrawal that monetary policy normalization in developed economies could trigger.

"Central banks in developed economies are currently operating in largely uncharted territory, with no historical precedent as guidance. This makes any adjustment of financial markets less predictable than during previous recoveries and amplifies the risks associated with policy errors," said the report.

### FINANCIAL REVIEW FOR THE YEAR ENDED 31 MARCH 2018

INR Crores	Year ended 31 <sup>st</sup> March 2018	Year ended 31 <sup>st</sup> March 2017
Net Sales and other income	689.4	1,226.7
(Loss) before exceptional items	(337.9)	(334.2)
Exceptional items	547.5	-
(Loss) before tax	(885.4)	(334.2)

### DISCUSSIONS ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The net sales has decreased from INR 1,226.7 Crores to INR 689.4 Crores on account to slowdown in business and loss in market share from the previous financial year. There has been a withdrawal of support from Ricoh Japan in October 2017 which has further impacted the ability to drive growth in the company. Furthermore, the company was severely affected by the fall in ITS (Information Technology Services) business segment; the company did not bid for any new projects during the financial year, the ongoing projects were delayed as collections were hindered on account of lack of investments into ITS projects during the period. Exception items increased to INR 547.5 Crores on account of doubtful deposits, debts and write offs which were incurred during the financial year.

### INDUSTRY STRUCTURE AND DEVELOPMENTS

Today, technology-centric transformation altering business and society on the way it's existed. We believe that technology capabilities enable sustainable change at the speed of digital business. This will be depending on the political, social and economic situations and future developments.

The economic slowdown has affected the growth to an extent, however, the countermeasures by the government will ensure a faster economic growth which will boost the business in total.

The new data-centric paradigm and developments centered this will be leading the business growth in the near future. However, the increase in theft, ransom & cyberattack will also force Organizations to invest more to prevent such incidents.

This new age of network intelligence is reinventing businesses, governments, and individuals and opens new avenues for Ricoh to expand. Today customers want a quick, easy and seamless digital experience. They want personalized treatment, intuitive user interfaces, access to data and other things in real-time.



## OPPORTUNITIES AND THREATS

Ricoh India Limited is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench with effect from 14<sup>th</sup> May 2018. Ricoh India Limited affairs, business and assets are being managed by the Resolution Professional Mr. Krishna Chamadia appointed as Interim Resolution Professional by NCLT vide its Order dated 14 May 2018 and continued as Resolution Professional by the Committee of Creditors in its Meeting held on 15 June 2018 under provisions of the Code.

Under Section 17 of the IBC 2016 the powers of the Board are suspended and the same are vested on the Resolution Professional, Mr. Krishna Chamadia. The Moratorium Period as stipulated under Section 14 of the IBC Code, 2016 is in force.

Under the current CIRP period, the Resolution Professional is in the process of inviting Resolution Plans, once a Plan is submitted, it will be placed before the Committee of Creditors (CoC) and thereafter before Hon'ble NCLT for approval.

## FUTURE OUTLOOK

As mentioned earlier, the Resolution Professional is in the process of Inviting Resolution Plans for the Company which shall be subsequently placed before the Committee of Creditors (CoC) and thereafter to Hon'ble NCLT for its approval.

## RISKS AND CONCERNS

Risk description	Risk impact	Risk mitigation
Competition	The company's success depends on its ability on price, product range and has been hindered by constraints in supply	Ricoh Company Limited is continuing to develop new products and services that the Company can leverage. In addition, the Company is offering higher value services such as IT services, that extend the importance of the Company to its customers
People	The Company's success depends on its ability to attract, retain and motivate the best people with the right capabilities at all levels of the organization	Human resource processes are being refined and improved taking advantage of benchmarking and best practices within the Ricoh Group globally
Foreign Currency Volatility	Volatility in foreign currency may impact our costs and hence operating results	The risk is managed in accordance with Ricoh Company treasury policies that cover appropriate hedging
Cost Pressure	Increase in employee costs and other expenses may create margin pressure	There is a continuous focus on increasing productivity and looking for ways to automate and improve processes
Compliance and Control	Failure to address would expose the company to further losses	In continuation of the previous financial year, efforts have been put in place to monitor, control and improve compliances within the company and its processes
Reputation	Following the falsification of accounts, the Company needs to rebuild the trust of all its stakeholders	There is a clear focus on ethics and integrity. The Ricoh Way is reinforced on an ongoing basis. We will deliver high quality services to delight our customers. We will operate transparently so that all stakeholders are aware of our progress.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

It is essential that the Company has in place adequate internal control processes and procedures that reflect the scale, nature and complexity of its business.

As part of the analysis that enabled the Company to report its results for the previous year, areas for improving internal control were identified. The Company is focused on continuous improvement and hence improvement will be an ongoing process reflecting both changes in the business and opportunities for automation and enhanced controls. The focus is to ensure that the issues that led to falsification or errors cannot recur and to ensure that the Company has a reputation for compliance and business excellence.

## MATERIAL DEVELOPMENTS IN HUMAN RESOURCE/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company's approach is to unlock the potential of people while continuously developing their functional, operational and behavioral competencies. The Company aspires to build and harness a team of dedicated employees who will work with passion, zeal and a sense of belongingness and play a definite role in significantly accelerating the growth and transformation of the Company. The number of permanent employees on the rolls of the Company as on 31 March 2018 are 641.

### Cautionary Statement:

Statements in this Management's Discussion & Analysis Report describing the Company's outlook, projections, estimates, expectations or predictions may be "Forward Looking Statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied.

# **B S R & Co. LLP**

Chartered Accountants

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

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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.



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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;



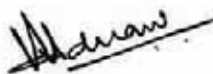
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- h. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and
- i. with respect to the other matters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

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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



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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



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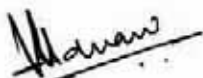
given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

- (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 given 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)

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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.





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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 BSR & 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
<b>ASSETS</b>				
<b>Non-current assets</b>				
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
<b>Total non-current assets</b>		<b>29,027</b>	<b>37,444</b>	<b>31,038</b>
<b>Current assets</b>				
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
<b>Total current assets</b>		<b>113,597</b>	<b>156,931</b>	<b>168,432</b>
<b>Total assets</b>		<b>142,624</b>	<b>194,375</b>	<b>199,470</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	14 (a)	3,977	3,977	3,977
Other equity	14 (b)	(108,618)	(19,243)	(98,891)
<b>Total equity</b>		<b>(104,641)</b>	<b>(15,266)</b>	<b>(94,914)</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
i. Borrowings	15 (a)	20,000	-	20,000
ii. Other financial liabilities	16	448	386	369
Provisions	17	496	2,640	3,695
Other non-current liabilities	18	33	32	41
<b>Total non-current liabilities</b>		<b>20,977</b>	<b>3,058</b>	<b>26,107</b>
<b>Current liabilities</b>				
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
<b>Total current liabilities</b>		<b>226,288</b>	<b>206,583</b>	<b>268,277</b>
<b>Total liabilities</b>		<b>247,265</b>	<b>209,641</b>	<b>294,384</b>
<b>Total equity and liabilities</b>		<b>142,624</b>	<b>194,375</b>	<b>199,470</b>

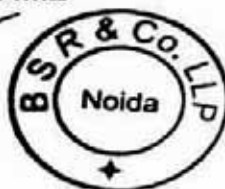
#### Significant accounting policies

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For BSR & Co. LLP  
Chartered Accountants  
Firm Registration No. - 101248W/W-100022

Vikram Advani  
Partner  
Membership No. 091765  
Place: Noida  
Date: 21 November 2018



For and on behalf of Ricoh India Limited

*Subhankar Lahiri*  
Subhankar Lahiri  
Managing Director  
DIN: 08089368

*Ajay Kumar Mishra*  
Ajay Kumar Mishra  
Chief Financial Officer

*Manish Sehgal*  
Manish Sehgal  
Company Secretary

Taken on record

*Krishna Chamadia*  
Krishna Chamadia  
Resolution Professional  
IP Regn no. IBB/PA-  
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





**Ricoch 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
<b>Income</b>			
Revenue from operations	22	68,059	121,748
Other income	23	928	921
<b>Total income</b>		<b>68,987</b>	<b>122,669</b>
<b>Expenses</b>			
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
<b>Total expenses</b>		<b>104,412</b>	<b>155,989</b>
<b>Loss before exceptional items and tax</b>		<b>(35,425)</b>	<b>(33,320)</b>
Exceptional items	40	53,890	-
<b>Loss before tax</b>		<b>(89,315)</b>	<b>(33,320)</b>
Income tax expense		(95)	660
-Tax related to previous years		(95)	660
<b>Total tax expense</b>		<b>(190)</b>	<b>1,320</b>
<b>Loss for the year (A)</b>		<b>(89,410)</b>	<b>(32,660)</b>
<b>Other comprehensive income</b>			
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		-	-
<b>Other comprehensive income/ (loss) for the year, net of tax (B)</b>		<b>35</b>	<b>8</b>
<b>Total comprehensive income/ (loss) for the year (A+B)</b>		<b>(89,375)</b>	<b>(32,652)</b>
<b>Loss per equity share of face value of INR 10 each</b>	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 BSR & Co. LLP  
Chartered Accountants  
Firm Registration No. - 101248W/W-100022

Vikram Advani  
Partner  
Membership No. 091765

Place: Noida  
Date: 21 November 2018



For and on behalf of Ricoch India Limited

*Subhankar Lahiri*  
Subhankar Lahiri  
Managing Director  
DIN: 08089368

*Ajay Kumar Mishra*  
Ajay Kumar Mishra  
Chief Financial Officer

*Manish Sehgal*  
Manish Sehgal  
Company Secretary

Taken on record

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



**RICOCH 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**  
(Figures 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 and Changes in equity share capital	14 (a)	3,977	3,977	3,977
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	Debt redemption reserve	Securities Premium	Re-measurement of defined benefit plan (net of tax)	
Balance as at April 1, 2016	(104,298)	7	200	5,000	-	-	(98,891)
Loss for the year	(32,660)	-	-	-	-	-	(32,660)
Other comprehensive income/ (loss) (net of tax)	-	-	-	-	-	8	8
Cancellation of shares*	-	1,396	-	-	-	-	1,396
Provision on equity shares received	-	-	-	-	111,204	-	111,204
Balance as at March 31, 2017	(137,058)	1,103	200	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)

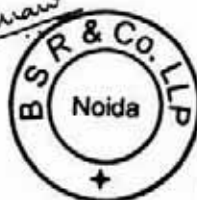
\* On 15 October 2016, 10,959,792 shares of RIG Group Limited were cancelled and re-issued at a premium.  
The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For BSR & Co. LLP  
Chartered Accountants  
Firm Registration No. - 101248W/W-100022

Vikram Adval  
Partner  
Membership No. 091765

Place: Noida  
Date: 21 November 2018



For and on behalf of Ricoh India Limited

Sukhshar Lohri  
Managing Director  
DOB: 08/09/1968

Ajay Kumar Mishra  
Chief Financial Officer

Manish Sehgal  
Company Secretary

Taken on record

Krishna Chaudhary  
Resolution Professional  
IP Regn no. IHB/SPA-001/IP-  
P0064/2017-2018/11220

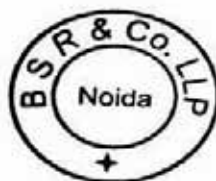
Place: Noida  
Date: 21 November 2018





**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
<b>A. Cash flows from operating activities</b>		
Loss for the year	(89,315)	(13,320)
Adjustments for:		
Depreciation and amortization 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)
<b>Operating loss before working capital changes</b>	<b>(27,883)</b>	<b>(21,609)</b>
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	(4,003)	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)
<b>Cash generated/ (outflow) from operations</b>	<b>(1,373)</b>	<b>18,389</b>
Taxes paid	(1,852)	(1,271)
<b>Net cash inflow/ (outflow) from operating activities - Total (A)</b>	<b>(3,225)</b>	<b>17,118</b>
<b>B. Cash flows from investing activities</b>		
Acquisition 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
<b>Net cash used in investing activities - Total (B)</b>	<b>(2,553)</b>	<b>(5,610)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issuance of equity share capital	-	112,299
Securities premium received on issue of shares	-	(107,898)
Repayment/proceeds from borrowings (net)	22,925	(16,437)
Interest paid on bank loans and others	(6,297)	-
<b>Net cash used in financing activities - Total (C)</b>	<b>16,628</b>	<b>(12,036)</b>
<b>Net increase in cash and cash equivalents (A)+(B)+(C)</b>	<b>10,850</b>	<b>(528)</b>



**RICOH INDIA LIMITED**  
 (Company under Corporate Insolvency Resolution Process  
 By NCLT, order dated 14.2.2018)

**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
<b>Net Increase in cash and cash equivalent (E-D)</b>	<b>10,850</b>	<b>(528)</b>
<b>Changes in liabilities arising from financing activities</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
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
<b>Cash flows</b>		
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	-	-

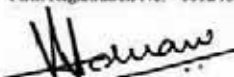
**Notes:**

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

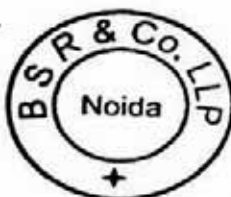
As per our report of even date attached

For BSR & Co. LLP  
Chartered Accountants  
Firm Registration No. - 101248W/W-100022

  
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

Taken on record  
  
Krishna Chamadia  
Resolution Professional  
IP Regn no. BBBI/PA-001/IP-  
P00694/2017-2018/11220

Place: Noida  
Date: 21 November 2018

  
Ajay Kumar Mishra  
Chief Financial Officer

  
Manish Sebgal  
Company Secretary



For and on behalf of Ricoh India Limited  
Company under Corporate Insolvency Resolution Process  
By NCLT, order May 14, 2018)



**Ricoh India Limited**  
**Notes to financial statements for the year ended March 31, 2018**

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**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.*

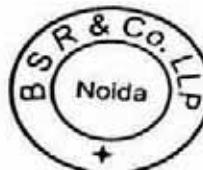
Accordingly, the RP has been managing the operations of the company as a going concern. Under the current CIRP period, the resolution professional has invited resolution plans from prospective Resolution Applicants. Once a plan is submitted, it will be placed before the Committee of Creditors ("CoC") 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**

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

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.

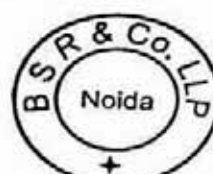
This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

**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.

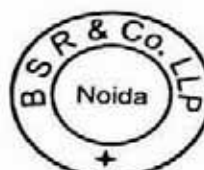




## **Ricoch India Limited**

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

- **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**

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

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.

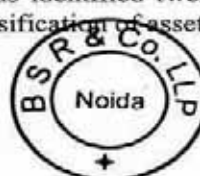
Current assets include the current portion of non-current financial assets. The Company classifies all other assets as non-current.

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.





## Ricoch India Limited

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

#### 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.

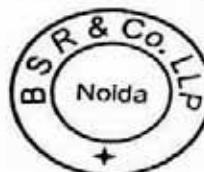
Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

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

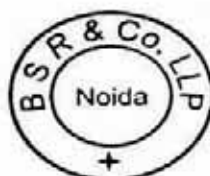
Depreciation method and useful lives are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these 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.





## Ricoch India Limited

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

#### *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 amortised 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.

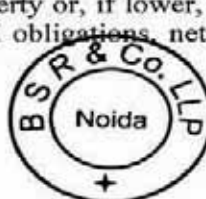
#### **e) Leases**

##### *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**

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

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.

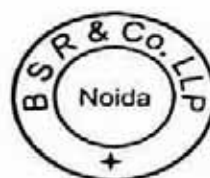
A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

*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







## Ricooh India Limited

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

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:

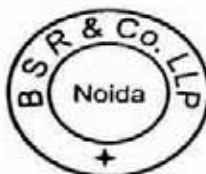
- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal 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**

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

*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.

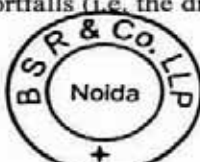
12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

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







## **Ricoch India Limited**

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

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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*

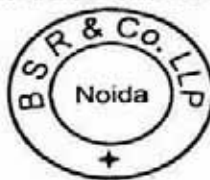
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

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**

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

**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.







## Ricoch India Limited

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

#### *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.

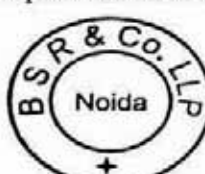
The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of economic benefits available in the form of any 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**

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

*(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.

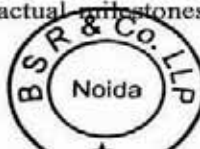
Revenue from services is recognised when the significant terms of the arrangement are enforceable, services have been delivered and collectability is reasonably assured. The method of recognizing the revenue and cost depends on the nature of services rendered.

*(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







## Ricoch India Limited

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

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.

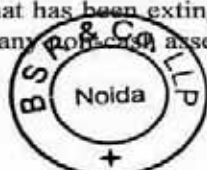
In instances when revenue is derived from sales of third-party vendor services or material, revenue is recorded on a gross basis when the Company is a principal to the transaction and net of costs when the Company is acting as an agent between the customer and the vendor. Several factors are considered 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.

1) **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**

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

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**

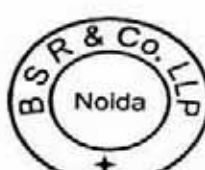
The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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.







## **Ricoch India Limited**

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

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**

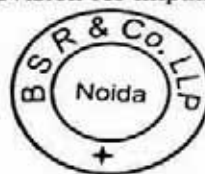
Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from 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**

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

**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*

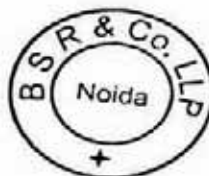
Basic earnings per share is calculated by dividing:

- 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  
(Report in Indian, unless otherwise stated)

**Note 3: Property, plant and equipment**

	Leasehold land	Buildings	Plant and Machinery	Vehicles	Office equipment	Computer hardware	Furniture and fixtures	Machines capitalised **	Facilities management contracts	Leasehold improvements	Total
<b>Year ended March 31, 2017</b>											
Deemed cost as at April 1, 2016	410	1,721	778	45	367	1,080	474	928	161	304	6,268
Additions	-	4	27	-	95	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
<b>Year ended March 31, 2018</b>											
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	15	346	-	-	366
Disposals	-	-	(15)	(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	355	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 capitalised 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 2015.





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







Ricoch 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
<b>Non-trade (unquoted) investments</b>			
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)]			
<b>Aggregate cost of unquoted non-current investment</b>	39	39	39
<b>Aggregate value of provision on unquoted non-current investments</b>	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)						
<b>Security deposits</b>						
- 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)
<b>Total loans</b>	5,133	4,515	2,913	3,207	-	6,899



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

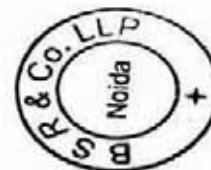
**Note 7 : Other financial assets**

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
<b>Considered good</b>						
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	-
<b>Considered doubtful</b>						
Other receivables	-	180	-	180	-	180
Less: Allowance for doubtful receivables	-	(180)	-	(180)	-	(180)
<b>Total other financial assets</b>	<b>17,725</b>	<b>14,334</b>	<b>16,036</b>	<b>23,571</b>	<b>9,891</b>	<b>14,111</b>

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

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

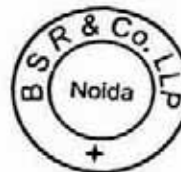
Note: The exposure to financial risks and fair value measurement related to these financial instruments is described in Note 32.





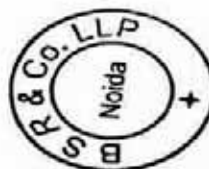
**Note 8 : Income tax assets (net)**

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



**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
<b>Unsecured, considered good</b>						
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	-
<b>Unsecured, considered doubtful</b>						
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)
<b>Total other assets</b>	<b>11,114</b>	<b>1,146</b>	<b>44,354</b>	<b>1,533</b>	<b>48,530</b>	<b>2,508</b>







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

**Note 10 : Inventories**

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

(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**  
**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
	<b>68,027</b>	<b>64,057</b>	<b>63,084</b>
Less : allowance for expected credit loss	(30,449)	(8,761)	(8,247)
<b>Total trade receivables</b>	<b>37,578</b>	<b>55,296</b>	<b>54,837</b>

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
<b>Total cash and cash equivalents</b>	<b>14,405</b>	<b>3,555</b>	<b>4,083</b>

\* 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
<b>Total bank balances others than cash and cash equivalents</b>	<b>6,667</b>	<b>1,449</b>	<b>1,897</b>

\* 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.





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

**14 (a) Equity share capital**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	Amount	Number of shares	Amount	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
	<b>45,500,000</b>	<b>5,000</b>	<b>45,500,000</b>	<b>5,000</b>	<b>45,500,000</b>	<b>5,000</b>
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.

**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		As at March 31, 2017	
	Number of shares	Amount	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	<b>39,766,961</b>	<b>3,977</b>	<b>39,766,961</b>	<b>3,977</b>

**Rights, preferences and restrictions attached to equity shares**

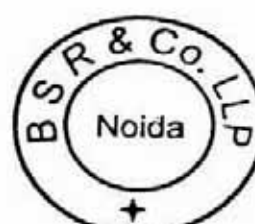
The Company has single class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held are entitled to receive dividend as declared from time to time. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets 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	As at March 31, 2017	As at April 1, 2016
	Number of shares	Number of shares	Number of shares
Ricoch Company Limited, Japan (Immediate and ultimate holding company)	18,310,578	18,310,578	18,310,578

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

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Name of shareholder						
- Ricoch 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%



**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	-
<b>Total other equity</b>	<b>(108,618)</b>	<b>(19,243)</b>	<b>(98,891)</b>

**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)
<b>Closing balance</b>	<b>(226,468)</b>	<b>(137,058)</b>

**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
<b>Closing balance</b>	<b>111,204</b>	<b>111,204</b>

**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
<b>Closing balance</b>	<b>1,103</b>	<b>1,103</b>

**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
<b>Closing balance</b>	<b>500</b>	<b>500</b>

**Debenture redemption reserve**

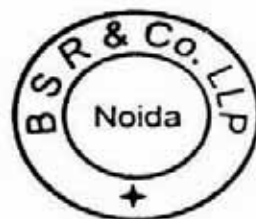
As per the Companies (Share Capital and Debentures) Rules, 2014 (amended), the Company is required to create debenture redemption reserve out of profits, which is available for payment of dividend, equal to 25% of the amount of debentures issued. Accordingly, the Company had appropriated 25% of the debentures 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
<b>Closing balance</b>	<b>5,000</b>	<b>5,000</b>

**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	-	-
<b>Closing balance</b>	<b>43</b>	<b>8</b>





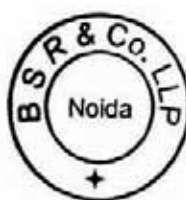


**Notes to financial statements**

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
<b>Redeemable non-convertible debentures</b>					
<b>Unsecured</b>					
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			
Less: Current maturities of long-term borrowings (included in note 16)			20,774	20,166	21,133
Less: Interest accrued (included in note 16)			774	166	1,133
<b>Total non-current borrowings</b>			<b>20,000</b>	<b>-</b>	<b>20,000</b>



Ricoh India Limited  
Notes to financial statements for the year ended March 31, 2018  
(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
<b>Unsecured</b>			
Loans repayable on demand			
From banks			
Cash credit	-	26,103	86,078
Against bank debts	-	-	33,367
Vendor financing	-	-	18,282
Buyer's line of credit	-	-	19,185
Working capital loan	-	80,500	47,767
<b>From related party</b>			
Ricoh Company, Limited	129,528	-	-
<b>From others</b>			
Trade receivable financing	-	-	9,822
<b>Total current borrowings</b>	<b>129,528</b>	<b>106,603</b>	<b>214,501</b>

\* 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., Industrial 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)
<b>Net debt</b>	<b>(135,123)</b>	<b>(123,048)</b>	<b>(230,418)</b>





**Ricoh India Limited**

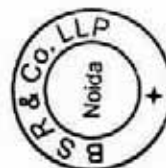
**Notes to financial statements for the year ended March 31, 2018**

*(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	-
<b>Total other financial liabilities</b>	<b>1,718</b>	<b>448</b>	<b>21,845</b>	<b>386</b>	<b>2,611</b>	<b>369</b>

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



Ricoh India Limited  
Notes to financial statements for the year ended March 31, 2018  
(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
<b>Provisions for employee benefits</b>						
Gratuity	-	78	59	548	-	936
Compensated absences	180	399	188	580	174	712
Employee retention scheme	11	10	9	53	66	41
<b>Total provisions for employee benefits (A)</b>	<b>191</b>	<b>486</b>	<b>256</b>	<b>1,181</b>	<b>240</b>	<b>1,689</b>
<b>Other provisions</b>						
Warranty	36	-	27	-	-	-
Onerous contracts	527	-	298	1,452	-	4,006
<b>Total other provisions (B)</b>	<b>563</b>	<b>-</b>	<b>425</b>	<b>1,452</b>	<b>-</b>	<b>4,006</b>
<b>Total provisions (A+B)</b>	<b>754</b>	<b>486</b>	<b>681</b>	<b>2,640</b>	<b>240</b>	<b>5,695</b>

**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 whichever 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 employee 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.

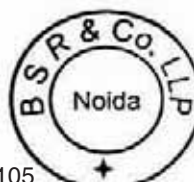
**(iii) Employee retention scheme (for March 31, 2016)**

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:

	Present value of defined benefit obligation	Gratuity	
		Fair value of plan assets	Net amount
<b>April 1, 2016</b>	<b>1,150</b>	<b>(574)</b>	<b>574</b>
Current service cost	127	-	127
Interest expense/(income)	79	(52)	27
<b>Total amount recognised in profit or loss</b>	<b>206</b>	<b>(52)</b>	<b>154</b>
<b>Removements</b>			
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)
<b>Total amount recognised in other comprehensive income</b>	<b>(24)</b>	<b>16</b>	<b>(8)</b>
Employer contributions	-	(112)	(112)
Benefit payments	(151)	151	-
<b>March 31, 2017</b>	<b>1,181</b>	<b>(574)</b>	<b>607</b>
<b>April 1, 2017</b>	<b>1,181</b>	<b>(574)</b>	<b>607</b>
Current service cost	96	-	96
Interest expense/(income)	67	(49)	18
Past service cost	47	-	47
<b>Total amount recognised in profit or loss</b>	<b>210</b>	<b>(49)</b>	<b>161</b>
<b>Removements</b>			
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)
<b>Total amount recognised in other comprehensive income</b>	<b>(64)</b>	<b>29</b>	<b>(35)</b>
Employer contributions	-	(652)	(652)
Benefit payments	(326)	326	-
<b>March 31, 2018</b>	<b>1,091</b>	<b>(923)</b>	<b>168</b>







#### Balance sheet amounts - Provident Fund

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

	Proved value of defined benefit obligation	Fair value of plan assets	Net amount
<b>April 1, 2016</b>			
Current service cost	4,349	(4,940)	(591)
Interest expense/(income)	339	-	339
	407	(420)	(22)
<b>Total amount recognized in profit or loss</b>	<b>746</b>	<b>(420)</b>	<b>317</b>
<b>Re-measurements</b>			
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	(30)		(30)
Experience (excess)/loss	(260)	314	55
<b>Total amount recognized in other comprehensive income</b>	<b>(380)</b>	<b>314</b>	<b>(166)</b>
Employee contributions	408	(928)	(519)
Benefit payments	(812)	812	-
<b>March 31, 2017*</b>	<b>5,857</b>	<b>(5,166)</b>	<b>(108)</b>
<b>April 1, 2017</b>	<b>5,857</b>	<b>(5,166)</b>	<b>(108)</b>
Current service cost	326	-	326
Interest expense/(income)	404	(622)	(218)
Post service cost	-	-	-
<b>Total amount recognized in profit or loss</b>	<b>730</b>	<b>(622)</b>	<b>108</b>
<b>Re-measurements</b>			
Return on plan assets			-
(Gain)/loss from change in demographic assumptions	(14)		(14)
(Gain)/loss from change in financial assumptions	31		31
Experience (excess)/loss	(422)	(24)	(446)
<b>Total amount recognized in other comprehensive income</b>	<b>(405)</b>	<b>(24)</b>	<b>(429)</b>
Employer contributions	427	(650)	(223)
Benefit payments	(1,163)	1,163	-
<b>March 31, 2018</b>	<b>4,345</b>	<b>(4,872)</b>	<b>(527)</b>

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

#### (v) Post Employment Benefits

The significant actuarial assumptions were as follows:

	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
<b>Particulars</b>						
<b>Economic Assumptions</b>						
Discount rate (p.a.)	7.20%	6.75%	7.50%	7.20%	6.75%	7.50%
Salary growth rate (p.a.)	9.00%	8.00%	7.00%	9.00%	8.00%	7.00%
<b>Mortality</b>						
Indian Annuity Life Mortality (IA/ML) (2006-08) modified UL		Indian Annuity Life Mortality (2006-08) ultimate table	Indian Annuity Life Mortality (2006-08) ultimate table	Indian Annuity Life Mortality (2006-08) ultimate table	Indian Annuity Life Mortality (2006-08) ultimate table	Indian Annuity Life Mortality (2006-08) ultimate table
Expected rate of return on plan assets (p.a.)	7.20%	8.80%	9.00%	8.65%	8.50%	8.59%
Retirement age	60 Years	60 Years	60 Years	60 Years	60 Years	60 Years
Withdrawal rate	30%	25%	16%	30%	25%	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 plan assets is based on the portfolio as a whole and not on the return on individual asset categories. The return is based on several applicable factors namely the composition of plan assets held, assessed risk of the asset management and historical returns of the plan assets.

#### (vi) Sensitivity analysis

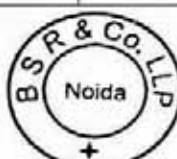
The sensitivity of the defined benefit obligation to changes in the weighted actuarial assumptions are:

	March 31, 2018	March 31, 2017	April 1, 2016
<b>Impact on defined benefit obligation (Gratuity)</b>			
Delta Effect of 50 basis points Change in rate of discounting	9,881	(1,461)	1,128
Delta Effect of -50 basis points Change in rate of discounting	1,013	(1,201)	1,172
Delta Effect of 50 basis points Change in rate of salary increase	1,011	1,193	1,168
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 recognized 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 plan assets are as follows:

	March 31, 2018	March 31, 2017	April 1, 2016
<b>Gratuity</b>			
Unsecured	(923)	(974)	(876)
Secured			
Government securities (Central and State)	(1,122)	(1,128)	(1,376)
High quality corporate bonds (including public sector bonds)	(2,308)	(2,700)	(2,400)
Special deposit accounts	(961)	(961)	(938)
Other	(230)	(288)	-
<b>President Fund</b>			
Unsecured	(4,872)	(5,166)	(4,940)
Secured			
Government securities (Central and State)	(1,122)	(1,128)	(1,376)
High quality corporate bonds (including public sector bonds)	(2,308)	(2,700)	(2,400)
Special deposit accounts	(961)	(961)	(938)
Other	(230)	(288)	-



(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 relationship 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 1 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	255	245	208	174	153	416
Total	255	245	208	174	153	416
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

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.

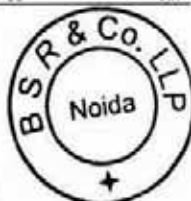
**Provision for Onerous contracts**

The Company creates a provision on certain loss making contracts. The contracts are for varying duration and the expected outflow 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**

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

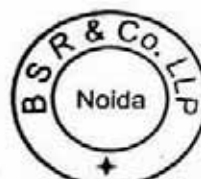
*(Rupees in lakhs, unless otherwise stated)*

## **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
<b>Total other non-current liabilities</b>	<b>33</b>	<b>32</b>	<b>43</b>

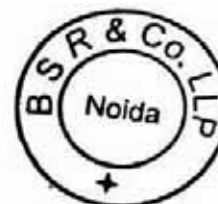
## **Note 19 : Other current liabilities**

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
<b>Total other current liabilities</b>	<b>9,674</b>	<b>5,643</b>	<b>6,566</b>



**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	30	-
- total outstanding dues of creditors other than micro and small enterprises	83,918	71,791	44,379
<b>Total trade payables</b>	<b>84,614</b>	<b>71,811</b>	<b>44,379</b>







# Ricoch 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
<b>Deferred tax assets</b>			
Property, plant and equipment and intangible assets	5,174	3,966	-
Curry 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	-
<b>Total deferred tax assets</b>	<b>79,534</b>	<b>50,794</b>	<b>-</b>
<b>Deferred tax assets recognised</b>	<b>-</b>	<b>-</b>	<b>-</b>

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.

#### i) 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%
<b>Tax at the Indian tax rate</b>	<b>(30,910)</b>	<b>(11,531)</b>
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)
<b>Income tax expense</b>	<b>-</b>	<b>-</b>



**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
<b>Other operating revenues</b>		
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
<b>Total revenue from operations</b>	<b>68,059</b>	<b>121,748</b>

**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
<b>Total other income</b>	<b>928</b>	<b>921</b>

**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
<b>Total</b>	<b>56,473</b>	<b>88,230</b>

# 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
<b>Changes in inventories of stock-in-trade</b>	<b>12,353</b>	<b>15,866</b>





# **Ricoch India Limited**

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

*(Rupees in lakhs, unless otherwise stated)*

### **Note 26: Employee benefits expense**

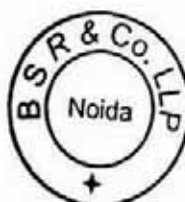
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, wages and bonus [net of subsidy / reimbursement received INR 20 lakhs (previous year: INR 356 lakhs)]	9,974	11,696
Contribution to provident and other funds (refer note 17)	322	498
Compensated absences	99	53
Staff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

### **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
<b>Total finance costs</b>	<b>6,905</b>	<b>15,470</b>

### **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
<b>Total depreciation and amortisation expense</b>	<b>1,736</b>	<b>1,750</b>



**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
<b>Total other expenses</b>	<b>16,482</b>	<b>22,285</b>
<b>Includes payment to auditors (exclusive of service tax / GST)</b>		
<b>As auditor</b>		
Statutory audit fees		
-pertaining to current year	155	123
-pertaining to previous year	124	225
<b>In other capacity</b>		
Other matters	1	1
Reimbursement of out-of-pocket expenses	11	9
	<b>291</b>	<b>358</b>

**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
	<b>-</b>	<b>4</b>







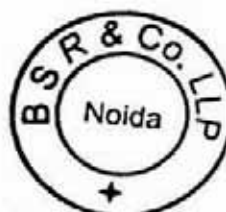
#### Note 31 : Fair value measurement

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
<b>1) Financial asset at amortized cost</b>						
Trade receivables	37,378	37,378	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	14,403	14,403	3,553	3,553	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
<b>Total</b>	<b>100,357</b>	<b>100,357</b>	<b>106,027</b>	<b>106,027</b>	<b>91,718</b>	<b>91,718</b>
<b>2) Financial liability at amortized cost</b>						
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
<b>Total</b>	<b>236,308</b>	<b>236,308</b>	<b>200,645</b>	<b>200,645</b>	<b>281,297</b>	<b>281,297</b>

(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**  
**Notes to financial statements for the year ended March 31, 2018**  
*(Prepared in India, unless otherwise stated)*

**Note 31: 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 balances other than ratings 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 loans. 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 represent 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 receivable levels by having frequent interactions with responsible persons for highlighting the potential instances where receivables might become overdue.





**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 utilized	2,109	-
Reversal of provision	-	-
Loss allowance as at the end of the year	30,449	8,761

**(B)**

**Liquidity risk**

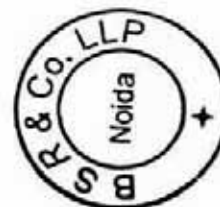
Liquidity risk is the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities 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
<b>March 31, 2018</b>						
<b>Non-derivatives</b>						
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
<b>Total non-derivative liabilities</b>	<b>107,554</b>	<b>87,106</b>	<b>448</b>	<b>20,000</b>	<b>-</b>	<b>107,554</b>
<b>Derivatives (net settled)</b>						
Foreign exchange forward contracts	-	-	-	-	-	-
<b>Total non-derivative liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>March 31, 2017</b>						
<b>Non-derivatives</b>						
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
<b>Total non-derivative liabilities</b>	<b>114,208</b>	<b>113,822</b>	<b>386</b>	<b>-</b>	<b>-</b>	<b>114,208</b>
<b>Derivatives (net settled)</b>						
Foreign exchange forward contracts	-	-	-	-	-	-
<b>Total non-derivative liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



As at 31.03.2016					
<b>Non-derivatives</b>					
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
<b>Total non-derivative liabilities</b>	<b>68,492</b>	<b>48,123</b>	<b>20,369</b>	-	<b>68,492</b>
<b>Derivatives (net settled)</b>					
Foreign exchange forward contracts	-	-	-	-	-
<b>Total non-derivative liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(C)

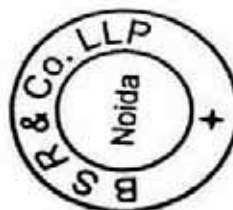
**Market risk**

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 carry fixed rate of interest, neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.







(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 hedge 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
<b>Financial assets</b>						
Trade receivables	1,640	425	3,018	12	8,143	10
<b>Exposure to foreign currency risk (assets)</b>	<b>1,640</b>	<b>425</b>	<b>3,018</b>	<b>12</b>	<b>8,143</b>	<b>10</b>
<b>Financial liabilities</b>						
Trade payables	74,312	250	56,582	539	66,197	201
Foreign currency denominated borrowings	-	-	-	-	-	-
<b>Derivative contracts</b>						
Foreign exchange forward contracts	-	-	-	-	14,282	-
<b>Exposure to foreign currency risk (liabilities)</b>	<b>74,312</b>	<b>250</b>	<b>56,582</b>	<b>539</b>	<b>80,479</b>	<b>201</b>

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 unbudgeted 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, remain constant.

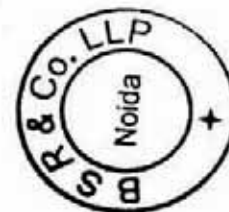
Impact on profit before tax

	March 31, 2018	March 31, 2017
<b>USD sensitivity</b>		
INR/USD - Increase by 5%(31 March 2017 - 5%)	(2,634)	(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
<b>JPY sensitivity</b>		
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**
**Notes to financial statements for the year ended March 31, 2018**
*(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
<b>Adjusted net debt</b>	<b>135,123</b>	<b>123,048</b>	<b>230,418</b>
Total equity	(104,641)	(15,266)	(94,914)
<b>Adjusted net debt to equity ratio</b>	<b>(1.3)</b>	<b>(8.1)</b>	<b>(2.4)</b>

**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'.





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

**Note 33: Related party transactions**

**(a) Names of related parties and nature of relationship**

Names of related party	Nature of relationship
(i) Related parties where control exists Rishabh Company Limited, Japan	Ultimate Holding Company
(ii) Related parties exercising significant influence over the Company NRG Group Limited, U.K.	Follow subsidiary
(iii) Follow subsidiaries Rishabh Asia Pacific Operations Limited Rishabh Thermal Media Asia Pacific Pvt. Limited Rishabh Australia Pty Limited Rishabh Imaging Co. Limited Rishabh Industrial Solution Inc Rishabh Asia Pacific Pte Limited Rishabh Thailand Limited Rishabh Europe NCM BV Rishabh Vietnam Company Limited Rishabh New Zealand Limited Rishabh Technologies Company Rishabh Experts, S.L.U. Rishabh Hong Kong Limited Rishabh Investments Pvt Limited	Follow subsidiary Follow subsidiary Follow subsidiary Follow subsidiary Follow subsidiary Follow subsidiary Follow subsidiary Follow subsidiary Follow subsidiary Follow subsidiary Follow subsidiary Follow subsidiary Follow subsidiary
(iv) Key management personnel Mr. A.T. Rajan (from 12 April 2016 till 31 March 2018) Mr. Manoj Kumar (MD till 2 April 2016 and CEO till 11 October 2016) Mr. Dilip Choudhary (till 30 November 2016) Ms. Pooja Aggarwal (from 1 December 2016 till 27 December 2017) Mr. Arvind Singhal (till 27 November 2016) Mr. Ajay Kumar Mishra (from 27 March 2018) Mr. Manish Sahgal Mr. R. K. Pandey (till 9 November 2017) Mr. U.P. Mishra (till 9 November 2017) Mr. Ashish Gang (till 9 November 2017) Mr. Rajeev Ahuja (from 26 May 2017 till 9 November 2017) Mr. Tannay Adhikary (from 27 March 2018) Ms. Hema Vijayakrishnan (from 27 March 2018)	Managing Director & CEO Managing Director & CEO Joint CFO CFO CFO CEO Company Secretary Independent Director Independent Director Independent Director Independent Director Independent Director
(v) Employee benefit trusts Rishabh India Limited Employees Group Gratuity cum Assurance Scheme Rishabh India Limited Employees Provident Fund	Employee benefit trust Employee benefit trust

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

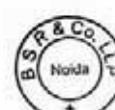
Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Sale of goods</b>		
Rishabh Experts, S.L.U.	16	60
Rishabh New Zealand Limited	-	101
Rishabh Company Limited, ultimate holding company	365	-
Rishabh Europe BV	448	-
Rishabh Thailand Ltd.	97	-
Others	35	38
<b>Purchases of goods</b>		
Rishabh Asia Pacific Operations Limited	18,993	33,380
Others	502	304
<b>Finance costs: Interest on non-convertible debentures</b>		
Rishabh Asia Pacific Pte Limited	1,471	1,560
<b>Services received</b>		
Rishabh Asia Pacific Operations Limited	47	10
Rishabh Asia Pacific Pte Limited	20	27
Rishabh Australia Pty Limited	18	13
<b>Rebates/rebates</b>		
Rishabh Company Limited, ultimate holding company	302	330
<b>Commission received</b>		
Rishabh Asia Pacific Operations Limited	-	16
<b>Subsidy/rebates received</b>		
Rishabh Asia Pacific Operations Limited	-	5,377
Rishabh Company Limited, ultimate holding company	20	491
Others	-	34
<b>Cancellation of shares</b>		
NRG Group Limited, U.K.	-	1,096
<b>Re-issue of shares</b>		
NRG Group Limited, U.K.	-	113,200
<b>Company's contribution to employee benefit trust</b>		
Rishabh India Limited Employees Group Gratuity cum Assurance Scheme	-	114
Rishabh India Limited Employees Provident Fund	-	910
<b>Managerial remuneration #</b>		
Mr. A.T. Rajan	76	70
Mr. Manoj Kumar	-	13
Mr. Pooja Aggarwal	94	32
Mr. Dilip Choudhary	-	19
Mr. Arvind Singhal	-	8
Mr. Manish Sahgal	18	17
Mr. Ajay Kumar Mishra	-	-
Mr. U.P. Mishra	2	4
Mr. R. K. Pandey	2	4
Mr. Ashish Gang	2	4
Mr. Rajeev Ahuja	1	-
Mr. Tannay Adhikary	-	-
Ms. Hema Vijayakrishnan	-	-

# The remuneration excludes provision for gratuity and bonus benefits as separate account selection 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.

Balance as at year end	As at March 31, 2018	As at March 31, 2017	As at April 1, 2015
<b>Trade payables</b>			
Rishabh Company Limited, ultimate holding company	210	544	186
Rishabh Asia Pacific Operations Limited	74,268	56,406	27,531
Others	304	109	91
<b>Trade receivables</b>			
Rishabh Company Limited, ultimate holding company	427	326	242
Rishabh Asia Pacific Operations Limited	1,423	242	1,829
Rishabh Asia Pacific Pte Limited	189	189	201
Rishabh New Zealand Limited	-	101	-
Others	36	51	38
<b>Non-convertible debentures</b>			
Rishabh Asia Pacific Pte Limited	20,000	20,000	20,000
<b>Borrowings</b>			
Rishabh Company Limited, ultimate holding company	129,528	-	-



**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	33,847
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 these 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.

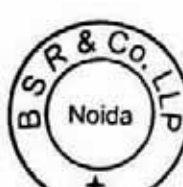
The Company does not expect any reimbursements in respect of the above contingent liabilities.

**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	-	-	-







# Ricoch 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 4,785 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;

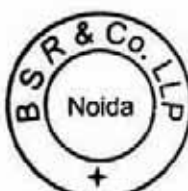
B) The warehouses are on a lease for period of 1 to 5 years; and

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	1,094
Later than five years	-	-	-
	2,505	3,038	3,323



**Ricoh India Limited**
**Balance Sheet as at March 31, 2018**
*(Rupees in lakhs, except for share data and if otherwise stated)*

<b>Note 40: Exceptional items</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>
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)	-
	<b>53,890</b>	<b>-</b>

\* 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 :

<b>Particulars</b>	<b>Write off</b>	<b>Write back</b>
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
	<b>2,506</b>	<b>3,449</b>

# Also refer to note 43





## **Ricoch India Limited**

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

*(Rupees in lakhs, except for share data and if otherwise stated)*

#### **Note 41: Significant events**

The following significant events / situations came up before the Company in its lookout for resurgence:

On 27 October, 2017, the ultimate parent company, Ricoh Company Limited (RCL), decided to withdraw the financial support which was given by it to enable the Company to meet its financial obligations as and when they fall due. This financial support was over and above the capital infusion of INR 112,300 lakhs which was provided by NRG-Group Limited in the immediate preceding financial year. The above support was extended vide issue of 'stand by letter of credit' (SBLC) by RCL to the banks, whereby RCL agreed to pay the entire loan which was covered under the SBLC.

Further, soon after the withdrawal of financial support and as agreed, RCL paid the guaranteed outstanding bank loans (including interest and fee, wherever applicable) covered under SBLC to the tune of INR 129,528 lakhs. As a corollary, the loans which were payable to banks are now payable to RCL.

On 29 January 2018 the Company voluntarily filed a petition for Insolvency under section 10 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal, Mumbai. Further, this petition has been admitted by the Hon'ble Tribunal vide its order dated 14 May, 2018. The Company filed the petition to initiate Corporate Insolvency Resolution Process against itself due to default committed in repayment to its operational creditors.

Further, upon acceptance of the bankruptcy petition, the affairs, business and assets are being managed by the Resolution Professional, Mr. Krishna Chamadia, appointed by the Hon'ble National Company Law Tribunal by Order dated 14 May, 2018, under the provisions of the Code as Interim Resolution Professional. (IP Registration No. IBBI / IPA-001 / IP-P00694 / 2017-18 / 11220). Mr. Krishna Chamadia was subsequently confirmed as the Resolution Professional ("RP") by the Committee of Creditors in its meeting dated 15 June, 2018 under the provisions of IBC.

Furthermore, in line with Para 10 of the said NCLT Order, moratorium shall commence under section 14 of the Insolvency and Bankruptcy Code, 2016, which prohibits the following:

- a) The institution of suits or continuation of proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;
- b) Transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;
- c) Any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
- d) The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.

On 12 February 2018, the Securities and Exchange Board of India (SEBI) issued its Interim Order. These Orders were issued in response to the letter, suo-moto written by the company to SEBI, intimating them of the falsification of accounts, which was highlighted in its forensic review of books of accounts.

Further, SEBI in its Interim Order issued directions, whereby SEBI appointed an audit firm to conduct a detailed forensic audit of the books of accounts of the Company from financial year 2012-13 onwards till the date of the Order. Based on the information available with the Company, the audit firm was to submit its forensic audit report with the SEBI by 30 September 2018. There has been no further communication from SEBI in this regard.





**Ricoh India, Limited**
**Notes to financial statements for the year ended March 31, 2018**
*(Rupees in lakhs, unless otherwise stated)*
**Note 42: Earning per share**

	March 31, 2018	March 31, 2017
<b>(a) Basic (loss) per share (In INR)</b>		
Attributable to the equity holders of the Company	(225)	(82)
<b>(b) Diluted (loss) per share (In INR)</b>		
Attributable to the equity holders of the Company	(225)	(82)
<b>(c) Nominal value per share (In INR)</b>	10	10
<b>(d) Basis for calculating earnings per share</b>		
	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)
<b>(e) Weighted average number of shares used as the denominator (nos.)</b>		
	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.







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

**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 financial 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.

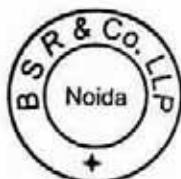
The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

**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**

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 &amp; Co. LLP

Chartered Accountants

Firm Registration No. - 101248W/W-100022

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

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

**Regd. Office:** 1123, 3<sup>rd</sup> Floor, 11, Solitaire Corporate Park, Andheri Ghatkopar  
Link Road, Chakala, Andheri East, Mumbai – 400 093

**CIN:** L74940MH1993PLC074694

**Email:** [ril.secretarial@ricoh.co.in](mailto:ril.secretarial@ricoh.co.in), **Website:** [www.ricoh.co.in](http://www.ricoh.co.in)

**Tele:** 022-66833000, **Fax:** 022-67032099

### PROXY FORM

**Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014**

Name of the Member(s):
Registered Address :
Email ID :
Folio No/ Client ID :
DP / ID :

I/We, being the member(s) of .....Shares of the above mentioned Company, hereby appoint:

1. Name.....Address.....Email Id.....

Signature.....or failing him

2. Name.....Address.....Email Id.....

Signature.....or falling him

3. Name.....Address.....Email Id.....

Signature.....or falling him

as my/our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 25<sup>th</sup> Annual General Meeting of the Company to be held on Friday, 21 December 2018 at Hotel The Maridor, 131/B, New Link Road, Chakala, Andheri (East), Mumbai – 400 099 at 10:00 AM. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions		For*	Against*
<b>Ordinary Business</b>			
1.	Adoption of Balance Sheet of the Company as at 31 <sup>st</sup> March, 2018 and the Profit & Loss Account for the year ended on that date along with the Reports of the Directors and Auditors thereon		
2.	Not to fill the vacancy caused due to retirement by rotation of Mr AT Rajan, Non Executive Director.		

Signed this.....day of.....2018

Signature of Shareholder.....

Signature of Proxy holder(s).....

Affix  
revenue  
stamp

#### Notes:

This form of Proxy in order to be effective, should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the 24<sup>th</sup> Annual General Meeting.

\*It is optional to put a 'X' in the appropriate column against the resolutions indicated in the Box.

If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.





## RICOH INDIA LIMITED

**Regd. Office:** 1123, 3<sup>rd</sup> Floor, 11, Solitaire Corporate Park, Andheri Ghatkopar  
Link Road, Chakala, Andheri East, Mumbai – 400 093

**CIN:** L74940MH1993PLC074694

**Email:** [ril.secretarial@ricoh.co.in](mailto:ril.secretarial@ricoh.co.in), Website: [www.ricoh.co.in](http://www.ricoh.co.in)

**Tele:** 022-66833000, Fax: 022-67032099

### ATTENDANCE SLIP

Folio No. \_\_\_\_\_ DP ID \_\_\_\_\_

No. of Shares held \_\_\_\_\_ Client ID \_\_\_\_\_

I certify that I am a Member/Proxy\* for the Member(s) of the Company

I hereby record my presence at the 25 Annual General Meeting of the Company at Hotel The Maridor, 131/B, New Link Road, Chakala, Andheri (East), Mumbai – 400 099 at 10:00 AM.

**Name of the Member/Proxy\*** : \_\_\_\_\_

**Signature of the Member/Proxy\*** : \_\_\_\_\_

**Note:** Please fill up this Attendance slip and hand over at the entrance of the Meeting Hall.

**\*Strike out whichever is not applicable**

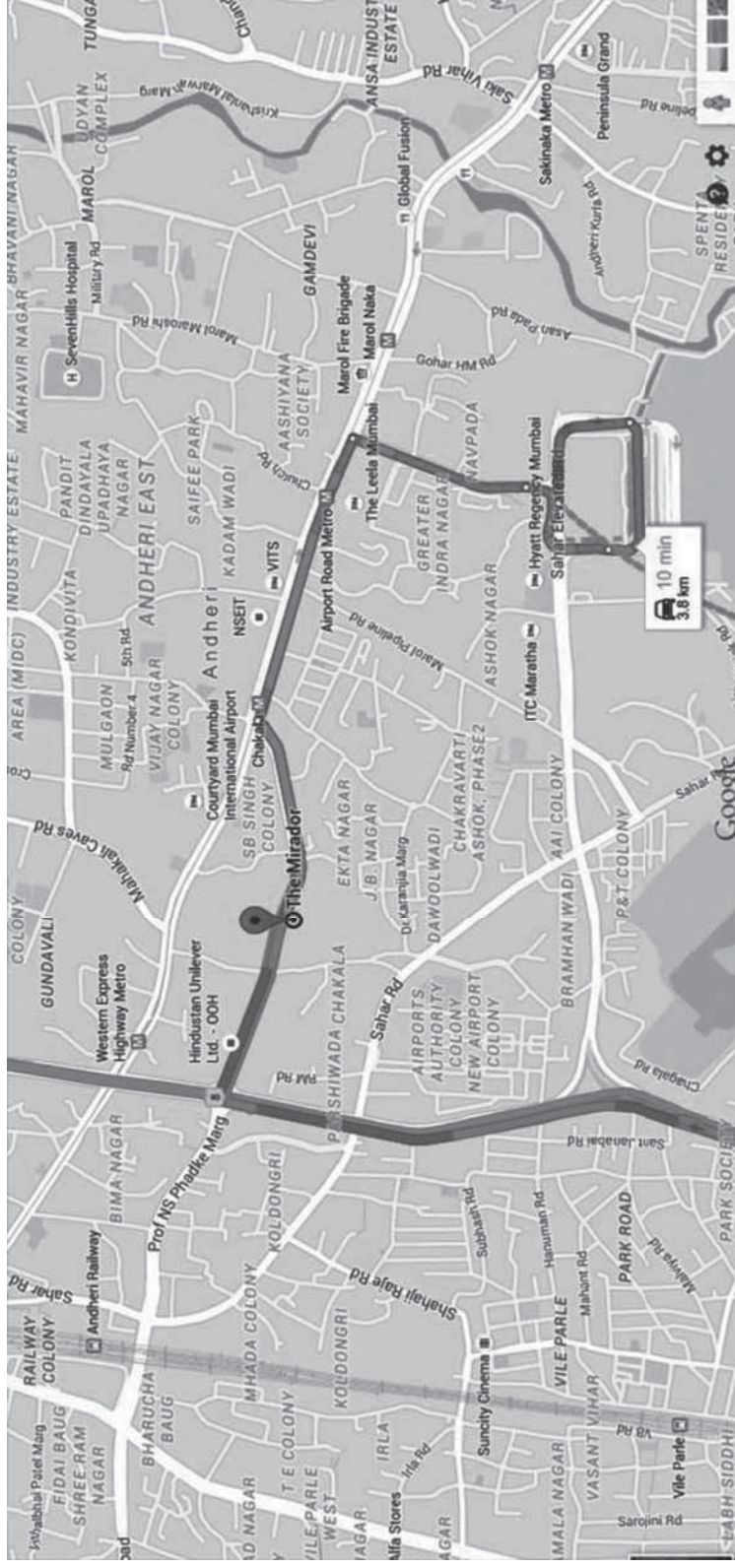
## Notes

[illegible]

## Notes

[illegible]

## Route map to the venue of the 25<sup>th</sup> Annual General Meeting of Ricoh India Limited





# Ricoh Way Values

- Customer Centric**  
Act from the customer's perspective
- Passion**  
Approach everything positively and purposefully
- Gemba**  
Learn and improve from the facts
- Innovation**  
Break with the status quo to create value without limits
- Teamwork**  
Respect all stakeholders and co-create value
- Winning Spirit**  
Succeed by embracing challenges through courage and agility
- Ethics & Integrity**  
Act with honesty and accountability



**RICOH**  
imagine. change.

CORPORATE OFFICE: 7th, 11th Floors, Tower 'B', Windsor IT Park, A-1, Sector 125, Expressway, Gautam Budh Nagar, Noida, Uttar Pradesh - 201301  
Tel: (0120) 4582900, Service toll free number : 1800 103 0066 & Email: ril.info@ricoh.co.in

REGISTERED OFFICE: Unit no. 1132, 3rd Floor, Building No. 11, Solitaire Corporate Park, Andheri Ghatkopar Link Road, Chakala, Andheri East, Mumbai-400 093  
Phones: +91 22 66833000 (5 Lines) Fax: +91 22 67032099