



ANNUAL REPORT
2017-2018

Board of Directors

Mr. Anil Moolchandani

Chairman and Managing Director

Mr. Dilip Seth

Director (Finance) and CFO

Mr. Jagdish Moolchandani

Director

Mr. Sunil Behl

Director

Mr. Arun Singhal

Director

Mrs. Payal Jain

Director

Mr. Gautam

Company Secretary & Compliance Officer

Auditors

M/s J.P., Kapur & Uberai
Chartered Accountants
New Delhi

Bankers

Citi Bank N.A.
Kotak Mahindra Bank
ICICI Bank Ltd.
Indusind Bank Ltd.

Registered Office

191F, Sector-4, IMT Manesar,
Gurugram, Haryana-122050

Corporate Office

C-113, Naraina Industrial Area
Phase-I, New Delhi-110 028.

CONTENT

Page 2-3

Every Heart loves an Archies card

Page 4-5

Would take all year to celebrate # Happy Birthday

Page 6

Desi Archies

Page 7

From the Chairman's Desk

Page 8

Year at a Glance

Page 9-15

Notice

Page 16-44

Director's Report

Page 45-54

Report On Corporate Governance

Page 55-59

Independent Auditors' Report

Page 60-97

Balance Sheet

Every Heart loves an Archies card.

Archies reminds people that the simple gesture
of sending a card can mean so much more than
they realize.

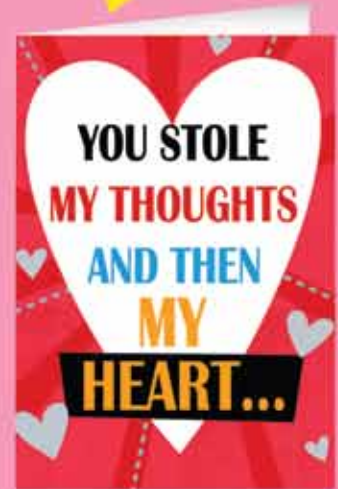




The
CUTE
kind:

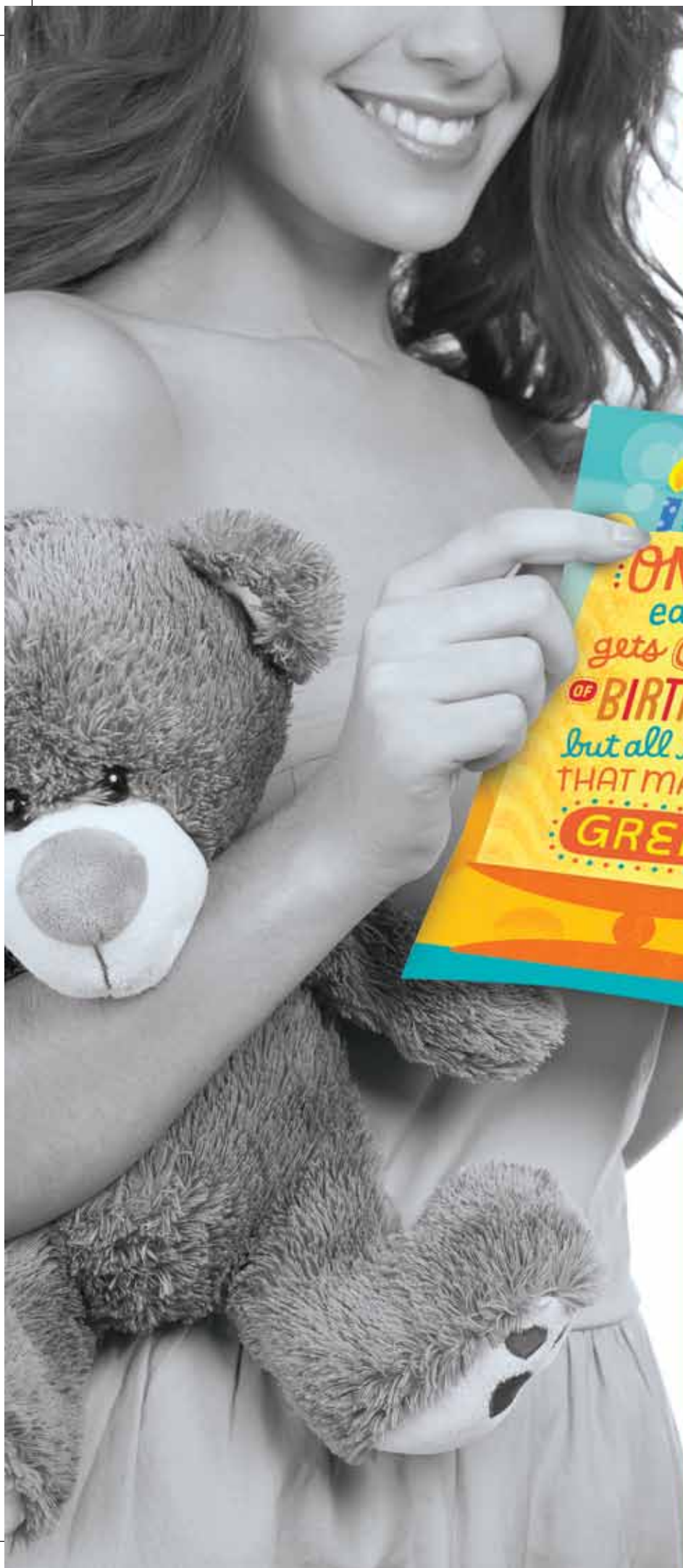


The
POETIC
kind:



The
DRAMATIC
kind:





...would take
ALL YEAR
its celebrate!

HAPPY
Birthday
.....



FROM THE CHAIRMAN'S DESK

Dear Friends,

The year gone by was indeed a tough one, where we took a hard look at every corner of the operations of the company.

All marginal areas and those areas not contributing to the financial health of the company were shut.

As retail markets mature, there are a lot of markets and malls that go into decline, which then starts effecting footfalls. There were a few instances like these across the country, where we took the call of shutting shops in those markets.

Our retail footprint is spread far and wide and the cost of servicing an isolated company store in a far flung region is huge. Very often, not worth the effort. Our next step will be to rationalize these operations and try and move isolated regions to a retail or franchising model.

We continue to delight customers and remain their go to destination to fulfill their gifting needs by a continuous flow of a variety of gifts for every pocket and occasion. This is borne out by the fact that established stores in stable markets continue to grow year on year.

The year gone by saw the introduction of GST, in the month of July. This widely awaited event bore out what we had always felt, that it would be good for organized trade. The cash economy would suffer, which in turn would only help organized players like us. With the government committed to rationalizing taxation slabs in GST, we see the economic scenario improving even further.

Our 2016 introduction of the fun concept of Desi Archies, with a view to capture Indian-ness in design has been a great success. We continue to expand the range of fun, quirky products, sourced from the hinterlands of India and have been enthused by customer response to the same. This has resulted in the roll out of Desi Archies products into almost all our stores across the country.

Hoping for a better tomorrow is fine, but without concrete action, that can remain as just hope and nothing else. We are working on a wide range of plans to strengthen our company and take it forward to higher levels and continue to engage with our customer in our endeavor to help them express themselves, to their loved ones.

Yours Truly

Anil Moolchandani
Chairman & Managing Director
Archies Limited

Year At A Glance

		(₹ in Lacs)		
S. No.	Particulars	2017-2018	2016-2017*	2015-2016
1.	TOTAL TURNOVER	15782.07	18626.10	19572.88
2.	OTHER INCOME	202.39	212.10	111.35
3.	TOTAL EXPENDITURE	15586.94	18799.10	18531.63
4.	PROFIT BEFORE DEPRECIATION, INTEREST AND TAX (PBDIT)	397.52	120.19	1152.60
5.	PBDIT AS A % OF TOTAL TURNOVER	2.52	0.65	5.89
6.	FINANCE COSTS#	282.35	302.22	273.38
7.	DEPRECIATION	402.96	380.99	461.12
8.	PROFIT/ LOSS BEFORE TAX(PBT)	(287.79)	(563.02)	418.10
9.	PBT AS A % OF TOTAL TURNOVER	(1.82)	(3.02)	2.14
10.	EXTRAORDINARY ITEM	0.00	0.00	0.00
11.	PROFIT BEFORE TAX			
	AFTER EXTRA ORDINARY ITEM	(287.79)	(563.02)	418.10
12.	PROVISION FOR TAXATION	(50.83)	(193.43)	128.83
13.	PROFIT AFTER TAX(PAT)	(236.96)	(369.59)	289.27
14.	PAT AS A % OF TOTAL TURNOVER	(1.50)	(1.98)	1.49
15.	PAID UP EQUITY SHARECAPITAL	675.62	675.62	675.62
16.	RESERVES (EXCLUDING REVALUATION RESERVES)	9768.06	9995.15	10396.04
17.	NET WORTH	11754.78	10670.77	11071.66
18.	EARNING PER SHARE OF FACE VALUE ₹2 (IN ₹)	(0.70)	(1.09)	0.86
19.	BOOK VALUE PER SHARE OF FACE VALUE ₹2 (IN ₹)	34.80	31.59	32.78
20.	DIVIDEND(%)	NIL	NIL	NIL
21.	AMOUNT OF DIVIDEND	0.00	0.00	0.00
22.	RETURN ON AVERAGE NET WORTH(%)	(2.11)	(3.41)	2.64
23.	RETURN ON AVERAGE CAPITAL EMPLOYED(%)	(0.04)	(2.11)	5.04

*As per the applicability of IND-AS the financial figures for financial year 2017-18 and 2016-17 are as per IND AS, whereas financial figures for financial year 2015-16 are as per IGAAP.

Item No. 6- Finance cost was represented as interest in the previous years as the changes came into industries, the same has become finance cost therefore figures of no. (point 3,4,5 & 7) for 2015-16 have also changed accordingly.