S S KOTHARI MEHTA & CO
CHARTERED ACCOUNTANTS

Plot No. 68,
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Independent Auditors' Report

To the Members of Bhilwara Infotechnology Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Bhilwara Infotechnology Limited** ('the Company'), which comprise the balance sheet as at March 31, 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015 as amended.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, 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.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.

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

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015 as amended ;

   e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and

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

      i. The Company does not have any pending litigations which would impact its financial position.

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ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.S.KOTHARI MEHTA & Co.
Chartered Accountants
Firm's Registration No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

SUNIL WAHAL
Partner
Membership No. 087294

Place: New Delhi
Date: April 30, 2018

Annexure 'A' to the Independent Auditor's Report to the Members of Bhilwara Infotechnology Limited dated April 30th, 2018

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order') issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.

i. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets are physically verified by the management according to a regular phased program designed to cover all the items over a period of three years which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) In our opinion, and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.

ii. In our opinion and according to the information and explanations given to us, the Company is not having any inventory. Accordingly clause 3(ii) of the Order is not applicable.

iii. (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly clauses 3(iii) (a) & (b) of the Order are not applicable.

(b) Since there are no such loans, the comments regarding repayment of the principal amount & interest due thereon and overdue amounts are not required.

iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii. a. The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable

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b. There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute:

viii. The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any money way of initial public offer / further public offer and Company has not raised any term loans. Accordingly provisions of clause (ix) of the Order is not applicable on the Company.

x. In our opinion, and according to the information and explanations given to us, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.

xi. In our opinion, and according to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 of the Act read with Schedule V to the Act.

xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 177 and section 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanations given to us and on an overall examination of the books of account, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence not commented upon.

xv. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.S.KOTHARI MEHTA & Co.
Chartered Accountants
Firm's Registration No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

SUNIL WAHAL
Partner
Membership No. 087294

Place: New Delhi
Date: April 30, 2018

Annexure 'B' to the Independent Auditor's Report to the Members of Bhilwara Infotechnology Limited dated April 30th, 2018

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of **Bhilwara Infotechnology Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS 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 issued by the Institute of Chartered Accountants of India". 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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:

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

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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 issued by the Institute of Chartered Accountants of India.

For S.S.KOTHARI MEHTA & Co.
Chartered Accountants
Firm's Registration No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

SUNIL WAHAL
Partner
Membership No. 087294
Place: New Delhi
Date: April 30, 2018

Bhilwara Infotechnology Limited
CIN: U74899DL2000PLC104401
Balance Sheet as at 31st March 2018

Rupees in Lakhs

	Note No.	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
Non current assets			
Property, plant and equipment	3	369.41	413.10
Other intangible assets	4	4.82	12.90
Financial assets			
Investments	5	1.12	1.07
Loans	6	51.52	47.78
Others	7	16.24	95.03
Deferred tax assets	8	48.37	53.36
Other non-current assets	9	177.22	80.56
		668.70	703.80
Current assets			
Financial assets			
Trade receivables	10	1,423.54	815.31
Cash and cash equivalents	11	467.73	662.28
Loans	6	7.75	15.29
Bank balances	12	1,056.73	1,044.23
Others	7	566.13	92.15
Other current assets	9	60.68	20.08
		3,582.56	2,649.34
Total Assets		**4,251.26**	**3,353.14**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	327.06	327.06
Other equity	14	3,067.22	2,634.49
		3,394.28	2,961.55
Liabilities			
Non-current liabilities			
Provisions	15	140.49	144.87
		140.49	144.87
Current liabilities			
Financial liabilities			
Overdraft from bank	16	270.58	-
Trade payables			
-Due to micro, small and medium enterprises		-	-
-Due to others	17	75.82	35.76
Other financial liabilities	18	233.20	146.89
Provisions	15	17.80	14.34
Other current liabilities	19	119.09	49.73
		716.49	246.72
Total Equity & Liabilities		**4,251.26**	**3,353.14**

Summary of significant accounting policies

The accompanying notes are an integral part of financial statements

This is the Balance Sheet referred to in our report of even date.

For S S Kothari Mehta & Co
Chartered Accountants
Firm Regn No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Sunil Wahal
Partner
Membership No : 087294

For and on behalf of Board of Directors
Bhilwara Infotechnology Limited

Riju Jhunjhunwala
Director
DIN 00061060

Raj Rishi Chatterjee
Director
DIN 07960670

Place: New Delhi
Date: April 30, 2018

Bhilwara Infotechnology Limited

CIN: U74899DL2000PLC104401

Stetement of Profit and Loss for year ended 31st March, 2018

Rupees in Lakhs

Particulars	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue			
Revenue from operations	20	4,421.30	4,076.66
Other income	21	150.05	159.26
Total revenue (I)		**4,571.35**	**4,235.92**
Expenses			
Employees benefit expenses	22	3,246.60	2,690.66
Finance cost	23	5.41	3.76
Depreciation and amortization expenses	24	58.11	63.13
Other expenses	25	651.40	788.01
Total (II)		**3,961.52**	**3,545.56**
Profit before tax & exceptional items (III)		609.83	690.36
Less: loss on sale of investments		-	70.00
Profit before tax (PBT)		609.83	620.36
Tax expenses:			
Current tax	26	171.90	242.35
Deferred tax	26	4.99	(23.04)
Income tax pertaining to earlier years	26	0.26	0.25
Total tax expenses (IV)		**177.15**	**219.56**
Profit from continuing operations (III) - (IV)		**432.68**	**400.80**
Profit for the period			
Other comprehensive income			
Items that will not be reclassified to profit or loss			
-Remeasurements of the defined benefit plans		0.00	(5.10)
- Investments carried at fair value through OCI		0.05	0.05
		0.05	(5.05)
Total comprehensive income for the period		**432.73**	**395.75**
EPS			
- Basic and Diluted	27	13.23	12.25

Summary of significant accounting policies

The accompanying notes are an integral part of financial statements.

This is the statement of profit and loss referred to in our report of even date.

For S S Kothari Mehta & Co
Chartered Accountants
Firm Regn No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Sunil Wahal
Partner
Membership No : 087294

Riju Jhunjhunwala
Director
DIN 00061060

Raj Rishi Chatterjee
Director
DIN 07960670

Place: New Delhi
Date: April 30, 2018

Bhilwara Infotechnology Limited

CIN: U74899DL2000PLC104401

Cash Flow Statement for the year ended 31st March, 2018

Rupees in Lakhs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Operating Profit/(Loss) before Tax	**609.83**	**620.37**
Adjustment to reconcile Profit before Tax to Net Cash Flows		
Loss on Sale of Investments	-	70.00
Depreciation of Property, Plant and Equipment	49.19	54.40
Amortisation of Intangible Asset	8.92	8.72
Profit on sale/discard of Property, Plant and Equipment	0.04	(0.37)
Provision on Doubtful Debts	-	0.04
Provision for Employee Benefits	(0.91)	33.83
Finance Cost	5.41	3.76
Interest Income	(115.34)	(121.53)
Remeasurements of Defined Benefit Plan	-	(5.10)
Change in Operating Assets and Liabilities, Net of effect from purchase of controlled entities		
(Increase) / Decrease in Trade Receivables	(608.24)	157.42
(Increase) / Decrease in Current Financial Assets	(476.67)	(4.78)
(Increase) / Decrease in other Current Assets	(40.57)	(5.99)
Increase / (Decrease) in Current Financial Liabilities	86.31	(5.32)
Increase / (Decrease) in Trade Payable	40.06	1.21
Increase / (Decrease) in Other Current Liabilities	69.36	5.86
Increase / (Decrease) in Overdraft from Bank	270.58	-
Movement in Non-Current Assets and Liabiltiies		
(Increase) / Decrease in Other Non Current Assets	7.19	2.07
(Increase) / Decrease in other Non Current Security Deposits	(3.74)	(8.55)
Cash flow from Operations Activities	(98.59)	806.05
Income Tax Paid	(276.02)	(196.21)
Net Cash Flow (Used) in/ from Operating Activities	**(374.61)**	**609.83**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Addition of Property, Plant & Equipment	(5.55)	(23.37)
Additions to Intangible Assets	(0.84)	(0.41)
Proceeds from Sale of Investments	-	55.00
Receipt from Disposal of Asset	0.00	0.83
Loans and Advance to Employees	7.54	20.19
Prodeeds from Loans	-	0.31
Interest Income	118.06	104.87
Investments/ Maturities of Fixed Deposit	66.26	(357.24)
Net Cash Flow (Used) in/ from Investing Activities	**185.47**	**(199.82)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost paid	(5.41)	(3.76)
Net Cash (Used) in/ from Financing Activities	**(5.41)**	**(3.76)**
Net Increase/(Decrease) in Cash & Cash Equivalent	**(194.55)**	**406.25**
Cash & Cash Equivalent at the beginning of the year	662.28	256.02
Cash & Cash Equivalent at year end	467.73	662.28

This is the cash flow statement referred to in our report of even date.

For S S Kothari Mehta & Co
Chartered Accountants
Firm Regn No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Sunil Wahal
Partner
Membership No : 087294

For and on behalf of Board of Directors
Bhilwara Infotechnology Limited

Riju Jhunjhunwala
Director
DIN 00061060

Raj Rishi Chatterjee
Director
DIN 07960670

Place: New Delhi
Date: April 30, 2018

1. Corporate information

Bhilwara Infotechnology Limited is a technology consulting and implementation Company. These financial statements are presented in Indian Rupees (lakhs).

The registered office of the Company is situated at40-41, Community Centre, New Friends Colony, New Delhi- 110065, India.

These financial statements were approved and adopted by board of directors of the Company in their meeting dated April 30, 2018.

2. Significant Accounting Policies

A. Basis of Preparation

These financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act, (the Act) 2013 read with the Companies (Indian Accounting Standards) Rules 2015 as amended issued (by Ministry of Corporate Affairs ('MCA'). The Company has uniformly applied the accounting policies during the periods presented.

The financial statements have been prepared on historical cost basis, except as stated otherwise.

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

Recent Accounting Pronouncement

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115, 'Revenue from Contracts with Customers', amendments to Ind AS 107, 'Financial Instrument Disclosures' and Ind AS 109, 'Financial Instruments'. The amendments are applicable to the Company from 1 April 2018.

Ind AS 115 "Revenue from Contracts with Customers"

The new standard for revenue recognition will overhauls the existing revenue recognition standards Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

i. Identification of the contracts with the customer

ii. Identification of the performance obligations in the contract

iii. Determination of the transaction price

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

iv. Allocation of transaction price to the performance obligations in the contract (as identified in step ii)

v. Recognition of revenue when performance obligation is satisfied.

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018.

B. Property, plant and equipment

Property, plant and equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, when significant part of the property, plant and equipment are required to be replaced at intervals, the company derecognised the replaced part and recognised the new parts with its own associated useful life and is depreciated accordingly. Likewise when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance cost are recognised in the statement of the profit and loss as incurred. Capital work in progress including Property plant & equipment under installation/under development as at the balance sheet date

Property, plant and equipment eliminated from the financial statement, either on disposal or when retired from the active use. Losses arising in the case of retirement of property, plant and equipment and gain or losses arising from disposal of property, plant and equipment are recognised in the statement of the profit and loss in the year of occurrence.

C. Intangible Assets

Capital expenditure on purchase and development of identifiable assets without physical substance is recognized as intangible assets in accordance with principles given under Ind AS-38 – intangible assets.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

D. Depreciation and amortization

The assets' residual values, useful lives and methods of deprecation are reviewed each financial year end and adjusted prospectively, if applicable.
Depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Company believes that the useful life best represents the period over which the Company expects to use these assets. All assets costing 5,000 or below are fully depreciated in the year of addition.

Intangible assets are amortised over its useful life not exceeding five years on straight line basis.

E. Impairment of Non – Financial Assets

Property, plant and equipment, intangible assets and assets classified as investment property with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

not be recoverable. If any such indication exists, the recoverable amount (i.e. Higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

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

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Impairment losses on continuing operations, including impairment on inventories are recognised in the statement of profit and loss, except for the assets previously revalued with the revaluation taken to other comprehensive income. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

F. Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they being considered as integral part of the Company's cash management.

G. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Where the Company is the lessee

Finance leases are capitalized as assets at the commencement of the lease, at an amount equal to the fair value of leased asset or present value of the minimum lease payments, whichever is lower, valued at the inception date. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the company's general policy on borrowing cost. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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Operating lease payments are recognized as an operating expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Rental Income from operating leases is recognized on a straight-line basis over the term of the relevant lease, Costs including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs incurred in negotiating and arranging an operating lease are recognized immediately in the Statement of Profit and Loss.

H. Employee Benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard (Ind AS)-19 - 'Employee Benefits'.

Short Term Employee Benefits

Short term employee benefits are recognized as an expenses in the Statement of profit & loss of the year in which related services are rendered.

Defined Contribution Plan:

Retirement benefits in the form of provident fund and superannuation scheme are a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the provident fund/trust.

Defined Benefit Plan:

The Company's liabilities on account of gratuity and earned leave on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from registered actuary in accordance with the measurement procedure as per Indian Accounting Standard (INDAS)-19- 'Employee Benefits'. The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method at the year-end.

I. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

J. Provisions, Contingent liabilities, Contingent assets and Commitments:

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the outflow of resources embodying economic benefits will be

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required to settled the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to provision presented in the statement of profit & loss net of any reimbursement.

If the effect of the time value of money is material, Provisions are disclosed using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

Contingent liability is disclosed in the case of:

- There is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.
- A present obligation arising from past event, when it is not probable that as outflow of resources will be required to settle the obligation
- A present obligation arises from the past event, when no reliable estimate is possible
- A present obligation arises from the past event, unless the probability of outflow are remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.
Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognises impairment on the assets with the contract.

Contingent assets

Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

K. Segment Accounting and Reporting

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

The Operating Segments have been identified on the basis of the nature of products/ services.

(1) Segment Revenue includes sales and other income directly identifiable with/ allocable to the segment including inter- segment revenue.
(2) Expenses that are directly identifiable with/ allocable to the segments are considered for determining the segment result. Expenses not allocable to segments are included under unallocable expenditure.
(3) Income not allocable to the segments is included in unallocable income
(4) Segment results includes margin on inter segment and sales which are reduced in arriving at the profit before tax of the company.

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(5) Segment assets and Liabilities include those directly identifiable with the respective segments. Assets and liabilities not allocable to any segment are classified under unallocable category.

L. Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognised directly in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum alternate tax

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax assets to be recovered.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

M. Revenue Recognition

i. Sale of goods

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Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is recognised on accrual basis except stated otherwise.

ii. Other income

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rates applicable.

Dividend income from investments is recognized when the company's right to receive payment is established.

N. Foreign currency translation/conversion

Financial statements have been presented in Indian Rupees (`), which is the Company's functional and presentation currency.

- **Initial recognition**

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.

- **Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

- **Exchange differences**

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

O. Borrowing costs

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

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

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

P. Fair Value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly

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transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

Q. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

R. Financial Instruments

i. **Initial Recognition**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial

S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

ii. **Subsequent Measurement**

Non-derivative financial instruments

Financial assets carried at amortised cost

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

Financial assets at fair value through other comprehensive income

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

Financial assets at fair value through profit or loss-

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

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

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

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

A financial asset i.e. equity which is not classified as FVOCI, are subsequently fair valued through profit or loss.

Financial guarantee contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Impairment of Financial Assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial

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assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

Investment in subsidiaries/associates/joint ventures

Investment in subsidiaries/associates/joint venture is carried at cost in the financial statements.

Cash and cash equivalents

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

Financial liabilities

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

iii. **Derecognition**

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

iv. **Reclassification of financial assets**

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

v. **Offsetting of financial instruments**

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

vi. **Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle

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- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is 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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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.

S. Equity Shares

Ordinary shares are classified as equity. Incremental cost net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

T. Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

a. Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

b. Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of Contingencies /claim/litigations against the Company as it is not possible to predict the outcome of pending matters withaccuracy.

c. Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

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Notes to the Financial Statements for the year ended 31st March, 2018

3 Property, plant & equipment

(Rupees in Lakhs)

	Computer Peripherals	Electrical Fittings	Furniture and Fittings	Office Equipment	Vehicle	Building	Machinery	Total
Gross Block (at cost or revalued amount)								
As at 1st April, 2016	88.06	0.22	153.37	59.27	10.75	383.84	1.74	697.24
Additions	8.96	-	11.71	2.01	0.69	-	-	23.37
Disposals	5.15	-	0.12	1.14	0.46	-	-	6.87
As at 31st March, 2017	91.87	0.22	164.96	60.14	10.98	383.84	1.74	713.74
Additions	2.29	-	-	3.26	-	-	-	5.55
Disposals	0.46	-	0.08	0.51	-	-	-	1.04
As at 31st March, 2018	93.70	0.22	164.88	62.89	10.98	383.84	1.74	718.25
Depreciation								
As at 31st March, 2016	77.46	0.13	72.93	38.75	6.51	55.33	1.54	252.65
Charge for the year	7.23	0.03	21.26	5.82	1.40	18.62	0.05	54.40
Disposals	4.96	-	0.11	0.93	0.41	-	-	6.41
As at 31st March, 2017	79.73	0.16	94.08	43.64	7.50	73.95	1.59	300.64
Charge for the year	7.01	0.02	18.34	5.15	1.06	17.56	0.04	49.19
Disposals	0.44	-	0.08	0.48	-	-	-	1.00
As at 31st March, 2018	86.30	0.18	112.35	48.31	8.57	91.51	1.62	348.83
Net Block as at 31st March, 2017	12.13	0.06	70.88	16.51	3.47	309.89	0.15	413.10
Net Block as at 31st March, 2018	7.39	0.05	52.54	14.59	2.41	292.33	0.11	369.41

4 Other intangible assets

(Rupees in Lakhs)

	Computer Software	Total
Gross Block (at cost or revalued amount)		
As at 1st April, 2016	43.61	43.61
Additions	0.41	0.41
Disposals	-	-
As at 31st March, 2017	44.02	44.02
Additions	0.84	0.84
Disposals	-	-
As at 31st March, 2018	44.86	44.86
Depreciation		
As at 31st March, 2016	22.40	22.40
Charge for the year	8.72	8.72
Disposals	-	-
As at 31st March, 2017	31.12	31.12
Charge for the year	8.92	8.92
Disposals	-	-
	40.04	40.04
Net Block as at 31st March, 2017	12.90	12.90
Net Block as at 31st March, 2018	4.82	4.82

Bhilwara Infotechnology Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018

5 **Investments**

Non Current Investments

Rupees in Lakhs

Investment in Unquoted Equity Instruments, Fully Paid up - Valued at Fair Value	As at 31st March, 2018		As at 31st March, 2017	
	Number	Amount	Number	Amount
Bhilwara Services Private Limited	750	1.07	750	1.02
Add/(Less): Investments carried at Fair Value through OCI		-		-
Bhilwara Services Private Limited		0.05		0.05
		1.12		**1.07**
Aggregate amount of Unquoted Investments		1.12		1.07
Investments carried at fair value though OCI		1.12		1.07

6 **Loans**

	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Security Deposits				
- Unsecured, considered good	51.52	46.58	-	-
- Add/(Less): Secured Deposits carried at Amortized Cost	-	1.20	-	-
Loans & Advances to Employees				
- Unsecured, considered good	-	-	7.75	15.29
Others				
- Unsecured, considered good	-	-	-	-
	51.52	**47.78**	**7.75**	**15.29**

7 **Other financial assets**

	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Interest accrued but not due from bank	-	0.03	54.10	56.80
Fixed deposits (having maturity more than 12 months)	16.24	95.00	-	-
Unbilled revenue	-	-	510.43	22.54
Reinstatement (Forward Contract)	-	-	1.60	12.82
	16.24	**95.03**	**566.13**	**92.16**

7.1 **Additional Information as per Schedule III**

	As at 31st March, 2018	As at 31st March, 2017
Details of FDR kept as Security	1,193.34	-
Pledged with HDFC Bank against Forward Contracts	15.00	21.39

8 **Deferred tax assets / liabilities (net)**

	Deferred Tax Assets / (Liabilities) as at 31st March. 2018	Deferred Tax Assets / (Liabilities) as at 31st March. 2017
Deferred tax assets on account of		
On account of gratuity & leave encashment	56.09	55.10
- Forward contracts	-	4.44
- Security deposits	-	0.30
- Fair value investments	-	-
DTA	56.09	59.84
Deferred tax liabilities on account of		
- Depreciation charged in the books of accounts	-	-
- Forward contracts	(2.72)	(6.46)
- Ind AS Impact	-	-
- Fair value investments	(4.99)	-
	-	(0.01)
DTL	(7.71)	(6.47)
Net deferred tax assets / liabilities	**48.37**	**53.37**

Note: 'In view of uncertainity to recover long term capital loss, deferred tax assets are restricted to the deferred tax liability created on long term capital gains.

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9 Other current assets

	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Advance for goods & services	-	-	1.07	2.78
Capital advance	-	-	-	-
Prepaid expenses	-	-	16.69	11.89
Add: Prepaid Rent on account of security deposits carried at amortised cost	-	7.19	7.19	3.80
Service tax recoverable	-	-	0.23	1.61
GST recoverable	-	-	35.49	-
Other loans & advances	-	-	-	-
Income Tax Refundable (Net of Tax Provision of Rs 171.42 lakh PY 242.35 lakh)	177.22	73.36	-	-
	177.22	**80.56**	**60.66**	**20.08**

9.1 Additional Information as per Ind AS 12
Taxes on income

From continued operations	177.22	73.36	-	-

10 Trade receivables

	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Unsecured, considered good	-	-	1,423.54	815.31
	-	**-**	**1,423.54**	**815.31**

10.1 Additional Information as per Schedule III
Trade receivables are non interest bearing and receivable in normal operating cycle

11 Cash & cash equivalents

	Current	
	As at 31st March, 2018	As at 31st March, 2017
Balances with bank		
- in current accounts	58.56	305.92
- In fixed deposits (having maturity of less than 3 months)	408.47	355.52
Cash in hand	0.70	0.84
	467.73	**662.28**

12 Bank balances

	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Fixed deposits (having maturity greater than 3 months but less than 12 months)	-	-	1,056.73	1,044.23
	-	**-**	**1,056.73**	**1,044.23**

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13 Share Capital

	As at 31st March, 2018		As at 31st March, 2017	
	Number	Amount	Number	Amount
Authorised				
Equity Share of Rs 10/- each	9,700,000	970.00	9,700,000	970.00
Issued, Subscribed & Fully Paid up				
Equity Share of Rs 10/- each fully paid up	3,270,618	327.06	3,270,618	327.06
	3,270,618	**327.06**	**3,270,618**	**327.06**

13.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Rupees in Lakhs

	As at 31st March, 2018		As at 31st March, 2017	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	3,270,618	327.06	3,270,618	327.06
Add: Issued during the year				
Less: Changes during the year				
Shares Outstanding at the end of the year	**3,270,618**	**327.06**	**3,270,618**	**327.06**

13.2 Terms / rights attached to equity shares

The paid up capital of the Company consists of only equity shares of Rs.10 each. Every equity share holder is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion of the number of the equity shares held by the shareholders.

During the year ended 31st March, 2018 the amount of dividend per share recognized as distribution to equity shareholders was Rs.NIL (Previous Year: Rs.NIL)

13.3 Detail of Shares held by the Related Parties as under:

	As at 31st March, 2018		As at 31st March, 2017	
	No of Shares	% of Holding	No of Shares	% of Holding
HEG Limited	1,262,048	38.59	1,262,048	38.59
LNJ Financial Services Limited	476,939	14.58	476,939	14.58

13.4 Detail of Shareholder(s) holding more than 5% shares in the Company

	As at 31st March, 2018		As at 31st March, 2017	
	No of Shares	% of Holding	No of Shares	% of Holding
HEG Limited	1,262,048	38.59	1,262,048	38.59
LNJ Financial Services Limited	476,939	14.58	476,939	14.58
Cornhill Investment Limited	227,696	6.96	227,696	6.96

The aforesaid disclosure is based upon percentages computed seperately for class outstanding, as at the balance sheet date. As per the records of the company, including its register of shareholders / members and other declarations received from shareholders, regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

13.5 The company has neither issued any bonus share or shares for consideration other than cash neither bought back any shares during the period of five years immediately preceding the reporting date

13.6 Nature of Reserves

a) Retained earnings represent the undistributed profits of the Company

b) Securities Premium Reserve represents the amount received in excess of par value of securities. Premium on redemption of securities is accounted in security premium available. When security premium is not available, premium on redemption of securities is accounted for in Statement of Profit and Loss. Section 52 of Companies Act 2013 specifies restriction and utilisation of security premium.

14 Other equity

	Other Equity		Items of Other Comprehensive Income	Total
	Security Premium	Retained Earnings		
Restated Balance as at 1st April, 2016	226.76	1,940.44	1.40	2,168.60
Profit of the year	-	400.81	-	400.81
Remeasurement of defined benefit obligation	-	(5.10)	-	(5.10)
Investments carried at Fair Value through OCI	-	-	0.05	0.05
Transfer to realned earnings on account of Sale of Investments	-	70.14	-	70.14
As at 31st March, 2017	**226.76**	**2,406.29**	**1.45**	**2,634.50**
Profit of the year	-	432.67	-	432.67
Remeasurement of defined benefit obligation	-	-	-	-
Investments carried at Fair Value through OCI	-	-	0.05	0.05
As at 31st March, 2018	**226.76**	**2,838.96**	**1.50**	**3,067.22**

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Rupees in Lakhs

15 **Provisions**	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Provision for employees benefits				
Gratuity	109.37	103.39	11.68	7.36
Leave encashment	31.12	41.48	6.12	6.98
Total	**140.49**	**144.87**	**17.80**	**14.34**

16 **Bank overdraft**	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Bank overdraft (Against pledge of Fixed Deposit Receipts, Interest rate applicable 1% + rate of FDR)	-	-	270.58	-
	-	**-**	**270.58**	**-**

17 **Trade payables**	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Trade payables	-	-	75.82	35.76
Total	**-**	**-**	**75.82**	**35.76**

The Information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("The Act") have been determined to the extent such parties have been identified by the company, on the basis of information and records available with them. The information has been relied upon by the auditors

17.1

	As at 31st March, 2018	As at 31st March, 2017
Principal amount remaining unpaid as at end of the year	-	-
Interest due on above	-	-
Total (i) & (ii)	-	-
Interest paid on delayed payment of principal, paid along with such interest during the year	-	-
Interest due on delayed payment of principal, paid without such interest during the year	-	-
Interest accrued but not due, in respect of delayed payments of principal due as at the end of the	-	-
Total Interest due and payable together with that from prior year(s)	-	-

18 **Other financial liabilities**	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Employees related liabilities	-	-	132.91	111.70
Others	-	-	100.29	34.69
Creditor for capital goods	-	-	-	0.50
	-	**-**	**233.20**	**146.89**

19 **Other liabilities**	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Statutory dues	-	-	119.09	49.73
	-	**-**	**119.09**	**49.73**

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Bhilwara Infotechnology Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018

Rupees in Lakhs

20 **Revenue from operations**	Year ended March 31, 2018	Year ended March 31, 2017
Sale		
Domestic sales	3,652.63	3,009.46
Export sales	768.67	1,067.19
	4,421.30	**4,076.65**

21 **Other income**	Year ended March 31, 2018	Year ended March 31, 2017
Interest on deposits	115.22	103.86
Interest on income tax refund	-	17.52
Interest from others	0.12	0.16
Sundry balances written back	9.26	10.01
Profit on sale of fixed assets	-	0.55
Misc. income	7.61	6.55
Rental income on machineries	13.47	3.80
Gain on foreign currency transactions	4.37	16.82
	150.05	**159.27**

22 **Employee benefits expenses**	Year ended March 31, 2018	Year ended March 31, 2017
Salaries & other allowances	3,088.42	2,605.84
Contributions to funds	143.33	70.76
Staff welfare expenses	14.85	14.06
	3,246.60	**2,690.66**

23 **Finance costs**	Year ended March 31, 2018	Year ended March 31, 2017
Interest on		
- Statutory dues	0.02	0.53
- Overdraft	1.59	-
- Others	3.80	3.23
	5.41	**3.76**

24 **Depreciation & amortization expenses**	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation of tangible assets	49.19	54.40
Amortization of intangible assets	8.92	8.73
	58.11	**63.13**

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Bhilwara Infotechnology Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018

Rupees in Lakhs

25 **Other expenses**	**Year ended March 31, 2018**	**Year ended March 31, 2017**
Home transcription & professional consultant expenses	292.85	519.26
Power & fuel	39.70	35.27
Rent	103.47	84.94
Repairs to building	7.56	9.39
Repairs to others	9.96	7.64
Insurance	22.51	18.17
Rates & taxes	4.15	5.39
Legal & professional expenses	55.00	15.71
Travelling & conveyance expenses	23.48	21.46
Communication expenses	16.29	16.68
Office expenses	16.84	15.29
Miscellaneous expenses	29.93	29.45
Rental charges on machineries	26.43	7.09
Corporate social responsibility	1.00	-
Bad debts written off	-	0.04
Payment to auditors	2.22	2.23
	651.39	**788.01**

 # Corporate Social Responsibility (CSR)

2% of average net profit of last three years	15.15	15.35
Amount expended on CSR activities during the year	1.00	-

26 **Tax expenses**	**Year ended March 31, 2018**	**Year ended March 31, 2017**
Income tax current year	171.90	242.35
Deferred tax expenses	4.99	(23.04)
Income tax earlier years	0.26	0.25
Total	**177.15**	**219.56**

S.S. KOTHARI MEHTA & CO. * NEW DELHI * CHARTERED ACCOUNTANTS *

Notes to the Financial Statements for the year ended 31st March, 2018

27 Earnings per share

(Rupees in Lakhs)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Net Profit/ (Loss) as per Statement of Profit & Loss (for calculation of basic EPS	432.68	400.81
Net Profit used in the calculation of Basic Earning per Share	432.68	400.81
Net Profit for calculation of diluted EPS	432.68	400.81
Continuing Operations		
Net profit for as per Statement of Profit & Loss (calculation of basic EPS)	432.68	400.81
Net profit as above	432.68	400.81
Net profit for calculation of diluted EPS	432.68	400.81
Weighted average number of equity shares in calculating basic EPS	3,270,618	3,270,618
Effect of dilution:		
Weighted average number of equity shares in calculating diluted EPS	3,270,618	3,270,618
Basic earning per share	13.23	12.25
Diluted earning per share	13.23	12.25

During the year ended on 31st March, 2018, the amount of dividend per share recognized as distribution to Equity Shareholders is Rs Nil (Previous Year Rs Nil)

28 Impairment Review

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

Key assumptions used in value-in-use calculations:

- Operating margins (Earnings before interest and taxes)
- Discount rate
- Growth rates
- Capital expenditures

29 Events occurring after the Balance Sheet Date

No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements

30 Leases

General description of the Company's operating lease agreements:

The Company enters into operating lease agreements for taking on lease space for offices and residential premises for its employees. Some of the significant terms and conditions of the arrangements are:

i. Agreements may generally be terminated by the lessee / either party by serving one or two month's notice as per the agreements.

ii. The lease arrangements are generally renewable on the expiry of the lease period subject to mutual agreement.

iii. The Company shall not sublet, assign or part with the possession of the premises without prior written consent of the lessor.

The Company has taken four office premises under cancellable operating lease. These lease agreements are normally renewed / renewable on expiry. Lease rent expenses in respect of operating lease Rs 103.47 Lacs (Previous year Rs 84.94 Lacs)

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Notes to the Financial Statements for the year ended 31st March, 2018

31 Transactions in foreign exchange

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Income	768.67	1,562.51
Expenditure (foreign travelling)	-	2.50

32 Realisation in ordinary course of business

Loans & advances, trade receivables / payables and other current / non-current assets are reviewed annually and in the opinion of the Management do not have a value on realization in the ordinary course of business, less than the amount at which they are stated in the Balance Sheet.

33 Exceptional items

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Loss arising on the sale of investments	-	70.00

34 Capital management

(a) Risk Management

The Company's objective when managing capital are to:

(i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(ii) Maintain an optimal capital structure to reduce the cost of capital.

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Bhilwara Infotechnology Limited

Notes to the Financial Statements for the year ended 31st March, 2018

35 Disclosure of trade receivable

(i) Average Credit Period on sales is 90 days for FY 2017-18 & FY 2016-17.

(ii) The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. On the basis of the current receivables management feels that no expected credit loss provision is required to be made during the year. The provision matrix at the end of the reporting period is as follows:

Ageing of Trade Receivables as at March 31, 2018 (Rupees in Lakhs)

	Neither due nor impaired	Due Ageing					
		Less than 30 days	30 Days to 90 Days	91 Days to 180 Days	181 Days to 365 Days	More than 365 Days	Total
Trade Receivables As at March 31, 2018 Unsecured	1,357.16	45.86	13.13	4.63	-0.75	3.52	1,423.55
Gross Total	1,357.16	45.86	13.13	4.63	-0.75	3.52	1,423.55
Provision for Doubtful Receivables	-	-	-	-	-	-	-
Net Total	**1,357.16**	**45.86**	**13.13**	**4.63**	**-0.75**	**3.52**	**1,423.55**

Ageing of Trade Receivables as at March 31, 2017 (Rupees in Lakhs)

	Neither due nor impaired	Due Ageing					
		Less than 30 days	30 Days to 90 Days	91 Days to 180 Days	181 Days to 365 Days	More than 365 Days	Total
Trade Receivables As at March 31, 2017 Unsecured	623.04	98.21	92.40	1.42	-	0.24	815.31
Gross Total	623.04	98.21	92.40	1.42	-	0.24	815.31
Provision for Doubtful Receivables	-	-	-	-	-	-	-
Net Total	**623.04**	**98.21**	**92.40**	**1.42**	**-**	**0.24**	**815.31**

Credit Balance under Debtor Account as at March 31, 2018 (Rupees in Lakhs)

	Neither due nor impaired	Due Ageing					
		Less than 30 days	30 Days to 90 Days	91 Days to 180 Days	181 Days to 365 Days	More than 365 Days	Total
CMS Infosystems Pvt Ltd	-	-	-	-	-	1.69	1.69
HP Globalsoft Pvt Ltd	-	-	-	-	-	2.91	2.91
HP PPS Services India Pvt Ltd	-	-	-	-	0.68	-	0.68
Hewlett Packard Enterprises India Pvt Ltd	-	-	-	-	0.05	-	0.05
Total	-	-	-	-	**0.73**	**4.60**	**5.33**

Credit Balance under Debtor Account as at March 31, 2017 (Rupees in Lakhs)

	Neither due nor impaired	Due Ageing					
		Less than 30 days	30 Days to 90 Days	91 Days to 180 Days	181 Days to 365 Days	More than 365 Days	Total
CMS Infosystems Pvt Ltd	-	-	-	-	-	1.69	1.69
EIT Services India Pvt Ltd	-	0.65	-	-	-	-	0.65
HP Globalsoft Pvt Ltd	-	-	-	-	2.91	-	2.91
HP PPS Services India Pvt Ltd	-	0.52	-	-	-	-	0.52
Total	-	**1.18**	-	-	**2.91**	**1.69**	**5.78**

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Notes to the Financial Statements for the year ended 31st March, 2018

36 **Related party disclosures (as identified by the Management)**

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are as below:

Related Party Name and Relationship

1 **Key Management Personnel**

S.No	Name	Designation
1	Sri Riju Jhunjhunwala	(Non Executive Director)
2	Sri Rishabh Jhunjhunwala	(Non Executive Director)
3	Sri Raj Rishi Chatterjee	(Non Executive Director)

2 **Related Parties**

S.No.	Name of Entity in the group	Principal place of Operation	Principal Activity	% Shareholding	
				As at 31st March, 2018	As at 31st March, 2017
A.	**Associate of** HEG Limited	India	Manufacturing of Graphite Electrodes	38.59%	38.59%
B.	**Companies under the same management**				
	Investors India Limited	India	Investment Company	Nil	Nil
	Purvi Vanijya Niyogan Limited	India	Investment Company	3.83%	3.83%

(Rupees in Lakhs.)

3	Related party	Transaction For the year ended 31st March, 2018	Transaction For the year ended 31st March, 2017	Outstanding As at 31st March, 2018	Outstanding As at 31st March, 2017
A.	Rent & Repairs Charges payment				
	- Investors India Limited	7.80	7.80	-	-
	- Purvi Vanijya Niyogan Limited	9.83	9.85	-	-
B.	Sale of shares of Kalati Holdings Pvt. Ltd.				
	- Purvi Vanijya Niyogan Limited	-	55.00	-	-
C.	Other Payable				
	- Investors India Limited	-	-	1.17	0.59
	- Purvi Vanijya Niyogan Limited	-	-	-	0.87
D.	Cheques in hand				
	- Purvi Vanijya Niyogan Limited	-	-	-	55.00

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Bhilwara Infotechnology Limited

Notes to the Financial Statements for the year ended 31st March, 2018

37 Financial Instruments

Financial Assets

(Rupees in Lakhs)

Sl.No			Fair Value Hierarchy	As at 31st March, 2018		As at 31st March, 2017	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
1		**Financial Assets designated at Fair Value through Profit and Loss**					
	a)	Forward Contracts	Level-2	1.60	1.60	12.82	12.82
		Financial Assets designated at Fair Value through other Comprehensive Income					
2	a)	Long Term Investments	Level-2	1.12	1.12	1.07	1.07
3		**Financial Assets designated at Amortized Cost**	Level-2				
	a)	Financial Non Current Assets- Loans		51.52	51.52	47.78	47.78
	b)	Financial Non Current Assets- Others		16.24	16.24	95.03	95.03
	c)	Trade receivables		1,423.54	1,423.54	815.31	815.31
	d)	Cash and Cash Equivalents		467.73	467.73	662.28	662.28
	e)	Bank Balances		1,056.73	1,056.73	1,044.22	1,044.22
	f)	Financial Current Assets- Loans		7.75	7.75	15.29	15.29
	g)	Financial Current Assets- Others		59.08	59.08	79.33	79.33
				3,085.31	3,085.31	2,773.11	2,773.11

Financial Liabilities

(Rupees in Lakhs)

Sl.No			Fair Value Hierarchy	As at 31st March, 2018		As at 31st March, 2017	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
1		**Financial Liability designated at Fair Value through Profit and Loss**					
	a)	Derivatives - not designated as Hedging Instruments	Level-2				
2		**Financial Liablities designated at Fair Value through other Comprehensive Income**	Level-2				
3		**Financial Liability designated at Amortised Cost**	Level-2				
	a)	Trade Payables		75.82	75.82	35.76	35.76
	b)	Other Financial Current Liabilitles (excluding Derivatives)		233.20	233.20	146.89	146.89
	c)	Bank Overdraft		270.58	270.58	-	-
				309.02	309.02	182.65	182.65

(i) Fair Value hierarchy

The Fair Value of the Financial Assets and Liabilities are 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.

The following methods and assumptions were used to estimate the Fair Values:

1. Fair Value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying value largely due to the short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates evaluated by the Company based on the parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation techniques:

Level 1: Quoted prices (unadjusted) in the active markets for identical assets or liability
Level 2: Other techniques for which all the inputs which have a significant effect on the recorded fair values are observable, either directly or indirectly
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(ii) Valuation Technique used to determine Fair Value

The following methods and assumptions were used to estimate the fair values:

i. Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
ii. The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate. As at the end of the reporting period.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

38 Segment Information

i. Entity wide disclosure required by IND AS 108 are made as follows:

(Rupees in Lakhs)

	For the year ended 31st March, 2018			For the year ended 31st March, 2017		
	Medical Transcription	Software & IT Related	Total	Medical Transcription	Software & IT Related Services	Total
Segments Revenue						
Sales	781.97	3,789.38	4,571.35	1,092.67	3,143.25	4,235.92
Total Revenue	**781.97**	**3,789.38**	**4,571.35**	**1,092.67**	**3,143.25**	**4,235.92**
Profit before tax	(8.94)	642.14	633.20	87.43	532.94	620.37
Less: Provision for taxation						
Current tax	-	-	171.90	-	-	242.35
Deferred tax	-	-	4.99	-	-	(23.04)
Profit after tax	-	-	0.27	-	-	0.25
Other Informations						
Segment Assets	778.30	3,460.91	4,239.22	847.14	2,506.00	3,353.14
Total Assets	**778.30**	**3,460.91**	**4,239.22**	**847.14**	**2,506.00**	**3,353.14**
Segment Liabilities	177.27	820.20	997.47	217.05	319.41	536.46
Total Liabilities	**177.27**	**820.20**	**997.47**	**217.05**	**319.41**	**536.46**
Capital Employed (Segment Assets - Segment Liabilities)	**601.03**	**2,640.71**	**3,241.74**	**630.09**	**2,186.59**	**2,816.67**

ii There is no geographical reporting segment of the company

Based on Location of the Customer						
Domestic	-	3,765.70	3,765.70	-	3,143.25	3,143.25
Export	781.97	23.68	805.65	1,092.67	-	1,092.67

iii. Major Customers are 3 from which main revenue is coming

iv. Revenues from a major customer represents more than 50% of the Total Sales of the Company.

v There are no assets outside India except for Trade Receivables of Rs 54.51lakh (Previous year Rs 173.03lakhs) as at year end

39 Derivative financial Instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

The following table gives details in respect of outstanding hedged foreign exchange forward contracts:

(Rupees in Lakhs)

	As at 31st March, 2018		As at 31st March, 2017	
	FC	Rs. In INR	FC	Rs. In INR
Assets				
Forward contracts				
In U.S. dollars	3.50	233.94	2.00	143.65
Liabilities				
Forward contracts				
In U.S. dollars				
	3.50	**233.94**	**2.00**	**143.65**

The table below analyses the outstanding foreign exchange forward contracts into relevant maturity groupings based on the remaining period as of the balance sheet date:

	As on 31st March, 2018	As on 31st March, 2017
Not later than one month	0.50	0.50
Later than one month and not later than three months	0.75	1.00
Later than three months and not later than one year	2.25	0.50
Later than one year	-	-
	3.50	**2.00**

The company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Bhilwara Infotechnology Limited

Notes to the Financial Statements for the year ended 31st March, 2018

Reconciliation of Balance Sheet Amount	31st March, 2017	31st March, 2018	31st March, 2017	31st March, 2018
Balance Sheet (Asset)/Liability, Beginning of Period	90.73	110.75	34.65	48.46
True-up	-	-	-	-
Total Charge/ (Credit) Recognised In Profit and Loss	31.66	36.28	18.87	(4.78)
Total Remeasurements Recognised in OCI	(5.10)	(23.37)	-	-
(Income) / Loss Acquisition /Business Combination / Divestiture	-	-	-	-
Benefits paid	(6.53)	(2.59)	(5.06)	(6.45)
Other Events	-	-	-	-
Balance Sheet (Asset)/Liability,End of Period	110.75	121.07	48.46	37.23

Sensitivity Analysis	31st March, 2018	31st March, 2017
Defined benefit obligation-discount rate+100 basic points	(11.56)	(3.26)
Defined benefit obligation-discount rate-100 basic points	13.56	3.82
Defined benefit obligation-Salary escalation rate+100 basic points	13.74	3.87
Defined benefit obligation-Salary escalation rate-100 basic points	(11.90)	(3.36)

Expected cash flows for next ten years	31st March, 2018
Year 2019	11.93
Year 2020	9.00
Year 2021	11.35
Year 2022	15.40
Year 2023	20.23
Year 2024-2028	305.13

Acturial Assumption				
Discount Rate	7.35 P.A.	7.80 P.A.	7.35 P.A.	7.80 P.A.
Salary escalation	5.50 P.A.	5.50 P.A.	5.50 P.A.	5.50 P.A.
Retirement Age	60 Years	60 Years	60 Years	60 Years
Mortality Table	IALM[2006-2008]	IALM[2006-2008]	IALM[2006-2008]	IALM[2006-2008]
Withdrawl Rates				
Age:				
Upto 30 years	6.00%	6.00%	6.00%	6.00%
From 31 to 45 years	6.00%	6.00%	6.00%	6.00%
Above 45 years	6.00%	6.00%	6.00%	6.00%

S.S. KOTHARI MEHTA & CO.
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43 Financial Risk Management

The company is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits. The company is exposed to interest rate risk on variable rate long term borrowings.

Derivative instruments and unhedged foreign currency exposure

i. Foreign currency risk

a) Derivative outstanding at the end of year

	As at 31st March, 2018	As at 31st March, 2017
Forward Contracts to sell USD	3.50	2.00

b) Particulars of unhedged foreign currency exposures as at the reporting date

	As at 31st March, 2018	As at 31st March, 2017
Trade Receivables(USD)	0.34	1.72

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company is exposed to foreign currency risk as there is transaction in foreign currency(USD) of un-hedged foreign currency exposures as at the Balance Sheet date.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed not to this risk as there is no borrowing

iii Price Risk

The company is not exposed to any price risk as there is no investment in equities outside the group and the company doesn't deal in commodities.

b) Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, unsecured loan to subsidiary company and other financial instruments.

c) Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

(Rupees in Lakhs)

	Undiscounted amount			
	Carrying Amount	Payable within 1 year	More than 1 year	Total
As at 31st March, 2018				
Non- derivative liabilities				
Trade Payables	75.82	75.82	-	75.82
Other Financial liabilities	233.20	233.20	-	233.20
Bank Overdraft	270.58	270.58	-	270.58

	Undiscounted amount			
	Carrying Amount	Payable within 1 year	More than 1 year	Total
As at 31st March, 2017				
Non- derivative liabilities				
Trade Payables	35.76	35.76	-	35.76
Other Financial liabilities	146.89	146.89	-	146.89

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Bhilwara Infotechnology Limited

Notes to the Financial Statements for the year ended 31st March, 2018

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2018 and 31st March, 2017.
Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.
The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

44 Previous Year's Figures

Previous year figures have been regrouped / reclassified, where necessary, to confirm to current year's classification.

As per our Report of even date attached

For S S Kothari Mehta & Co
Chartered Accountants

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Sunil Wahal
Partner
Membership No : 087294

Place: New Delhi
Date: April 30, 2018

For and on behalf of Board of Directors
Bhilwara Infotechnology Limited

Riju Jhunjhunwala
Director
DIN 00061060

Raj Rishi Chatterjee
Director
DIN 07960670