

DOOGAR & ASSOCIATES

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Bhilwara Infotechnology Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Bhilwara Infotechnology Limited** ("the Company"), which comprise the balance sheet as at March 31, 2020, the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical independent responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on financial statements.

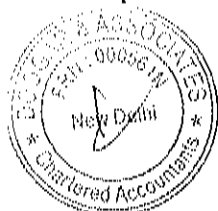
Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board Report including annexures to Board report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our



opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 - (A) 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 changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the

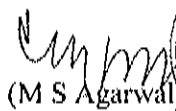


requirements of section 197(16) of the Act, as amended:

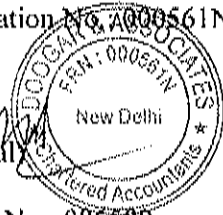
In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year.

- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. There are no pending litigations having impact on its financial position requiring disclosure in its financial statements.
 - ii. The company has made provisions, as required, under applicable law or accounting standards for foreseeable losses, if any on long term contracts including derivative contracts.
 - iii. There were no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Doogar and Associates
Chartered Accountants
Firm Registration No. A000561N


(M S Agarwal)

Partner
Membership No.: 086580
UDIN : 20086580AAAAAR1971



Place: New Delhi
Date: 1st June, 2020.

THE ANNEXURE REFERRED TO IN INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE COMPANY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020, WE REPORT THAT:

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

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) There are no inventories.

(iii) According to the information and explanation given to us, during the year the Company has not granted any loans, secured or unsecured to companies, firm or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted during the year in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable.

(v) The Company has not accepted any deposits from the public.

(vi) In our opinion and according to the intimation and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 148 of the Act, in respect of the Company product.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employee state insurance, income-tax, duty of customs, cess, goods & services tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee state insurance, income tax, duty of customs, cess, goods & services tax and other material statutory dues were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.



(b) According to the information and explanations given to us, there are no material dues of income tax, , or duty of custom, or, cess, Goods & Services Tax which have not been deposited with the appropriate authorities on account of any dispute.

(viii) The Company has not defaulted in repayment of loan or borrowing to a financial institution or bank, government. There are no debenture holders.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). According to the information and explanation given to us, no term loans were raised during the year.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid any managerial remuneration to any director.

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

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, 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) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Doogar and Associates

Chartered Accountants

Firm Registration No. 7000561N


(M S Agarwal)

Partner

Membership No.: 86580

UDIN : 20086580AAAAAR1971



Place: New Delhi

Date: 1st June, 2020

**ANNEXURE - B TO THE AUDITOR'S REPORT
REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

We have audited the internal financial controls over financial reporting of **Bhilwara Infotechnology Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management and Board of directors are 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the 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 Companies Act, 2013, 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 judgment, 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.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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



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

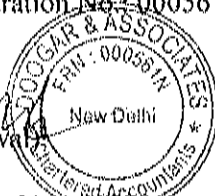
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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 31st March, 2020, 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 Doogar and Associates
Chartered Accountants
Firm Registration No.: 000561N


(M S Agarwal)
Partner
Membership No.: 46580
UDIN : 20086580AAAAAR1971
Place: New Delhi
Date: 1st June, 2020



Bhilwara Infotechnology Limited
CIN: U74899DL2000PLC104401
Balance Sheet as at 31st March, 2020


		Rupees in Lakhs	
	Note No.	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non current assets			
Property, plant and equipment	3	328.14	372.58
Other Intangible assets	4	0.73	1.19
Right of Use Assets		175.00	-
Financial assets			
Investments	5	1.55	1.17
Loans	6	40.71	56.45
Others	7	408.58	31.20
Deferred tax assets	8	19.84	37.09
Other non-current assets	9	664.19	360.97
		<u>1,638.75</u>	<u>860.65</u>
Current assets			
Financial assets			
Trade receivables	10	744.55	1,319.48
Cash and cash equivalents	11	464.98	470.44
Loans	6	3.29	9.57
Bank balances	12	1,596.36	1,344.46
Others	7	407.49	532.65
Other current assets	9	33.37	41.75
		<u>3,250.04</u>	<u>3,718.35</u>
Total Assets		<u>4,888.79</u>	<u>4,579.00</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	327.06	327.06
Other equity	14	3,866.46	3,526.13
		<u>4,193.52</u>	<u>3,853.19</u>
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease Liabilities	18	124.17	0
Others	18	33.02	32.25
Provisions	15	116.08	143.22
		<u>273.27</u>	<u>175.48</u>
Current liabilities			
Financial liabilities			
Lease Liabilities	18	51.97	-
Short Term Borrowings	16	54.27	180.29
Trade payables			
-Due to micro enterprises and small enterprises	17	37.57	-
-Due to creditors other than micro enterprises and small enterprises	17	81.29	135.42
Other financial liabilities	18	80.08	105.23
Provisions	15	26.77	18.73
Other current liabilities	19	90.05	110.66
		<u>422.00</u>	<u>550.33</u>
Total Equity & Liabilities		<u>4,888.79</u>	<u>4,579.00</u>

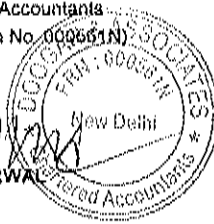
As per our Report on Financial Statements of even date attached

For **DOOGAR AND ASSOCIATES**

Chartered Accountants

(Firm Regn No. 000661N)


M S AGARWAL
PARTNER
Membership No 86580



For and on behalf of Board of Directors

BHILWARA INFOTECHNOLOGY LIMITED


RIJU HUNJUNWALA
Director
DIN 00061060


RAJ RISHI CHATTERJEE
Director
DIN 07960670

Place: New Delhi

Date: June 01, 2020

Bhilwara Infotechnology Limited

CIN: U74899DL2000PLC104401

Statement of Profit and Loss for year ended 31st March, 2020

Particulars	Note No.	Rupees in Lakhs	
		For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue			
Revenue from operations	20	4,227.55	5,091.37
Other income	21	248.58	175.37
Total revenue (I)		4,476.13	5,266.74
Expenses			
Employees benefit expenses	22	3,132.06	3,825.74
Finance cost	23	9.07	6.46
Depreciation and amortization expenses	24	109.32	52.35
Other expenses	25	792.10	758.79
Total (II)		4,042.55	4,643.34
Profit before tax (PBT) (III)		433.58	623.40
Tax expenses:			
Current tax	27	115.06	186.82
Deferred tax	27	10.78	2.23
Income tax pertaining to earlier years	27	(11.49)	(1.04)
Total tax expenses (IV)		114.35	188.01
Profit after Tax (III) - (IV)		319.22	435.38
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans		41.22	32.53
- Investments carried at fair value through OCI		0.38	0.05
- Tax Impact on above		(10.37)	(9.05)
Total Other comprehensive income, Net of Income Tax		31.22	23.54
Total Comprehensive Income for the year / period [Comprising Profit / (Loss) after tax and other comprehensive Income / (Loss)]		350.44	458.92
EPS			
- Basic	28	9.76	13.31
- Diluted	28	9.76	13.31

As per our Report on Financial Statements of even date attached

For DOOGAR AND ASSOCIATES

Chartered Accountants

(Firm Regn No. 000561N)

M S AGARWAL
PARTNER
Membership No 86580

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: June 1, 2020

	Rupees In Lakhs	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Operating Profit/(Loss) before Tax	433.57	623.40
Adjustment to reconcile Profit before Tax to Net Cash Flows		
Depreciation of Property, Plant and Equipment	108.53	48.71
Amortisation of Intangible Asset	0.79	3.64
Profit on sale/discard of Property, Plant and Equipment	5.91	(1.12)
Provision on Doubtful Debts	1.12	-
Liabilities not required Written Back	(10.46)	-
Provision for Employee Benefits	22.11	36.19
Finance Cost	9.07	6.46
Interest Income	(187.75)	(128.92)
Change in Operating Assets and Liabilities, Net of effect from purchase of controlled entities		
(Increase) / Decrease in Trade Receivables	573.80	104.07
(Increase) / Decrease in Current Financial Assets	131.10	47.12
(Increase) / Decrease in other Current Assets	8.37	18.93
(Increase) / Decrease in other Current Security Deposits	6.98	(6.98)
Increase / (Decrease) in Current Financial Liabilities	(25.15)	(20.95)
Increase / (Decrease) in Trade Payable	(16.56)	(35.37)
Increase / (Decrease) in Other Current Liabilities	(20.61)	(8.43)
Movement in Non-Current Assets and Liabilities		
(Increase) / Decrease in Other Non Current Assets	(6.76)	-
(Increase) / Decrease in other Non Current Security Deposits	15.74	(4.94)
Increase / (Decrease) in Non Current Financial Liabilities	0.78	20.19
Cash flow from Operations Activities	1,050.60	702.01
Income Tax Paid	(400.00)	(369.53)
Net Cash Flow (Used) In/ from Operating Activities	650.60	332.47
B. CASH FLOW FROM INVESTING ACTIVITIES		
Addition of Property, Plant & Equipment	(11.17)	(54.73)
Additions to Intangible Assets	(0.33)	-
Receipt from Disposal of Asset	3.11	3.97
Loans and Advance to Employees	(0.70)	5.10
Interest Income	167.55	114.14
Investments/ Maturities of Fixed Deposit	(615.02)	(301.55)
Net Cash Flow (Used) In/ from Investing Activities	(456.56)	(233.01)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost paid	(5.07)	(6.46)
Repayment towards lease Liabilities and Interest	(68.37)	-
Loan taken / (repayment) of short term borrowings	(126.02)	(90.79)
Net Cash (Used) In/ from Financing Activities	(199.45)	(96.75)
Net Increase/(Decrease) in Cash & Cash Equivalent		
	(5.46)	2.72
Cash & Cash Equivalent at the beginning of the year / period	470.44	467.73
Cash & Cash Equivalent at year end	464.98	470.44
Component of Cash & Cash Equivalent		
Balances with bank in Current Accounts	47.53	32.71
Balance in fixed deposits (having maturity of less than 3 months)	416.24	437.70
Cash in hand	1.21	0.02
	464.98	470.42

A) RECONCILIATION STATEMENT OF CASH AND BANK BALANCES

Particulars	As at 31st March- 20	As at 31st March- 19
Cash and cash equivalents at the end of the year as per above	464.98	470.42
Add. Deposits with more than 3 months but less than 12 months	1596.36	1344.46
Cash and bank balance as per balance sheet (refer note 11 & 12)	2,061.34	1,814.89

B) DISCLOSURES AS REQUIRED BY IND AS 7

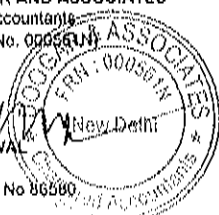
Reconciliation of liabilities arising from financing activities

	Opening Balance	Cash Flows	Closing Balance
31st March, 2020			
Short term secured borrowings	180.29	(126.02)	54.27
Total	180.29	-126.02	54.27
31st March, 2019			
Short term secured borrowings	270.58	(90.29)	180.29
Total	270.58	-90.29	180.29

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

For DOOGAR AND ASSOCIATES
Chartered Accountants
(Firm Regn No. 0006541)

M S AGARWAL
PARTNER
Membership No 86580



For and on behalf of Board of Directors
BHILWARA INFOTECHNOLOGY LIMITED

RIJU JHUNJHUNWALA
Director
DIN 00061060

RAJ NISHIKANT ERJEE
Director
DIN 07960670

Bhilwara Infotechnology Limited

CIN: U74899DL2000PLC104401

1 Statement of Changes in Equity for the year ended 31st March, 2020

Rupees in Lakhs

A Equity Share Capital	Balance as at 31st March, 2018	Changes in Equity share capital during the year	Balance as at 31st March, 2019
For the year ended 31st March, 2019	327.06	0.00	327.06
	Balance as at 31st March, 2019	Changes in Equity share capital during the year	Balance as at 31st March, 2020
For the year ended 31st March, 2020	327.06	0.00	327.06

B Other Equity

Particulars	Reserves and surplus			Items of other comprehensive income			Total Other Equity
	Securities Premium	General Reserve	Retained Earnings	Fair Value of Investment	Remeasurement (Losses)/Gain on defined benefit plan	Total Other Comprehensive Income	
Balance as at 1st April, 2018	226.76	-	2,800.65	1.50	38.30	39.80	3,067.21
Profit/(Loss) for the year	-	-	435.38	0.05	23.48	23.54	458.92
Balance as at 31st March, 2019	226.76	-	3,236.03	1.55	61.78	63.33	3,526.13
Balance as at 1st April, 2019	226.76	-	3,236.03	1.55	61.78	63.33	3,526.13
Adjustment in retained earnings on account of transitional impact of IND AS 116 (Refer Note No 31)	-	-	(10.11)	-	-	-	(10.11)
Restated balance as at 1st April, 2019	226.76	-	3,225.92	1.55	61.78	63.33	3,516.02
Profit/(Loss) for the year	-	-	319.22	0.38	30.84	31.22	350.44
Balance as at 31st March, 2020	226.76	-	3,545.15	1.92	92.62	94.55	3,866.46

As per our Report on Financial Statements of even date attached
For DOOGAR AND ASSOCIATES

Chartered Accountants
(Firm Regn No. 000561N)

M S AGARWAL
PARTNER
Membership No 86580

Place: New Delhi
Date: June 01, 2020

For and on behalf of Board of Directors
Bhilwara Infotechnology Limited

RIJU JHUNJHUNWALA
Director
DIN 00061060

RAJ RISHI CHATTERJEE
Director
DIN 07960670

Bhilwara Infotechnology Limited

Notes Forming Part of Financial Statements

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 at 40-41, Community Centre, New Friends Colony, New Delhi- 110065, India.

These financial statements were approved and adopted by the board of directors of the Company in their meeting dated 1st June, 2020.

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.

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 recognised 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.



Bhilwara Infotechnology Limited

Notes Forming Part of Financial Statements

D. Depreciation and amortization

The assets' residual values, useful lives and methods of depreciation 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.

Depreciation on Tangible Property, Plant & Equipment (PPE) is provided on written down value method based on useful life of such PPE as specified in Schedule II of the Companies Act, 2013. The useful life of PPE is same as that specified in Schedule II of the Companies Act, 2013.

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 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 company has applied Ind AS 116 w.e.f 1st April, 2019. In accordance with Ind AS 116, the company recognises right of use assets representing its right to use the underlying asset for the



lease term at the lease commencement date. The cost of right of use asset measures at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before commencement date less any lease incentive received plus any initial direct cost incurred and an estimate of cost to be incurred by lessee in dismantling and removing underlying asset or restoring the underlying asset or site on which it is located. The right of use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any, and adjusted for any re-measurement of lease liability. The right of use assets is depreciated using the Straight Line Method from the commencement date over the charter of lease term or useful life of right of use asset. The estimated useful life of right of use assets are determined on the same basis as those of Property, Plant and Equipment. Right of use asset are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in Statement of Profit and Loss.

The company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company uses incremental borrowing rate.

The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modification or to reflect revised-in-substance fixed lease payments. The company recognises amount of re-measurement of lease liability due to modification as an adjustment to write off use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of right of use assets is reduced to zero and there is further reduction in measurement of lease liability, the company recognises any remaining amount of the re-measurement in Statement of Profit and Loss.

The company has elected not to apply the requirements of Ind AS 116 to short term leases of all assets that have a lease term of 12 months or less unless renewable on long term basis and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on Straight Line basis over lease term.

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



Bhilwara Infotechnology Limited

Notes Forming Part of Financial Statements

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 required to settle 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 an 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.
- (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.

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



Bhilwara Infotechnology Limited

Notes Forming Part of Financial Statements

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 / services

In accordance with IND AS 115, revenue from sale of services are recognized at a time when the performance obligation is satisfied and upon transfer of control of promised services to customer in an amount that reflects the contribution the Company expects to receive in exchange of these services. The Company disaggregates the revenue on the basis of nature of services rendered / geographical area.

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. The date of transaction for the purpose of determining the exchange rate to use on initial recognition of related assets, expenses or income is when the Company has received / paid consideration in foreign currency.

• 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 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.



Bhilwara Infotechnology Limited

Notes Forming Part of Financial Statements

Q. Significant Accounting Judgments, Estimates and Assumptions:

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.

Estimation of uncertainties related to Global Health Pandemic from COVID-19

The Company has considered the possible effect that may result from pandemic relating to COVID-19 on the carrying amount of financial assets including Trade Receivables, unbilled receivables and other financial assets. In developing the assumptions relating to the possible future uncertainties in global economic condition because of the pandemic, the Company as at the date of approval of these financial statement has used internal and external source of information, on the expected future performance of the company and based on estimates the company expects that the carrying amount of financial assets will be recovered and the company do not expect any significant impact of COVID-19 on the company's financial statement as at the date of approval of these Financial Statement.

The impact of Covid -19 on the company's financial statement may differ from that estimated as at the date of approval of these financial statements.

i) Lease:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires significant judgment. The company uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The company determines the lease term as the non-cancellable period of lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In exercising whether the company is reasonably certain to exercise an option to extend a lease or to exercise an option to terminate the lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease or to exercise the option to terminate the lease. The company revises lease term, if there is change in non-cancellable period of lease. The discount rate used is generally based on Incremental borrowing rate.

ii) Depreciation/Amortization and useful life of Property, Plant and Equipment:

The Company has estimated the useful life of Property, Plant and Equipment (PPE) as specified in schedule II of Companies Act, 2013. However, the actual useful life for individual PPE could turn out to be different, there could be technology changes, breakdown, unexpected failure leading to impairment or complete discard. Alternatively, the equipment may continue to provide useful services well beyond the useful life assigned.

iii) Impairment of Financial & Non-Financial Assets:

The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The Company uses judgments in making these assumptions and selecting inputs for impairment calculations based on existing market conditions, past history, technology, economic developments as well as forward looking estimates at the end of each reporting period.

iv) Provisions:

The company makes provision for leave encashment and gratuity based on report received from the independent actuary. These valuation reports uses complex valuation models using actuarial valuation. An actuarial valuation involves making various assumption that may differ from actual development in future.



Bhilwara Infotechnology Limited

Notes Forming Part of Financial Statements

v) Contingencies:

Management judgment 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 with accuracy.

vi) 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.

vii) 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.

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 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)



Bhilwara Infotechnology Limited

Notes Forming Part of Financial Statements

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 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.



Bhilwara Infotechnology Limited

Notes Forming Part of Financial Statements

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
- 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.

Recent Indian Accounting Standards (IND AS)

The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standards or amendments there to. There is no such notification which would have been applicable from April 1st 2020.



Bhilwara Infotechnology Limited

Notes to the Financial Statements for the year ended on 31st March, 2020

3 Property, Plant & Equipment

(Rupees in Lakhs)								
	Computer Peripherals	Electrical Fittings	Furniture and Fittings	Office Equipment	Vehicle	Building	Machinery	Total
Gross Block								
As at 1st April, 2018	93.70	0.22	164.88	62.89	10.98	383.84	1.74	718.25
Additions	5.46	-	4.74	2.46	42.07	-	-	54.73
Disposals	4.81	0.22	7.68	3.15	10.28	-	-	26.15
As at 31st March, 2019	94.36	-	161.94	62.20	42.76	383.84	1.74	746.83
Additions	2.10	-	0.29	0.08	8.70	-	-	11.17
Disposals	13.95	-	14.73	6.37	0.04	-	-	35.09
As at 31st March, 2020	82.51	-	147.50	55.90	51.42	383.84	1.74	722.91
Depreciation								
As at 31st March, 2018	86.30	0.17	112.35	48.30	8.57	91.51	1.62	348.83
Charge for the year	4.73	0.01	15.74	7.28	4.36	16.57	0.03	48.71
Disposals	4.69	0.18	6.63	2.99	8.80	-	-	23.30
As at 31st March, 2019	86.35	-	121.46	52.58	4.13	108.08	1.65	374.24
Charge for the year	4.01	-	9.15	3.53	14.24	15.63	0.02	46.59
Disposals	13.40	-	7.95	4.68	0.04	-	-	26.07
As at 31st March, 2020	76.95	-	122.66	51.43	18.33	123.71	1.67	394.76
Net Block as at 31st March, 2020	5.55	-	24.84	4.47	33.08	260.13	0.07	328.14
Net Block as at 31st March, 2019	8.00	-	40.48	9.62	38.63	275.76	0.09	372.58

4 Other intangible assets

(Rupees in Lakhs)		
	Computer Software	Total
Gross Block		
As at 1st April, 2018	44.86	44.86
Additions	-	-
Disposals	-	-
As at 31st March, 2019	44.86	44.86
Additions	0.33	0.33
Disposals	6.33	6.33
As at 31st March, 2020	38.86	38.86
Depreciation		
As at 31st March, 2018	40.04	40.04
Charge for the year	3.64	3.64
Disposals	-	-
As at 31st March, 2019	43.67	43.67
Charge for the year	0.79	0.79
Disposals	6.33	6.33
As at 31st March, 2020	38.13	38.13
Net Block as at 31st March, 2020	0.73	0.73
Net Block as at 31st March, 2019	1.19	1.19

The estimated amortisation in Intangible assets for the year subsequent to 31st March-2020 is as follows

(Rupees in Lakhs)	
Year	Amortisation Expenses
2020-21	0.54
2021-22	0.15
2022-23	0.04
2023-24	-
2024-25	-
	0.73



Bhilwara Infotechnology Limited

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2020

5 Investments

Non Current Investments

Investment in Unquoted Equity Instruments, Fully Paid up -
Valued at Fair Value

Bhilwara Services Private Limited

Aggregate amount of Unquoted Investments
Investments carried at fair value through OCI

Rupees in Lakhs			
As at 31st March, 2020		As at 31st March, 2019	
Number	Amount	Number	Amount
750	1.55	750	1.17
	1.55		1.17
	1.55		1.17
	1.55		1.17
	1.55		1.17

6 Loans

Security Deposits
- Unsecured, considered good
Loans & Advances to Employees
- Unsecured, considered good

Non Current		Current	
As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
40.51	55.45	-	6.98
0.20	1.00	3.29	2.59
40.71	56.45	3.29	9.57

7 Other financial assets

Interest accrued but not due from bank
Fixed deposits (having maturity more than 12 months)
Unbilled receivables

Non Current		Current	
As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
15.40	1.15	73.68	67.74
393.18	30.05	-	-
-	-	333.81	464.91
408.58	31.20	407.49	532.65

8 Deferred Tax Liabilities

In accordance with IND AS-12, the Company has accounted for deferred taxes during the year as under:

Following are the major components of Deferred Tax Liabilities and Deferred Tax Assets:

	As at 31st March 2020							
	As at 1st Apr-2019	Adjustment on account of IND AS 116	Restated balance as at 1st April, 2019	Recognised in profit or (loss)	Recognised in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Deferred Tax Assets / (Liabilities)								
Property, plant and equipment and intangible assets	(0.69)		(0.69)	2.45	-	1.76	1.76	-
Provision for defined benefit plan - OCI	(9.05)		(9.05)	-	(10.37)	(19.42)	(19.42)	-
Deferred Tax Assets								
Provision for defined benefit plan - P & L	34.37		34.37	(5.84)	-	28.53	-	28.53
Provision for other Employees Benefit	12.47		12.47	(3.50)	-	8.97	-	8.97
Others								
Others		3.90	3.90	(3.90)	-	-	-	-
Deferred Tax Assets / (Liabilities)	37.09	3.90	40.99	(10.78)	(10.37)	19.84	(17.66)	37.51

Deferred Tax (Liabilities)

Property, plant and equipment and intangible assets
Provision for defined benefit plan - OCI

Deferred Tax Assets

Provision for defined benefit plan - P & L
Provision for other Employees Benefit

Others
Others

Deferred Tax Assets / (Liabilities)

	As at 31st March 2019					
	As at 1st Apr-2018	Recognised in profit or (loss)	Recognised in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment and intangible assets		(2.73)	2.04	-	(0.69)	(0.69)
Provision for defined benefit plan - OCI		-	-	(9.05)	(9.05)	(9.05)
Provision for defined benefit plan - P & L	45.73	(11.36)	-	34.37	-	34.37
Provision for other Employees Benefit	10.36	2.11	-	12.47	-	12.47
Others		(4.99)	4.99	-	-	-
Deferred Tax Assets / (Liabilities)	48.37	(2.73)	(9.05)	37.09	(9.75)	46.84



Bhilwara Infotechnology Limited

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2020

Movement in deferred tax account is as under

Particulars	As at 31st	As at 31st
	March, 2020	March, 2019
Balance at the beginning of the year	37.09	48.37
Add: Deferred Tax Impact on Initial adoption of IND AS 116	3.90	-
Restated balance as at 1st April, 2019	40.99	48.37
Credit / (Charge) to Statement of Profit & Loss account	(10.78)	(2.23)
Credit / (Charge) to Other Comprehensive Income	(10.37)	(9.05)
Balance at the end of the year	19.84	37.09

9 Other current assets

Advance for goods & services
 Prepaid expenses
 Balance with GST Authorities
 Income Tax Refundable (Net of Tax Provision of Rs 115.06 lakh PY 186.82 lakh)

Non Current		Current	
As at 31st	As at 31st	As at 31st	As at 31st
March, 2020	March, 2019	March, 2020	March, 2019
-	-	3.51	0.97
6.76	-	18.27	18.98
-	-	11.59	21.80
657.43	360.97	-	-
664.19	360.97	33.37	41.75

10 Trade receivables

Unsecured, considered good
 Unsecured, credit impaired
 Less: Allowance for Bad & Doubtful Debts

Non Current		Current	
As at 31st	As at 31st	As at 31st	As at 31st
March, 2020	March, 2019	March, 2020	March, 2019
-	-	744.55	1,319.48
-	-	1.12	-
-	-	745.67	1,319.48
-	-	1.12	-
-	-	744.55	1,319.48

10.1 Additional information as per Schedule III

The concentration of credit risk is limited due to large and unrelated customer base. All trade receivables are non interest bearing and receivable in routine course of business cycle

10.2 Reconciliation for Allowance for Bad & Doubtful Debts is as under

Balance as at 1st April, 2019
 Add: Provision for the year ended on 31st March, 2020
 Less: Balance written off during the year ended on 31st March, 2020
 Balance as at 31st March, 2020

As at 31st	As at 31st
March, 2020	March, 2019
-	-
1.12	-
-	-
1.12	-

11 Cash & cash equivalents

Balances with bank
 - in current accounts
 - in fixed deposits (having maturity of less than 3 months)
 Cash in hand

Current	
As at 31st	As at 31st
March, 2020	March, 2019
47.53	32.72
416.24	437.70
1.21	0.02
464.98	470.44

12 Bank balances

Fixed deposits (having maturity greater than 3 months but less than 12 months)

Non Current		Current	
As at 31st	As at 31st	As at 31st	As at 31st
March, 2020	March, 2019	March, 2020	March, 2019
-	-	1,596.36	1,344.46
-	-	1,596.36	1,344.46



Bhilwara Infotechnology Limited

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2020

13 Share Capital
Authorised
 Equity Share of Rs 10/- each

Issued, Subscribed & Fully Paid up
 Equity Share of Rs 10/- each fully paid up

As at 31st March, 2020		As at 31st March, 2019	
Number	Amount	Number	Amount
97,00,000	970.00	97,00,000	970.00
32,70,618	327.06	32,70,618	327.06
32,70,618	327.06	32,70,618	327.06

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

 Shares outstanding at the beginning of the year
 Add: Issued during the year
 Less: Changes during the year
Shares Outstanding at the end of the year

<i>Rupees in Lakhs</i>			
As at 31st March, 2020		As at 31st March, 2019	
Number	Amount	Number	Amount
32,70,618	327.06	32,70,618	327.06
-	-	-	-
-	-	-	-
32,70,618	327.06	32,70,618	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.

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

 HEG Limited
 LNJ Financial Services Limited

As at 31st March, 2020		As at 31st March, 2019	
No of Shares	% of Holding	No of Shares	% of Holding
12,62,048	38.59	12,62,048	38.59
4,76,939	14.58	4,76,939	14.58

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

 HEG Limited
 LNJ Financial Services Limited
 Cornhill Investment Limited

As at 31st March, 2020		As at 31st March, 2019	
No of Shares	% of Holding	No of Shares	% of Holding
12,62,048	38.59	12,62,048	38.59
4,76,939	14.58	4,76,939	14.58
2,27,696	6.96	2,27,696	6.96

The aforesaid disclosure is based upon percentages computed separately 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 nor bought back any shares during the period of five years immediately preceding the reporting date

13.6 Nature of Reserves

a) Retained earnings represents the undistributed profits of the Company

b) Securities Premium 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 securities premium.

14 Other equity
As at 1st April, 2018
 Profit for the year
 Remeasurement of defined benefit obligation
 Investments carried at Fair Value through OCI

As at 31st March, 2019
As at 1st April, 2019
 Transitional impact on account of adoption of IND AS 116 (refer note no 31)
 Restated Balance as at 1st April, 2019
 Profit for the year
 Remeasurement of defined benefit obligation
 Investments carried at Fair Value through OCI

As at 31st March, 2020

Other Equity		Items of Other Comprehensive Income			Total
Securities Premium	Retained Earnings	Fair Value of Investment	Remeasurement	Total	
226.76	2,800.65	1.50	38.30	39.80	3,067.22
	435.38		23.48	23.48	435.38
		0.05		0.05	0.05
226.76	3,236.03	1.55	61.78	63.33	3,526.13
226.76	3,236.03	1.55	61.78	63.33	3,526.13
	(10.11)				(10.11)
226.76	3,225.92	1.55	61.78	63.33	3,516.02
	319.22				319.22
			30.84	30.84	30.84
		0.38		0.38	0.38
226.76	3,545.14	1.93	92.62	94.55	3,866.46



		<i>Rupees in Lakhs</i>			
		Non Current		Current	
		As at 31st	As at 31st	As at 31st	As at 31st
		March, 2020	March, 2019	March, 2020	March, 2019
15	Provisions				
	Provision for employees benefits				
	Gratuity (Unfunded)	93.56	111.23	19.80	12.30
	Leave encashment (Unfunded)	22.52	32.00	6.97	6.43
	Total	116.08	143.23	26.77	18.73
16	Short Term Borrowings				
	Short Term Borrowings			54.27	180.29
	(Against pledge of Fixed Deposit Receipts, Interest rate applicable 1% + rate of FDR)				
	Total			54.27	180.29
17	Trade payables				
	Trade payables				
	Due to micro enterprises and small enterprises	-	-	37.57	-
	Due to creditors other than micro enterprises	-	-	81.29	135.42
	Total			118.86	135.42
<p>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</p>					
17.1				As at 31st	As at 31st
				March, 2020	March, 2019
	Principal amount remaining unpaid as at end of the year			37.57	-
	Interest due on above			-	-
	Total (i) & (ii)			37.57	-
	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 year			-	-
	Total interest due and payable together with that from prior year(s)			-	-
18	Other financial liabilities				
	Employees related liabilities				
	Payable to customers			72.98	98.50
	Others	33.02	32.25	0.89	5.40
	Creditor for capital goods	-	-	-	1.33
	Liability for Forward Contracts outstanding	-	-	6.21	-
	Total	33.02	32.25	80.08	105.23
	Lease Liabilities				
	Lease Liability	124.17	-	51.97	-
	Total	124.17	-	51.97	-
19	Other liabilities				
	Statutory dues			90.05	110.66
	Total			90.05	110.66



Bhilwara Infotechnology Limited
Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2020

		Rupees In Lakhs	
		Year ended March 31, 2020	Year ended March 31, 2019
20	Revenue from operations		
	Sale		
	Domestic sales	3,595.64	4,549.58
	Export sales	631.91	541.79
		4,227.55	5,091.37
(a)	The disaggregation of revenue based on nature of services and geographical area		
	Software & IT related services (Domestic)	3,594.41	4,549.58
	Software & IT related services (Export)	15.23	1.46
	Medical Transcription services (Domestic)	1.23	-
	Medical Transcription services (Export)	616.68	540.33
		4,227.55	5,091.37
(b)	Reconciliation of Contract Assets - Unbilled receivables		
	Balance at the beginning of the financial year	464.91	510.43
	Less: Billed during the year	442.00	504.00
	Add: Revenue recognised during the year to be billed in next financial year	310.90	458.48
	Balance at the end of the financial year	333.81	464.91
21	Other income		
	Interest income		
	Interest on deposits	156.05	120.39
	Interest on income tax refund	2.34	8.42
	Interest - others	29.36	0.12
	Other Non Operating Income		
	Misc. income	12.75	8.77
	Rental income on machineries	18.47	24.01
	Other Gains		
	Sundry balances written back	17.87	12.54
	Profit on sale of fixed assets (Net)	-	1.12
	Gain on foreign currency transactions	1.28	-
	Liabilities not required written back	10.46	-
		248.58	175.37
22	Employee benefits expenses		
	Salaries & other allowances	2,978.55	3,652.27
	Contributions to funds	139.46	160.86
	Staff welfare expenses	14.06	12.61
		3,132.07	3,825.74
23	Finance costs		
	Interest on		
	- Taxes	0.52	0.00
	- Bank Borrowings	1.10	2.66
	- Lease Liability	4.00	-
	- Others	3.45	3.80
		9.07	6.46
24	Depreciation & amortization expenses		
	Depreciation of tangible assets	46.59	48.71
	Amortization of intangible assets	0.79	3.64
	Depreciation of Right of Use	61.94	-
		109.32	52.35



Bhilwara Infotechnology Limited

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2020

		Rupees in Lakhs	
		Year ended March 31, 2020	Year ended March 31, 2019
25	Other expenses		
	Home transcription & professional consultant expenses	476.99	358.98
	Power & fuel	28.40	34.88
	Operating Lease	-	102.16
	Short Term Lease	8.25	-
	Repairs to building	9.00	8.38
	Repairs to others	7.25	7.44
	Insurance	21.45	26.63
	Rates & taxes	2.41	3.22
	Legal & professional expenses	49.92	50.81
	Travelling & conveyance expenses	38.55	33.48
	Communication expenses	11.53	12.98
	Office expenses	15.03	16.19
	Bank Charges	1.24	3.40
	Membership Fees & Subscription	12.07	8.99
	Miscellaneous expenses	14.41	19.08
	Loss on sale / discarding of Fixed Assets	5.91	-
	Rental charges on machineries	33.03	46.55
	Donation	2.00	2.25
	Corporate social responsibility	50.80	14.50
	Loss on Foreign Currency Transactions (Net)	-	6.02
	Provision for bad & doubtful debts	1.12	-
	Payment to auditors	2.73	2.85
		792.10	758.79
	Additional information		
		Year ended March 31, 2020	Year ended March 31, 2019
	Payments to the Auditor		
	a. As Statutory Auditor	1.40	1.40
	b. For Limited Review	0.90	0.85
	c. For Tax Audit	0.25	0.25
	d. For Certification Services	-	0.14
	e. For Reimbursement of Expenses	0.18	0.21
	Total	2.73	2.85
26	Corporate Social Responsibility (CSR) Expenditure		
	The details of expenditure incurred on CSR are as under:		
a	The Gross Amount required to be spent by the Company during the year as per Section 135 of Companies Act, 2013 read with Schedule VII	12.82	14.62
b	Amount spent during the year on:		
	i) Construction / acquisition of any assets	-	-
	ii) On purpose other than (i) above	50.80	14.50
c	Unspent amount in CSR	-	0.12
d	The Breakup of expenses included in amount spent as under		
	- On promoting of education	-	3.00
	- On rehabilitation of persons with disability	-	11.50
	- On Operation Theater & Wards	11.00	-
	- On Water management plan	4.80	-
	- On Health under COVID-19	20.00	-
	- On promoting Education	9.92	-
	- On Tubewell, school boundary & toilets	5.08	-
		50.80	14.50
27	Tax expenses	Year ended March 31, 2020	Year ended March 31, 2019
	Income tax current year	115.07	186.82
	Deferred tax expenses	10.78	2.23
	Income tax earlier years	(11.49)	(1.04)
	Total	114.36	188.01



Bhilwara Infotechnology Limited

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2020

Reconciliation of tax expenses and accounting profit multiplied by India's tax rate

	Year ended March 31, 2020	Year ended March 31, 2019
Profit before tax	433.58	623.40
Applicable tax rate	25.17%	27.82%
Tax at the Indian tax rate of 25.17% (Previous year 27.82%)	109.12	173.43
Adjustment of expenses disallowed under Income Tax Act	42.65	34.31
Adjustment of expenses allowable under Income Tax Act	(32.20)	(18.27)
Other allowable deductions	(4.51)	(2.64)
Current Tax (A)	115.07	186.83
Increment Deferred Tax Liability on Account of Property, Plant & Equipment and Others	0.44	(0.19)
Increment Deferred Tax Assets on Financial Assets and Others	10.33	2.42
Deferred Tax (B)	10.78	2.23
Tax expenses for earlier years (net)	(11.49)	(1.04)
Income Tax Earlier Years (C)	(11.49)	(1.04)
Tax Expenses recognised in statement of Profit and Loss (A + B + C)	114.35	188.01
Effective Tax rates	26.37	30.16

The Company has opted for option under Section 155BAA of Income Tax Act, 1961 and current tax has been computed accordingly and deferred tax have been recomputed @ 22% plus applicable surcharges thereon



Bhilwara Infotechnology Limited

Notes to the Financial Statements for the year ended on 31st March, 2020

28 Earnings per share

		(Rupees in Lakhs)	
Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Net Profit/ (Loss) as per Statement of Profit & Loss (for calculation of basic EPS)		319.22	435.38
Net Profit used in the calculation of Basic Earning per Share		319.22	435.38
Net Profit for calculation of diluted EPS		319.22	435.38
Continuing Operations			
Net profit for as per Statement of Profit & Loss (calculation of basic EPS)		319.22	435.38
Net profit as above		319.22	435.38
Net profit for calculation of diluted EPS		319.22	435.38
Weighted average number of equity shares in calculating basic EPS		32,70,618	32,70,618
Effect of dilution:			
Weighted average number of equity shares in calculating diluted EPS		32,70,618	32,70,618
Basic earning per share		9.76	13.31
Diluted earning per share		9.76	13.31
During the year ended on 31st March, 2020, the amount of dividend per share recognized as distribution to Equity Shareholders is Rs Nil (Previous Year Rs Nil)			

29 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

30 Events after the reporting period

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

31 Leases

The Ministry of Corporate Affairs (MCA) through Companies (Indian Accounting Standard) Amendment Rules 2019 and Companies (Indian Accounting Standard) Second Amendment Rules has notified Ind AS 116 'leases' which replaces existing lease standard, Ind AS 17 Leases and other interpretation. Ind AS 116 sets out the principles for recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single on balance sheet lease accounting model for lessees.

The company has adopted Ind AS 116 effective annual reporting period beginning from 1st April, 2019 and applied the standard to its leases retrospectively with the cumulative effect of initially applying the standard, recognised on the date of initial application (1st April, 2019). Accordingly, the company has not restated comparative information. Instead, the cumulative effect of initially applying Standard has been recognised as an adjustment to opening balance of retained earnings as on 1st April, 2019.

On Transition date i.e. 1st April, 2019, the company has recognised a lease liability measured at the present value of remaining lease payments. The right of use assets is recognised at its carrying amount as if the Standard had been applied since the Commencement of the lease but discounted using lessee incremental borrowing rate. Accordingly, right of use asset of Rs. 56.21 lacs and a corresponding lease liability of Rs. 70.22 Lacs has been recognised on initial adoption on 1st April, 2019 and further right of use assets of Rs 180.74 lacs and lease liability of Rs 180.74 lacs has been recognised during the year. The Cumulative effect on transition adjusted in retained earnings as on 1st April, 2019 amounted to Rs. 10.11 Lacs (net of deferred tax of Rs. 3.90 Lacs). The principal portion of the lease payments and interest on lease liability have been disclosed under cash flow from financing activities.

On application of Ind AS 116, the nature of expense has changed from lease rent in previous periods to depreciation cost for right of use asset and finance cost for interest accrued on lease liability.

The details of right of use asset held by the company is as follows:

Particulars	Addition for the year ended 31st March, 2020	Net Carrying amount as at 31st March, 2020
Building	180.74	175.00

Depreciation on right of use asset is Rs. 61.95 lacs and interest on lease liability for year ended 31st March, 2020 is Rs. 4.00 lacs
Lease Contracts entered by the company majorly pertains to building taken on lease to conduct the business activities in ordinary course.



Bhilwara Infotechnology Limited

Notes to the Financial Statements for the year ended on 31st March, 2020

Impact of Covid-19

The leases that the company has entered with lessors towards properties used as corporate office/office are long term in nature and no charges in terms of those leases are expected due to Covid-19.

The following is breakup of Current and Non-Current Lease Liability as at 31st March, 2020

Particulars	As at 31st March, 2020
Current lease liability	51.97
Non-Current lease liability	124.17
Total	176.14
Short Term lease expenses charged to Statement of Profit & Loss Account amounted to Rs 8.25 Lacs	

The following is movement in Lease Liability during the year ended 31st March, 2020

Particulars	Year ended 31st March, 2020
Balance at the beginning of the year 1st April, 2019	70.22
Addition during the year	180.74
Finance cost accrued during the year	4.00
Deletion	10.45
Payment of lease liability including interest	68.37
Balance at the end of the year 31st March, 2020	176.14

The table below provides details regarding the Contractual Maturities of Lease Liability as at 31st March, 2020 on an Undiscounted basis:

Particulars	As at 31.03.2020
Less than one year	51.97
One to five year	124.17
More than five year	-

The Company do not foresee Liquidity Risk with regard to its Lease Liabilities as the Current Assets are Sufficient to meet the obligation related to Lease Liability as and when they fall due

32 Transactions in foreign exchange

Particulars	Nature of Transaction	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Income	Income	631.91	541.79

33 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.



34 Disclosure of trade receivable

(i) Average Credit Period on sales is 60 days (previous year 90 days) for FY 2019-20.

(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 allowance for expected credit loss for trade receivables for more than 365 days be made accordingly provided for. The provision matrix at the end of the reporting year is as follows:

Ageing of Trade Receivables as at 31st March, 2020 (Rupees in Lakhs)

	Neither due nor impaired	Due Ageing					Total
		Less than 30 days	30 Days to 90 Days	91 Days to 180 Days	181 Days to 365 Days	More than 365 Days	
Trade Receivables - Considered Good							
As at 31st March, 2020							
Secured							
Unsecured	514.80	190.76	17.91	13.95	7.15	1.12	745.68
Gross Total	514.80	190.76	17.91	13.95	7.15	1.12	745.68
Provision for Doubtful Receivables	-	-	-	-	-	-	1.12
Net Total	514.80	190.76	17.91	13.95	7.15	-	744.55

Ageing of Trade Receivables as at 31st March, 2019 (Rupees in Lakhs)

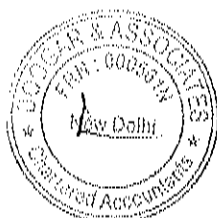
	Neither due nor impaired	Due Ageing					Total
		Less than 30 days	30 Days to 90 Days	91 Days to 180 Days	181 Days to 365 Days	More than 365 Days	
Trade Receivables - Considered Good							
As at 31st March, 2019							
Secured							
Unsecured	1,100.80	213.70	2.52	0.88	0.89	0.68	1,319.48
Gross Total	1,100.80	213.70	2.52	0.88	0.89	0.68	1,319.48
Provision for Doubtful Receivables	-	-	-	-	-	-	-
Net Total	1,100.80	213.70	2.52	0.88	0.89	0.68	1,319.48

Credit Balance under Debtor Account as at 31st March, 2020 (Rupees in Lakhs)

	Neither due nor impaired	Due Ageing					Total
		Less than 30 days	30 Days to 90 Days	91 Days to 180 Days	181 Days to 365 Days	More than 365 Days	
Unsecured	-	-	-	0.63	0.26	-	0.89

Credit Balance under Debtor Account as at 31st March, 2019 (Rupees in Lakhs)

	Neither due nor impaired	Due Ageing					Total
		Less than 30 days	30 Days to 90 Days	91 Days to 180 Days	181 Days to 365 Days	More than 365 Days	
Unsecured	-	-	-	0.04	5.31	0.05	5.40



Bhilwara Infotechnology Limited

Notes to the Financial Statements for the year ended on 31st March, 2020

35 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 years, 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, 2020	As at 31st March, 2019
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, 2020	Transaction For the year ended 31st March, 2019	Outstanding As at 31st March, 2020	Outstanding As at 31st March, 2019
A.	Rent & Repairs Charges payment				
	- Investors India Limited	-	5.85	-	-
	- Purvi Vanijya Niyogan Limited	-	2.45	-	-
B.	Other Payable				
	- Investors India Limited	-	-	-	-
	- Purvi Vanijya Niyogan Limited	-	-	-	-



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Notes to the Financial Statements for the year ended on 31st March, 2020

36 Financial Instruments

Financial Assets

(Rupees in Lakhs)

Sl.No		Fair Value Hierarchy	As at 31st March, 2020		As at 31st March, 2019	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	Financial Assets designated at Fair Value through Profit and Loss					
a)	Forward Contracts	Level-2	-	-	-	-
2	Financial Assets designated at Fair Value through other Comprehensive Income					
a)	Long Term Investments	Level-2	1.55	1.55	1.17	1.17
3	Financial Assets designated at Amortized Cost	Level-2				
a)	Financial Non Current Assets- Loans		40.70	40.70	56.46	56.46
b)	Financial Non Current Assets- Others		408.58	408.58	31.20	31.20
c)	Trade receivables		744.55	744.55	1,319.48	1,319.48
d)	Cash and Cash Equivalents		464.98	464.98	470.44	470.44
e)	Bank Balances		1,596.36	1,596.36	1,344.46	1,344.46
f)	Financial Current Assets- Loans		3.29	3.29	9.57	9.57
g)	Financial Current Assets- Others		407.49	407.49	532.64	532.64
			3,667.51	3,667.51	3,765.43	3,765.43

Financial Liabilities

(Rupees in Lakhs)

Sl.No		Fair Value Hierarchy	As at 31st March, 2020		As at 31st March, 2019	
			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	6.21	6.21	-	-
2	Financial Liabilities designated at Fair Value through other Comprehensive Income	Level-2				
3	Financial Liability designated at Amortised Cost	Level-2				
a)	Trade Payables		118.85	118.85	135.40	135.40
b)	Other Financial Current Liabilities (excluding Derivatives)		73.87	73.87	105.23	105.23
c)	Short Term Borrowings		54.27	54.27	180.29	180.29
d)	Lease Liabilities Current		51.97	51.97	-	-
e)	Lease Liabilities Non Current Liabilities		174.17	174.17	-	-
f)	Other Financial Non Current Liabilities		33.02	33.02	32.25	32.25
			462.36	462.36	453.17	453.17

The carrying amount of bank balances, trade receivable, trade payables, lease liabilities, other financial assets / liabilities, loans, cash and cash equivalents, bank balances, borrowings are considered to be the same as their fair value due to their short term nature

(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 year.



Bhilwara Infotechnology Limited

Notes to the Financial Statements for the year ended on 31st March, 2020

37 Segment Information

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

	For the year ended 31st March, 2020			For the year ended 31st March, 2019		
	Medical Transcription	Software & IT Related Services	Total	Medical Transcription	Software & IT Related Services	Total
(Rupees in Lakhs)						
Segments Revenue						
Sales	617.91	3,609.64	4,227.55	540.33	4,551.04	5,091.37
Other Income	34.39	214.19	248.57	31.84	143.59	175.36
Total Revenue	652.30	3,823.83	4,476.12	572.17	4,694.57	5,266.74
Profit before tax	79.46	354.11	433.58	(3.84)	627.23	623.40
Less: Provision for taxation						
Current tax	-	115.07	115.07	-	186.82	186.82
Deferred tax	-	10.78	10.78	-	2.23	2.23
Income tax pertaining to earlier years	-	(11.49)	(11.49)	-	(1.04)	(1.04)
Profit After tax	79.46	239.76	319.22	(3.84)	439.22	435.38
Other Informations						
Segment Assets	859.32	4,029.48	4,888.80	748.51	3,830.51	4,579.03
Total Assets	859.32	4,029.48	4,888.80	748.51	3,830.51	4,579.03
Segment Liabilities	100.18	595.10	695.28	99.70	626.10	725.81
Total Liabilities	100.18	595.10	695.28	99.70	626.10	725.81
Capital Employed (Segment Assets - Segment Liabilities)	759.14	3,434.38	4,193.52	648.79	3,204.41	3,853.20

ii. Revenue as per geographical area as per Ind AS 108 Para 33(a)

	2020	2019	2020	2019	2020	2019
Domestic	1.23	3,594.41	3,595.64	-	4,549.58	4,549.58
Export	616.68	15.23	631.91	540.33	1.46	541.79
	617.91	3,609.64	4,227.55	540.33	4,551.04	5,091.37

iii. Major Customers of the Company individually account for 10% or more of sale

	For the year ended on 31st March, 2020		For the year ended on 31st March, 2019	
	No of customer	Sale (Rs In Lakhs)	No of customer	Sale (Rs In Lakhs)
	3	3,263.15	3	3,056.95

iv. None of the non-current assets are located outside India

38 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:

	As at 31st March, 2020		As at 31st March, 2019	
	FC	Rs. In INR	FC	Rs. In INR
Assets				
Forward contracts				
In U.S. dollars	4.40	332.77	-	-
Liabilities				
Forward contracts				
In U.S. dollars	-	-	-	-
	4.40	332.77	-	-

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, 2020	As on 31st March, 2019
Less than one month	0.40	-
Less than three months and more than one month	0.80	-
Less than twelve months and more than three month	3.20	-
More than one year	-	-
	4.40	-

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.



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Notes to the Financial Statements for the year ended on 31st March, 2020

39 Employee Benefit Obligations

The Company makes contribution to Statutory Provident Fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. This is post-employment benefit and is in the nature of defined contribution plan. Contribution made by the Company during the year Rs 121.43 lakhs (Previous year Rs 126.37 lakhs).

a) Gratuity (Unfunded)

	(Rupees in Lakhs)	
	Gratuity	
	31st March, 2019	31st March, 2020
Change in Defined Benefit Obligation		
Defined Benefit obligation, beginning of year	121.07	123.53
Interest Cost on DBO	9.29	9.47
Net Current Service Cost	45.66	41.60
Actual Plan Participants' Contributions	-	-
Benefits Paid	(19.95)	(20.02)
Past Service Cost	-	-
Changes in Foreign Currency Exchange Rates	-	-
Acquisition /Business Combination / Divestiture	-	-
Losses / (Gains) on Curtailments / Settlements	-	-
Actuarial (Gain)/Loss on obligation	(32.53)	(41.22)
Defined Benefit Obligation, End of Year	123.53	113.37
	31st March, 2019	31st March, 2020
Change in Fair Value of Plan assets		
Fair value of plan assets at the beginning	-	-
Expected return on plan assets	-	-
Employer contribution	-	-
Actual Plan Participants' contribution	-	-
Actual Taxes Paid	-	-
Actual Administration Expenses Paid	-	-
Changes in Foreign Currency exchange rates	-	-
Benefits paid	-	-
Acquisition /Business Combi	-	-
Assets Extinguished on Curtailments / Settlements	-	-
Actuarial (Gain)/Loss on Asset	-	-
Fair value of plan assets at the end.	-	-
	31st March, 2019	31st March, 2020
Net Defined Benefit Cost/(Income) Included in Statement of Profit & Loss at year-End		
Service Cost	45.66	41.60
Net Interest Cost	9.29	9.47
Past Service Cost	-	-
Administration Expenses	-	-
(Gain)/Loss due to settlements / Curtailments	-	-
Terminations / Divestitures	-	-
Total Defined Benefit Cost/(Income) Included Profit & Loss	54.95	51.07
	31st March, 2019	31st March, 2020
Analysis of Amount Recognized in Other Comprehensive (Income)/Loss at year - End		
Amount recognized in OCI, Beginning of year	(38.30)	(70.84)
Remeasurements Due to :		
1.Effect of Change in Financial Assumptions	1.58	(13.27)
2.Effect of Change in Demographic Assumptions	-	2.59
3.Effect of Experience Adjustments	(34.11)	(30.53)
4.(Gain)/Loss on Curtailments/Settlements	-	-
5.Return on Plan Assets (Excluding Interest)	-	-
6.Changes in Asset Ceiling	-	-
Total Remeasurements Recognised in OCI (Gain)/ Loss	(32.53)	(41.22)
Amount Recognized in OCI (Gain) / Loss, End of year	(70.84)	(112.05)
	31st March, 2019	31st March, 2020
Total Defined Benefit Cost/(Income) included in Profit & Loss and Other Comprehensive Income		
Amount recognized in P&L, End of year	54.95	51.07
Amount recognized in OCI (Gain)/Loss, End of year	(32.53)	(41.22)
Total Net Defined Benefit Cost/(Income) Recognized at year end	22.41	9.86



Bhilwara Infotechnology Limited

Notes to the Financial Statements for the year ended on 31st March, 2020

Reconciliation of Balance Sheet Amount

	31st March, 2019	31st March, 2020
Balance Sheet (Asset)/Liability, Beginning of Year	121.07	123.53
True-up	-	-
Total Charge/ (Credit) Recognised in Profit and Loss	54.95	51.07
Total Remeasurements Recognised in OCI (Income) / Loss Acquisition /Business Combination / Divestiture	(32.53)	(41.27)
Benefits paid	(19.95)	(20.02)
Other Events	-	-
Balance Sheet (Asset)/Liability, End of Year	123.53	113.37

Sensitivity Analysis

	31st March, 2020
Defined benefit obligation-discount rate+100 basic points	(7.25)
Defined benefit obligation-discount rate-100 basic points	8.11
Defined benefit obligation-Salary escalation rate+100 basic points	8.30
Defined benefit obligation-Salary escalation rate-100 basic points	(7.54)

Expected cash flows for next ten years

	31st March, 2020
Year 2021	20.09
Year 2022	8.23
Year 2023	9.50
Year 2024	15.53
Year 2025	17.89
Year 2026-2030	161.12

Actuarial Assumption

	31st March, 2019	31st March, 2020
Discount Rate	7.67 PA	6.33 PA
Salary escalation	5.50 PA	3.00 PA
Retirement Age	60 Years	60 Years
Mortality Table	2006-2008	2012-2014

Withdrawal Rates

Age:	31st March, 2019			31st March, 2020		
	Unit -1	Unit -2	Unit -3	Unit -1	Unit -2	Unit -3
Upto 30 years	6.00%	6.00%	6.00%	6.00%	6.00%	15.00%
From 31 to 45 years	6.00%	6.00%	6.00%	6.00%	6.00%	15.00%
Above 45 years	6.00%	6.00%	6.00%	6.00%	6.00%	15.00%

b) Leave Encashment (Unfunded)

The leave encashment liability of Rs 29.48 lakhs (previous year Rs 38.43 lakhs) forms part of long term provisions of Rs 22.52 lakhs (previous year Rs 32.00 lakhs) and short term provisions of Rs 6.97 lakhs (previous year Rs 6.43 lakhs) and is unfunded and does not require disclosures as mentioned in para 158 of IND AS 19



Bhilwara Infotechnology Limited

Notes to the Financial Statements for the year ended on 31st March, 2020

40 Contingent liabilities & commitments (To the extent not provided for)

I Contingent Liabilities

As per information available with the management & certified by them, there is no contingent liability as on 31st March, 2020 (Previous year NIL). However, Company has received show cause notice dated 17.2.17 from EPFO. No specific default / demand has been mentioned in notice. Company is following up the notice and is of view that no demand / penalty will be levied on the Company in this regard.

II Commitments:

S.No	As at 31st March, 2020	As at 31st March, 2019
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for against which advance has been paid	-
(b)	Estimated amount of contracts remaining to be executed on other than capital account and not provided for against which advance has been paid	-



Bhilwara Infotechnology Limited

Notes to the Financial Statements for the year ended on 31st March, 2020

41 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

Forward Contracts to sell USD

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

As at 31st March, 2020		As at 31st March, 2019	
USD (In Lacs)	Rupees (In Lacs)	USD (In Lacs)	Rupees (In Lacs)
4.40	332.77	-	-

Trade Receivables

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 at 31st March, 2020		As at 31st March, 2019	
USD (In Lacs)	Rupees (In Lacs)	USD (In Lacs)	Rupees (In Lacs)
0.90	68.67	0.52	35.73

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 to this risk as there are no borrowings, as the only borrowings is against pledge of Fixed Deposits.

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 and other financial instruments.

c) Impact of COVID-19 on Trade Receivable

The Company have assessed the impact of ongoing pandemic COVID-19 on credit terms with the customers and also on trade receivables as at 31st March, 2020 and based on assessment, the Company do not foresee any significant impact on this account on realisability of trade receivables. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statement.

d) 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)			Total
	Carrying Amount	Payable within 1 year	More than 1 year	
As at 31st March, 2020				
Non- derivative liabilities				
Trade Payables	118.85	118.85	-	118.85
Other Financial liabilities	113.11	80.08	33.02	113.11
Short Term Borrowings	54.27	54.27	-	54.27
Lease Liabilities	176.14	51.97	124.17	176.14



Bhilwara Infotechnology Limited

Notes to the Financial Statements for the year ended on 31st March, 2020

	Undiscounted amount			Total
	Carrying Amount	Payable within 1 year	More than 1 year	
As at 31st March, 2019				
Non- derivative liabilities				
Trade Payables	135.40	135.40	-	135.40
Other Financial liabilities	137.48	105.23	32.25	137.48
Short Term Borrowings	180.29	180.29	-	180.29

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2020 and 31st March, 2019.

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.

42 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 **DOOGAR AND ASSOCIATES**
Chartered Accountants
(Firm Regn No. 00056119)

M S AGARWAL
PARTNER
Membership No 86580



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: June 01, 2020