Notes

to the Ind AS Standalone Financials Statements as at and for the year ended 31st March 2019 and 31st March 2018

1. Company Overview

Xelpmoc Design and Tech Limited ("the Company") is a public limited company, incorporated on 16th September 2015. The Company provides professional and technical consulting services The Company's services includes offering of technology services and solutions to public and private sector clients engaged in e-commerce, hospitality, healthcare, education, agriculture, and various other industries.

The range of services provided by the Company includes mobile and web application development, prototype development, thematic product development and data analytics assistance.

These financial statements were authorized for issue by the Board of Directors on 24th May 2019.

2. Significant accounting policies

2.1 Basis of preparation and presentation of Standalone Financials Statements

a. These financial statements are prepared in accordance with Indian Accounting Standards (Ind-AS) and comply in all material respects with the Ind-AS and other applicable provisions of the Companies Act, 2013 ("the Companies Act"). The Ind-AS are notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

For all periods up to and including the year ended 31st March 2018, the Company prepared its financial statements in accordance with accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended), read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Previous GAAP"). The actual date of transition to Ind-AS is 1st April 2018 for the financial year ended 31st March 2019 and so the financial statements for the year ended 31st March 2018 have also been translated to Ind-AS resulting in the balance sheet as of 1st April 2017 being redrawn to comply with Ind-AS. These financial statements for the year ended 31st March 2019 are the first financial statements the Company has prepared in accordance with Ind-AS. Refer Note 40 for an explanation of how the transition from Previous GAAP to Ind-AS has affected the Company's financial position, financial performance and cash flows.

In accordance with Ind As 101 "First time adoption of Indian Accounting Standard", the Company has presented a reconciliation from the presentation of financial statements under accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of total equity as at 1st April 2017 and 31st March 2018, total comprehensive income for the year ended 31st March 2018.

b. The Standalone Financials Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

Items	Measurement Basis
Certain financial assets and liabilities (including derivative instruments)	Fair Value
Net defined benefit asset/liability	Fair value of the plan assets less present value of defined benefit obligation

c. The standalone financial statements are presented in Indian Rupee (INR), which is also the functional currency of the Company. All amounts have been rounded-off to the nearest thousand, unless otherwise indicated.

d. Use of estimates and judgments

In preparing these Standalone Financials Statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Assumptions, judgements and estimation uncertainties

Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31st March 2019 are made in in the following notes:

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- Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used
- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Estimation of useful life of property, plant and equipment
- Estimation of current tax expense and payable;
  - Impairment of Financial Assets;
  - Lease classification; and,
  - Lease: whether an arrangement contains a lease

e. Measurement of fair values

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

The Company has an established control framework with respect to the measurement of fair values.

The company regularly reviews significant unobservable inputs and valuation adjustments.

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

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

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

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in – Fair Value Measurements (Note: 35 Financial Instruments - Fair values and risk management)

f. Current versus 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

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the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities 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 realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.2 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are capitalized at cost (which includes capitalized borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, non-recoverable duties and taxes, freight, installation charges and any directly attributable cost of bringing the items to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

ii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method. Depreciation for assets purchased / sold during the period is proportionately charged.

Depreciation on tangible fixed assets has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The estimated useful lives of items property, plant and equipment for the current and comparative periods are as follows;

Asset	Useful Life
Office equipment	5-7 years
Computer	3 – 4 years

Assets with cost of acquisition less than ₹5,000 are fully depreciated in the year acquisition.

iii. Disposal

Gains and losses on disposal are determined by comparing net sale proceeds with carrying amount.

These are included in statement of profit and loss.

2.3 Intangible assets

i. Recognition and measurement

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any non-recoverable duties and taxes and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

ii. Amortization

The cost of the computer software capitalized as intangible asset is amortized over the estimated useful life.

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The estimated useful lives are as follows:

Asset	Useful Life
Computer Software	4-6 Years

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

2.4 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

2.5 Non-Current assets (or disposal groups) held for sale and discontinued operations:

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

2.6 Impairment

i. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through the statement of 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 ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit or loss.

Time barred dues from the government / government departments / government companies are generally not considered as increase in credit risk of such financial asset.

ii. Non- financial assets

The Company assess at each reporting date whether there is any indication that the carrying amount may not be recoverable.

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If any such indication exists, then the asset's recoverable amount is estimated and an impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount in the statement of profit and loss.

The Company's non-financial assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or groups of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3. Leases

i. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

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

ii. Assets held under lease

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognized in the Company's Balance Sheet.

iii. Lease payments

Payments made under operating leases are generally recognized in the statement of profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognized as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The company is generally required to pay refundable security deposits for entering into various lease agreements with lessors. Such security deposits are financial assets and are recorded at fair value on initial recognition.

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The difference between the initial fair value and the refundable amount of the deposit is recognized as a lease prepayment. The initial fair value is estimated as the present value of the refundable amount of security deposit, discounted using the market interest rates for similar instruments.

Subsequent to initial recognition, the security deposit is measured at amortized cost using the effective interest method with the carrying amount increased over the lease period up to the refundable amount. The amount of increase in the carrying amount of deposit is recognized as interest income. The lease prepayment is amortized on a straight line basis over the lease term as lease rental expense.

4 Financial instruments

i. Recognition and initial measurement

All financial assets are recognized on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the time frame established by the market concerned. Financial assets or financial liabilities are initially measured at fair value, plus transaction costs, except for those financial assets and liabilities which are classified as at fair value through profit or loss (FVTPL) at inception.

ii. Classification of financial assets

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The company reclassifies debt investments when and only when its business model for managing those assets changes.

iii. Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

a. Debt Instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. The company classifies its debt instruments as:

Amortized cost:

Debt Instruments that are held for collection of contractual cash flows where those cash Flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Debt instrument at FVTOCI:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other

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comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss (P&L). Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

b. Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value. All changes in fair value including dividend are recognized in the statement of profit and loss.

c. Investment in subsidiaries, joint venture and associates

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

d. Trade receivables:

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business if longer), they are classified as current assets otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115 (or when the entity applies the practical expedient) or pricing adjustments embedded in the contract.

Loss allowance for expected life time credit loss is recognized on initial recognition.

e. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company. Trade and other payables are presented as current liabilities if payment is due within 12 months after the reporting period otherwise as non-current. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

iv. Derecognition

Financial assets

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

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If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

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

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

v. Offsetting

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

vi. Reclassification

The Company determines the classification of financial assets and liabilities on initial recognition. After initial recognition no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI and financial assets or liabilities that are specifically designated as FVTPL.

5 Revenue

i) Sale of Services

The company primarily derives its revenue from providing software development services.

Ind AS 115 "Revenue from Contracts with Customers" is mandatory for reporting periods beginning on or after 1st April 2018 and has replaced existing Ind AS related thereto. The Company has adopted the cumulative catch-up transition method under the standard. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The impact of Ind AS 115, if any, for all the open contracts on the date of initial application of the standard is given in opening equity. Also, the application of cumulative catch-up transition method under Ind AS 115 resulted in adjustment of revenue by ₹1,500.00 (₹in 000s) and same has been credited to retained earnings on 1st April 2018.

Revenue from services is recognized over the period of the contract. Revenue is recognized to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from time and material contracts is recognized on input basis measured by man hours delivered, efforts expended etc.

In respect of fixed-price contracts, revenue is recognized using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.

The incremental costs of obtaining a contract with a customer are capitalized if the entity expects to recover these costs.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues.

The company has not recognized variable consideration receivable from certain customers as the amount of the same is not ascertainable as at the reporting date and receipt of the same is highly uncertain.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations

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under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation a cumulative adjustment is accounted for.

Applying the practical expedient provided in paragraph 121, the entity has not disclosed the duration for completion of unsatisfied performance obligations, for the contracts that has an original expected duration of 1 year or less and for time and material contracts.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

Use of significant judgements in revenue recognition:

- The Company's contracts with customers could include promises to transfer multiple services to a customer. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.

- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

ii) Other Income

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

6. Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at their functional

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currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognized as income or expenses in the period in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

7. Income tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets unrecognized or recognized are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

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

Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) credit is recognized as deferred asset only when it is probable that taxable profit will be available against which the credit can be utilized. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss account. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is no longer probable that the Company will pay normal income tax during the specified period.

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8. Borrowing costs

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

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the statement of profit and loss in the period in which they are incurred.

9. Provision, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an 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, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

Onerous Contracts

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

Contingencies

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

10. Employee benefits

i. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as Short Term Employee benefits. Benefits such as salaries are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

ii. Post- employee benefits

Defined Contribution Plans:

A defined contribution plan is post-employee benefit plan under which an entity pays a fixed contribution to a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expenses in the statement of profit and loss in the periods during which the related services are rendered by employees.

Defined Benefit Plans:

Gratuity

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

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset, the same is recognized to the extent of the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding

Notes

to the Ind AS Standalone Financials Statements as at and for the year ended 31st March 2019 and 31st March 2018

interest), are recognized in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

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

iii. Other long-term employee benefits

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

11. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits held with financial institution, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to know cash and which are subject to an insignificant risk of changes in value.

12. Earnings per share

Basic earnings per share ('BEPS') is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding for the period.

Diluted earnings per share ('DEPS') is computed by dividing the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits

13. Cash flow statements

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Company are segregated.

14. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

The company's management examines the company's performance as a whole i.e. providing of technological solution services and accordingly the company has only one reportable segment.

The Company generates revenue from rendering services to customers located outside India. All the assets of the Company are situated in India. Geographical segment to the extent of revenue generated from sales outside India has been disclosed (Refer Note no. 37).

15. First-time adoption – mandatory exceptions, optional exemptions, and Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of 1st April 2017 (the

Notes

to the Ind AS Standalone Financials Statements as at and for the year ended 31st March 2019 and 31st March 2018

transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Group as detailed below.

15.1 Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April 2017 (the transition date).

15.2 Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

15.3 Deemed cost for property, plant and equipment, investment property, and intangible assets

The Company has elected to continue with the carrying value of all of its plant and equipment, investment property, and intangible assets recognised as of 1st April 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

15.4 Fair value as deemed cost for investments in subsidiaries, associates and joint ventures

On transition, Ind AS 101 allows an entity to treat fair value as deemed cost for investments held in subsidiaries, associates and joint ventures. Accordingly, the Company has elected to treat fair value as deemed cost for its investments held in a subsidiary, associate and joint venture.

15.5 Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

16. Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from 1st April 2019:

Ind AS - 116

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 16, effective annual reporting period beginning 1st April 2019. The Company will apply the standard to its leases, prospectively. Accordingly, the Company will not restate comparative information. On the date of transition, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

With effect from 1st April 2019, the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases

Notes

to the Ind AS Standalone Financials Statements as at and for the year ended 31st March 2019 and 31st March 2018

will change from lease rent in previous periods to a) amortization change for the right-to-use asset, and b) interest accrued on lease liability.

Previously, the Company recognised operating lease expense on a straight line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

On preliminary assessment, for leases other than short-term leases and leases of low value assets, the impact of the new standard on the company is not significant.

Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

Note 2 Property, Plant and Equipment

(₹ in '000)

Asset	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	As at 1st April 2018	Additions	Deductions	As at 31st March 2019	As at 1st April 2018	Depreciation for the year	Deductions	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Office Equipment	508.94	152.27	-	661.21	304.63	148.54	-	453.16	208.05	204.31
Computers	4,519.19	999.18	26.00	5,492.37	1,633.95	2,329.84	23.66	3,940.13	1,552.24	2885.24
Total	**5,028.13**	**1151.45**	**26.00**	**6,153.58**	**1,938.58**	**2,478.38**	**23.66**	**4,393.29**	**1,760.28**	**3089.55**

(₹ in '000)

Asset	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	As at 1st April 2017	Additions	Deductions	As at 31st March 2018	As at 1st April 2017	Depreciation for the year	Deductions	As at 31st March 2018	As at 31st March 2018	As at 31st March 2017
Office Equipment	475.13	33.81	-	508.94	163.82	140.81	-	304.63	204.31	311.31
Computers	1,616.17	2,903.02	-	4,519.19	1,045.07	588.88	-	1,633.95	2,885.24	571.10
Total	**2,091.30**	**2,936.83**	**-**	**5,028.13**	**1,208.89**	**729.69**	**-**	**1,938.58**	**3,089.55**	**882.41**

Notes:

1) The Company has elected to continue with the carrying value of all of its plant and equipment recognised as of 1st April 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2) The estimated useful lives of items property, plant and equipment for the current and comparative periods are as follows;

Assets	**Useful Life**
Office Equipment	5-7 years
Computers	3-4 years

3) The company has assessed that there are no indicators of impairment.

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

Note 3 Capital work in progress

(₹ in '000)

	As at 1st April 2018	Additions	Transfer	As at 31st March 2019
Capital work in progress	-	376.75	-	376.75
Total	**-**	**376.75**	**-**	**376.75**

(₹ in '000)

	As at 1st April 2017	Additions	Transfer	As at 31st March 2018
Capital work in progress	-	-	-	-
Total	**-**	**-**	**-**	**-**

Notes:

Capital work in progress (CWIP) as at 31st March 2019 comprises expenditure for fitouts for upcoming delivery centre at Kolkata. The total amount of CWIP as at 31st March 2019 is ₹376.75 (₹in 1000s) (31st March 2018: Nil).

Notes

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Note 4 Intangible assets

(₹ in '000)

Asset	Gross Carrying Value				Accumulated Amortisation				Net Carrying Value	
	As at 1st April 2018	Additions	Deductions	As at 31st March 2019	As at 1st April 2018	Depreciation for the year	Deductions	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Computer Software	-	96.94	-	96.94	-	28.85	-	28.85	68.09	-
Total	**-**	**96.94**	**-**	**96.94**	**-**	**28.85**	**-**	**28.85**	**68.09**	**-**

(₹ in '000)

Asset	Gross Carrying Value				Accumulated Amortisation				Net Carrying Value	
	As at 1st April 2017	Additions	Deductions	As at 31st March 2018	As at 1st April 2017	Amortisation for the year	Deductions	As at 31st March 2018	As at 31st March 2018	As at 31st March 2017
Computer Software	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Notes:

1) The Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1st April 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2) Computer software consists of purchased software licenses.

3) The estimated useful lives of items property, plant and equipment for the current and comparative periods are as follows;

Assets	**Useful Life**
Computer software	3 years

4) The company has assessed that there are no indicators of impairment.

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

Note 5 Intangibles under development

(₹ in '000)

	As at 1st April 2018	Additions	Transfer	As at 31st March 2019
Intangibles under development	-	984.50	-	984.50
Total	**-**	**984.50**	**-**	**984.50**

(₹ in '000)

	As at 1st April 2017	Additions	Transfer	As at 31st March 2018
Intangibles under development	-	-	-	-
Total	**-**	**-**	**-**	**-**

Notes:

Intangible assets under development as at 31st March 2019 represents amount of employee cost incurred towards development of intangible assets. The total amount of Intangible Assets under development as at 31st March 2019 is ₹984.50 (₹ in 1000s) (31st March 2018: Nil).

Note 6 Investments in Associates and Joint Ventures

(₹ in '000)

	Face Value	Numbers			Amounts		
		As at 31st March 2019	As at 31st March 2018	As at 1st April 2017	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Unquoted:							
Carried at cost							
(a) Investments in Equity Instruments of Joint Ventures							
Fortigo Network Xelpmoc Private Limited							
18,000 (as at 31st March 18: 49,000; 1st April 17: Nil) Equity Shares of ₹ 1 each, fully paid up	1.00	18,000	49,000	-	18.00	49.00	-
(b) Investments in Equity Instruments of Associate Company							
IFTOSI Jewels Private Limited							
Nil (as at 31st March 18: Nil; 1st April 17: 2,500) Equity Shares of ₹10 each, fully paid up	10.00	-	-	2,500	-	-	25.00
Madworks Ventures Private Limited							
15,204 (as at 31st March 18: 15,204; 1st April 17: Nil) Equity Shares of ₹10 each, fully paid up	10.00	15,204	15,204	-	243.26	243.26	-
(c) Investments in Compulsorily Convertible Preference Instruments of Associate Company							
Madworks Ventures Private Limited							
57,018 (as at 31st March 18: 57,018; 1st April 17: Nil) Preference Shares of ₹10 each, fully paid up	10.00	57,018	57,018	-	912.29	912.29	-
Total					**1,173.55**	**1,204.55**	**25.00**
Aggregate Amount of Unquoted Investments					**1,173.55**	**1,204.55**	**25.00**
Aggregate Amount of Quoted Investments					-	-	
Aggregate Market Value of Quoted Investments					-	-	
Aggregate Provision for Impairment in the Value of Investments					-	-	

Notes:

1. The company subscribed to MoA of Fortigo Network Xelpmoc Private limited and paid ₹49,000 towards purchase of 49,000 ordinary shares of ₹1 each allotted on 3rd May 2017. On 30th June 2018 the company

Notes

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disposed 31,000 equity shares at cost price. Post this sale, the Company holds 18% of the equity share capital of Fortigo Network Xelpmoc Private Limited. However, the JV agreement for exercising joint control over the investee is in existence as at 31st March 2019 and hence the investee continues to be a joint venture of the company on account of joint control.

2. The company acquired 15,204 ordinary shares of ₹10 each and 57,018 convertible preference shares of ₹10 each of Madworks Ventures Private limited on 14th February 2018. The shares were acquired at par value. The preference shares have the same voting rights on as if converted basis as per the shareholder agreement and hence the same are treated at par with equity by the company. Post this acquisition the company holds 21.74 % of the share capital of the investee company on a fully diluted basis.

3. The company disposed of 800 ordinary shares of IFTOSI Jewels Private Limited as on 31st March 2018. The shares were disposed at cost price resulting in no profit or gain to the company. Subsequent to this disposal, the holding of the company in the investee is reduced to 17% as against 25% as on 1st April 2017.

Note 7 Other Investments

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Unquoted:			
At Fair Value through Other Comprehensive Income			
Investment in Equity Instruments			
Fortigo Network Logistic Private Limited**	1,64,035.34	1,53,122.47	1,56,727.31
122,232 (as at 31st March 2018: 122,232; 1st April 2017: 11,112) Equity Shares of Re. 1 each, fully paid up			
Gyankosh Solutions Private Limited	2,735.25	2,923.34	2,707.59
32,939 (as at 31st March 2018: 32,939; 1st April 2017: 32,939) Equity Shares of Re. 1 each, fully paid up			
IFTOSI Jewels Private Limited#	-	15.20	-
Nil (as at 31st March 2018: 1,700; 1st April 2017: Nil) Equity Shares of ₹10 each, fully paid up			
Ideal Insurance Brokers Private Limited	6,548.95	6,284.90	-
5,000 (as at 31st March 2018: 5,000; 1st April 2017: Nil) Equity Shares of ₹10 each, fully paid up			
Inqube Innoventures Private Limited	7,144.29	6,627.29	-
655 (as at 31st March 2018: 655, 1st April 2017: Nil) Equity Shares of ₹10 each, fully paid up			
Intellibuzz TEM Private Limited	2,660.86	2,499.98	-
12,300 (as at 31st March 2018:12,300, 1st April 2017: Nil) Equity Shares of ₹10 each, fully paid up			
PHI Robotics Research Private Limited	2,536.32	2,488.59	-
167 (as at 31st March 2018:167, 1st April 2017: Nil) Equity Shares of ₹10 each, fully paid up			
Snaphunt Pte Ltd	37,349.89	-	-
9,670 (as at 31st March 2018: Nil, 1st April 2017: Nil) Equity Shares of SGD. 1 each, fully paid up			
Investment in Preference Shares			
Mihup Communication Private Limited			
31,512 (as at 31st March 2018: 31512; 1st April 2017: 31,512) Series Seed Compulsorily Convertible Preference Shares of ₹1 each, fully paid up	39,939.57	14,639.84	14,666.32

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
2,941 (as at 31st March 2018: 2941; 1st April 2017: Nil) Series A1 Compulsorily Convertible Preference Shares of ₹10 each, fully paid up	3,727.54	1,366.33	-
Snaphunt Pte Ltd			
11,283 (as at 31st March 2018: Nil; 1st April 2017: Nil) Optionally convertible preference shares of SGD. 1 each, fully paid up	574.39	-	-
Unquoted:			
At Fair Value through Other Comprehensive Income			
KidsStopPress Media Private Limited			
683 (as at 31st March 2018: Nil; 1st April 2017: Nil) Optionally Convertible Preference Shares of ₹10 each, fully paid up	2,993.65	-	-
684 (as at 31st March 2018: Nil; 1st April 2017: Nil) Optionally Convertible Preference Shares of ₹10 each, fully paid up	2,998.03	-	-
684 (as at 31st March 2018: Nil; 1st April 2017: Nil) Optionally Convertible Preference Shares of ₹10 each, partly paid up (Refer Note 39)	1.36	-	-
Total	**2,73,245.45**	**1,89,967.94**	**1,74,101.22**
Aggregate Amount of Unquoted Investments	**2,73,245.45**	**1,89,967.94**	**1,74,101.22**
Aggregate Amount of Quoted Investments	-	-	-
Aggregate Market Value of Quoted Investments	-	-	-
Aggregate Provision for Impairment in the Value of Investments	-	1.80	-

Notes:

1. Investments in equity instruments of private limited entities has been designated as fair value through other comprehensive income. The valuation of these shares as on the valuation date has been arrived at using the discounted cash flow method.

** Includes 111,120 bonus shares were allotted during the year ended March 2018 without any consideration

During the period ended September 2018, the company has disposed 1700 ordinary shares at face value of ₹10 each as against the fair value of ₹8.94 resulting in profit of ₹1802.

Note 8 Non-Current Financial Assets- Loans

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Loans Receivables considered good - Secured	-	-	-
Loans Receivables considered good - Unsecured*	5,341.82	4,692.12	4,000.00
Total	**5,341.82**	**4,692.12**	**4,000.00**

*Represents loans given to Nectar Consultancy Services Private Limited and Scimata Computing Private Limited, suppliers of the company, for the purpose of meeting the working capital requirement at simple interest of 9% payable annually.

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

Note 9 Non-Current Financial Assets

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Other Bank Balances:			
- In Bank Deposits #	600.00	-	-
- Interest accrued on Bank Deposits	34.19	-	-
Rental Security deposits	2,279.23	-	-
* Application money paid towards securities	-	1,066.67	-
Total	**2,913.42**	**1,066.67**	**-**

Under lien for corporate credit card facility.

*** Application money paid towards securities:**
On 11th September 2017, the company entered into an agreement to acquire equity and preference shares of Snaphunt PTE LTD, Singapore and paid an amount of ₹10,666,70 towards purchase consideration. Subsequently, the company was allotted 14,506 optionally convertible preference shares (OCPS) of SGD 1 and 6,447 ordinary shares of SGD 1 on 24th April 2018.

Out of 14,506 OCPS, 3223 OCPS has been converted into equity shares on 27th July 2018 through a Board resolution passed by Snaphunt Pte Ltd.

Post this allotment the company holds 26% of the share capital of the investee company on a fully diluted basis.

Equity shares carry voting rights as on 31st March 2019 amounting to 13.95%.

Note 10 Non-Current Tax Assets

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Prepaid lease payments	368.17	-	-
Capital advances	276.75	-	-
Advance Tax	7,462.57	5,528.69	347.81
[Net of Provision for taxation - Nil]			
(Refer Note 19 for tax reconciliations)			
Total	**8,107.48**	**5,528.69**	**347.81**

*Represents loan given to suppliers for the purpose of meeting the working capital requirement at simple interest of 9% payable annually.

Note 11 Current Investments

(₹ in '000)

	Units			Amount		
	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Investments in short term liquid funds						
Quoted						
27,810 units (31st March 2018: Nil, 1st April 2017: Nil) of Kotak Corporate Fund Direct Growth	27,810.00	-	-	70,282.74	-	-
Net asset value per unit as at 31st March 2019: ₹2,527.28/-						
53.34 units (31st March 2018: Nil, 1st April 2017: Nil) of IDFC Cash Fund - Growth	53.34	-	-	120.90	-	-
Net asset value per unit as at 31st March 2019: ₹2,266.52/-						
39,05,884 units (31st March 2018: Nil, 1st April 2017: Nil) of IDFC Corporate Bond Fund - Direct Growth	39,05,884.00	-	-	50,231.23	-	-
Net asset value per unit as at 31st March 2019: ₹12.8604/-						

Notes
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(₹ in '000)

	Units			Amount		
	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
37,88,919 units (31st March 2018: Nil, 1st April 2017: Nil) of IDFC Ultra Short-Term Fund - Direct Growth	37,88,919.00	-	-	40,181.49	-	-
Net asset value per unit as at 31st March 2019: ₹10.605/-						
Total				**1,60,816.35**	**-**	**-**

Note 12 Trade Receivables

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Trade Receivables considered good – Secured	-	-	-
Trade Receivables considered good - Unsecured *	9,546.17	20,817.95	4,688.44
Trade Receivables which have significant increase in Credit Risk	3,754.83	3,783.05	-
Less: Allowance for credit losses	(3,754.83)	(3,783.05)	-
Total	**9,546.17**	**20,817.95**	**4,688.44**
* Includes dues from related parties (Refer Related Party Transaction Note. 31)	**844.00**	2,853.89	89.86

Note 13 Cash and Cash Equivalents

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Balances with Banks			
- In Current Accounts	5,564.86	21,699.50	2,063.06
Cash on Hand	37.01	13.45	7.83
Held in short term bank deposits	19,000.00		
Total	**24,601.87**	**21,712.95**	**2,070.89**
Cash and cash equivalent as per Statement of Cash Flows	**24,601.87**	**21,712.95**	**2,070.89**

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

Note 14 Other Current Financial Assets

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Unsecured, considered good			
Unbilled Revenue	473.68	-	-
Rental security deposits	3,093.47	1,380.00	26.00
Interest Accrued on corporate deposits	1,186.99	698.22	315.12
Interest Accrued on Fixed deposit	16.57	-	-
Advance to staff	20.00	216.67	-
Total	**4,790.71**	**2,294.89**	**341.12**

Notes

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Note 15 Other Current Assets

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Prepaid expenses	570.81	-	191.34
Prepaid lease payments	184.08		
Balances with Government authorities	3,325.79	-	438.52
Unsecured, considered good			
Advance to vendors	388.40	262.42	146.00
Total	**4,469.08**	**262.42**	**775.86**

Note 16 Equity Share Capital

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Authorised			
15,000,000 Equity Shares (31-Mar-18: 11,000,000; 01-Apr-17: 5,000,000) of ₹10 each	1,50,000.00	1,10,000.00	50,000.00
Issued			
13,705,298 Equity Shares (31-Mar-18: 6,517,132; 01-Apr-17: 4,874,998) of ₹10 each	1,37,052.98	65,171.32	48,749.98
Subscribed and Fully Paid up			
13,705,298 Equity Shares (31-Mar-18: 6,517,132; 01-Apr-17: 4,874,998) of ₹10 each	1,37,052.98	65,171.32	48,749.98
Total	**1,37,052.98**	**65,171.32**	**48,749.98**

Notes:

a) The reconciliation of number of equity shares outstanding and the amount of share capital at the beginning and at the end of the reporting period:

	As at 31st March 2019		As at 31st March 2018		As at 1st April 2017	
	No. of Shares	Rupees in '000	No. of Shares	Rupees in '000	No. of Shares	Rupees in '000
Shares outstanding at the beginning of the year/period	65,17,132	65,171.32	48,74,998	48,749.98	18,74,999	18,749.99
Add: Bonus shares issued during the period on capitalisation of securities premium	36,20,725	36,207.25	-	-	-	-
Add: Shares issued during the year / period pursuant to rights issue and preferential allotment	65,999	659.99	16,42,134	16,421.34	29,99,999	29,999.99
Add: Shares issued during the year pursuant to IPO	35,01,442	35,014.42			-	-
Shares outstanding at the end of the year/period	**1,37,05,298**	**1,37,052.98**	**65,17,132**	**65,171.32**	**48,74,998**	**48,749.98**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

b) Initial Public Offer

During the year ended 31st March 2019, the Company completed an Initial Public Offering (IPO) of its shares consisting of a fresh offer of 35,01,442 equity shares of ₹10 each at a premium of ₹56 per share and a discount of ₹3 per equity share to retail shareholders. The proceeds of the fresh offer component from the IPO amounted to ₹2,01,467.18 (₹ in 000s) (net of issue expenses). The equity shares of the Company were listed on Bombay Stock Exchange and National Stock Exchange effective 4th February 2019.

Details of IPO proceeds as follows:

Gross proceeds from the issue	2,30,000.00
Less: Estimated expenses related to Offer	33,551.50
Net proceeds	**1,96,448.50**
Add: Savings in offer related expenses	4,973.94
Add: Excess received towards fractional lots	44.74
Total	**2,01,467.18**

Details of utilisation of IPO proceeds as follows:

Particulars	Projected	Utilised	Unutilised
Purchase of IT hardware and network equipment's for development centers in Kolkata and Hyderabad	54,875.19	-	54,875.19
Purchase of fit outs for new development centers in Kolkata and Hyderabad	40,862.50	719.79	40,142.71
Funding working capital requirements of our Company	60,000.00	10,000.00	50,000.00
General corporate purposes (including savings in offer related expenses)	45,729.49	6,500.00	39,229.49
	2,01,467.18	**17,219.79**	**1,84,247.40**

IPO proceeds net of IPO related expenses which remain unutilised as at 31st March 2019 temporarily invested in short term liquid funds ₹160,000.00 (₹ in 000s), short term bank deposits ₹19,000 (₹ in 000s) and with banks ₹5,247.40 (₹ in 000s).

Expenses incurred by the Company, amounting to ₹28,577.56 (₹ 000s), in connection with the IPO have been adjusted towards the securities premium in accordance with Section 52 of the Companies Act, 2013.

c) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rupees 10/- per share. Each shareholder is entitled to vote in proportion to his share of the paid-up equity capital of the Company except upon voting by "Show of hands" where one share shareholder is entitled to one vote. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion to their shareholdings. The Shareholders are entitled to receive dividend in proportion to the amount of paid up equity shares held by them. The Company has not declared any dividend during the last three financial years.

d) Details of shareholders holding more than 5% shares in the Company:

(₹ in '000)

Name of the Shareholder	As at 31st March 2019		As at 31st March 2018		As at 1st April 2017	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Sandipan Samiran Chattopadhyay	40,79,102	29.76%	29,24,088	44.87%	30,90,207	63.39%
Srinivas Koora	25,36,598	18.51%	16,36,515	25.11%	15,84,791	32.51%
University of Notre Dame DU LAC	12,25,800	8.94%	-	-	-	-
Jaison Jose	8,41,290	6.14%	5,42,768	8.33%	-	-
	86,82,790		**51,03,371**		**46,74,998**	

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

e) Aggregate number of bonus shares issued, for consideration other than cash during the period immediately preceding the reporting date:

(₹ in '000)

Particulars	As at 31st March 2019	As at 31st March 2018
	No. of Shares	No. of Shares
Equity shares allotted as fully paid bonus shares by capitalisation of security premium	36,20,725	-

The Company by way of Special Resolution had recommended to capitalise a sum of ₹3,62,07,250/- out of the amount standing to the credit of the securities premium account as on 31st March 2018, and the aforesaid amount be applied for paying up, in full, at par 36,20,725 equity shares of ₹10/ each in the capital of the Company. The bonus shares had been issued to such member holding equity shares as per the Register of Equity Shareholders as on 27th July 2018 ("Record Date"), in proportion of 55 (Fifty-Five) Equity Shares for every 100 (One Hundred) Equity Shares.

f) Capital Management

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios to support its business and maximize shareholder value. The Company makes adjustments to its capital structure based on economic conditions or its business requirements. To maintain / adjust the capital structure the Company may make adjustments to dividend paid to its shareholders or issue new shares.

The Company monitors capital using the metric of Net Debt to Equity. Net Debt is defined as borrowings less cash and cash equivalents, fixed deposits and readily redeemable investments. The company has no borrowings as on the reporting date.

Note 17 Other Equity

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Securities Premium	2,13,734.65	78,209.22	-
Retained Earnings			
- Net Profit / (Loss) for the year	(372.80)	46,882.97	83,405.93
- Other Comprehensive Income	56,118.40	(268.14)	-
Total	**2,69,480.25**	**1,24,824.05**	**83,405.93**

Note 18 Non-Current Provisions

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Provision for Employee Benefits			
Gratuity (Net)	1,452.26	1,388.75	318.96
Compensated Absences (Net)	378.03	225.54	-
Total	**1,830.29**	**1,614.29**	**318.96**

Notes

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Note 19 Deferred Tax Liabilities (Net)

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Deferred Tax Liability			
a) Property, Plant & Equipment and Intangibles	-	(59.12)	(25.68)
b) Impairment of investments	(64,963.94)	(45,152.46)	(45,246.67)
c) Defined benefit obligations & Other long-term employee benefits	-	-	-
d) Others	-	-	(81.93)
e) Provision for doubtful debts	(976.26)	(983.59)	-
	(65,940.20)	**(46,195.17)**	**(45,354.29)**
Deferred Tax Assets			
a) Property, Plant and Equipment	227.61	-	-
b) Defined benefit obligations & Other long-term employee benefits	501.81	434.70	82.96
c) Others	-	-	-
	729.42	**434.70**	**82.96**
Total	**(65,210.78)**	**(45,760.47)**	**(45,271.55)**

The income tax expense consists of the following:

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Current Tax:		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	**-**	**-**
Deferred Tax:		
(Decrease)/ increase in deferred tax assets / liabilities	(587.19)	759.39
Deferred tax (net)	**(587.19)**	**759.39**
Total income tax expense	**(587.19)**	**759.39**

Current tax and Deferred Tax related to items recognised in Other Comprehensive Income during the year:

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Net loss/(gain) on FVTOCI equity securities	19,811.48	(94.21)
Net loss/(gain) on remeasurements of defined benefit plans	226.01	(176.03)
Total	**20,037.49**	**(270.24)**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

Reconciliation of tax expense and the accounting profit

The reconciliation between estimated income tax expense at statutory income tax rate into income tax expense reported in statement of profit & loss is given below:

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Profit before income taxes	(49,986.22)	(35,262.55)
Indian statutory income tax rate	26.00%	25.75%
Expected income tax expense	(12,996.42)	(9,080.05)
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Tax impact of income not subject to tax		
Tax effects of amounts which are not deductible for taxable income		
a) Temporary Differences	(587.19)	841.32
b) Permanent Differences	105.22	9.00
Impact due to change in the rate of corporate taxation	(23.87)	(86.00)
Deferred tax on carried forward losses**	(12,490.57)	(9,844.37)
Total income tax expense	**(12,996.42)**	**(9,080.05)**

** No deferred tax assets have been created on unused tax losses in the absence probability of future taxable profits that will be available against which the unused tax losses can be utilised.

Deferred Tax (Liabilities)

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Property, Plant and Equipment		(33.44)
Impairment / appreciation of investments	(19,811.48)	-
Provision for doubtful debts	-	(983.59)
Net deferred tax liabilities	**(19,811.48)**	**(1,017.03)**

Deferred Tax Assets:

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Property, Plant and Equipment	286.73	-
Impairment of investments	-	94.21
Defined benefit obligations & Other long-term employee benefits	67.12	351.74
Provision for doubtful debts	7.34	-
Accrued interest	-	81.93
Total deferred tax assets	**361.18**	**527.88**
Net deferred tax liabilities	**(19,450.30)**	**(489.15)**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

Movement in Deferred tax Liabilities / Asset:

(₹ in '000)

	Profit or Loss Account	Other Comprehensive income	Deferred Tax Liabilities / Asset (net)
As at 1st April 2017	**(45,271.33)**	**-**	**(45,271.33)**
Property, plant and equipment	(33.44)		(33.44)
Impairment / appreciation of investments	-	94.21	94.21
Defined benefit obligations & Other long-term employee benefits	-	351.74	351.74
Provision for doubtful debts	(983.59)	-	(983.59)
Accrued interest	81.93	-	81.93
As at 31st March 2018	**(46,206.42)**	**445.95**	**(45,760.47)**
Property, plant and equipment	286.73	-	286.73
Impairment / appreciation of investments	-	(19,811.48)	(19,811.48)
Defined benefit obligations & Other long-term employee benefits	-	67.12	67.12
Provision for doubtful debts	7.34	-	7.34
As at 31st March 2019	**(45,912.36)**	**(19,298.42)**	**(65,210.78)**

As per Groupings

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Note 20 Trade Payables

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	6,590.40	4,347.21	752.27
Total	**6,590.40**	**4,347.21**	**752.27**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the balance sheet date. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Notes

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(₹ in '000)

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
(i) Principal amount and interest dur thereon remaining unpaid to MSME suppliers as at the end of the accounting year:			
- Principal	Nil	Nil	Nil
- Interest	Nil	Nil	Nil
(ii) The amount of interest paid along with the amounts of the payment made to the MSME supplier beyond the appointed day	Nil	Nil	Nil
(iii) The amount of interest due and payable for the year	Nil	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil	Nil
(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil	Nil

Note 21 Other Financial Liabilities (Current)

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Creditors for expenses	896.73	1,186.23	467.03
Payable to employees	5,731.75	3,737.07	2,095.63
Remuneration payable to Key Management Personnel*	3,103.36	513.60	-
Other financial liabilities *	6,171.48	819.64	5,872.26
Total	**15,903.32**	**6,256.54**	**8,434.92**
* Includes dues to related parties (Refer Related Party Transaction Note. 31)	9,274.84	1,333.24	5,872.26

Note 22 Other Current Liabilities

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Statutory Dues	1,848.91	2,606.23	299.14
Advance from customers	178.82		
Total	**2,027.73**	**2,606.23**	**299.14**

Note 23 Current Provisions

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Provision for Employee Benefits			
Gratuity (Net)	2.82	2.00	-
Compensated absences (Net)	96.95	55.62	-
Total	**99.77**	**57.62**	**-**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

Note 24 Revenue from Operations

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Sale of Services*	60,886.95	53,601.34
Total	**60,886.95**	**53,601.34**
* Includes earnings in foreign currency	10,414.68	1,390.40

i) Contract Balances as at:

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Trade receivables	9,546.17	20,817.95
Contract Assets (Unbilled Revenue)	473.68	-
Contract Liabilities	178.82	-

ii) Revenue recognised in the period from:

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Revenue recognised in the period from:		
Amounts included in contract liability at the beginning of the period	-	-
Invoice raised in the period from:		
Amounts included in the contract assets at the beginning of the period	-	-

iii) Revenue disaggregation by geography is as follows:

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
India	39,974.58	52,210.94
Others	20,912.37	1,390.40
Total	**60,886.95**	**53,601.34**

iv) Revenue disaggregation by industry vertical is as follows:

(₹ in '000)

Industry vertical	Year ended 31st March 2019	Year ended 31st March 2018
Banking, Financial Services and Insurance	11,091.43	235.00
Communication, Media and Technology	5,544.34	3,614.02
Ecommerce	6,776.13	7,180.00
Logistics	9,440.00	14,659.20
Retail and Consumer Business	14,045.46	23,059.49
Social Media	3,488.65	3,014.97
Others	10,500.94	1,838.66
Total	**60,886.95**	**53,601.34**

v) Effective 1st April 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of 1st April 2018. Accordingly, the comparatives have not been retrospectively adjusted. The Company has applied cumulative catch-up transition method and credited retained earnings at 1st April 2018 by ₹1,500.00 (₹ in 000s).

Notes

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vi) Performance obligations and remaining performance obligations:

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Applying the practical expedient as given in para 121 of Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the performance obligation is part of a contract that has an original expected duration of one year or less and where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis.

As all the open contracts as on the reporting date are either with original expected duration of one year or less or are time and material contracts no disclosure pertaining to remaining performance obligation is required.

The impact on account of applying the erstwhile Ind AS 18 Revenue standard instead of Ind AS 115 Revenue from contract with customers on the financials results of the company for the year ended 31st March 2019 and as at 31st March 2019 is insignificant. On account of adoption of Ind AS 115, unbilled revenues of ₹ 473.68 (₹ in 000s) at 31st March 2019 has been considered as a financial asset.

Note 25 Other Income

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Other Non-Operating Income		
Net Gain on Foreign Currency Transactions and Translations	-	226.94
Interest on Income Tax refund	20.87	-
Interest Income	1,194.27	383.10
Realised gain on mutual fund units	253.57	-
Unrealised gain on mutual fund units	562.78	-
Provision for credit losses	28.21	-
Total	**2,059.71**	**610.04**

Note 26 Employee Benefits Expense

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Salaries and Wages*	58,586.05	35,011.80
Contribution to Provident and Other Funds*	1,573.37	699.09
Staff Welfare Expenses	1,466.83	802.00
Total	**61,626.25**	**36,512.89**
* Includes payment to related party (Refer Related Party Transaction Note. 31)	6,445.17	1,596.20

Notes

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Note 27 Finance Costs

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Interest on TDS	12.38	34.94
Total	**12.38**	**34.94**

Note 28 Depreciation and amortisation

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Depreciation on plant and equipment	2,478.38	729.69
Amortisation of intangible assets	28.85	-
Total	**2,507.23**	**729.69**

Note 29 Other Expense

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Power and Fuel	994.88	419.79
Rent	6,679.13	3,701.63
Rates and Taxes	1,580.43	690.37
Repairs and Maintenance		
- Buildings	481.99	476.77
- Others	813.58	815.32
Sales Promotion & Marketing Expense	468.35	96.00
Travelling & Conveyance	6,311.06	5,381.53
Communication Charges	4,043.06	3,954.62
Auditors' Remuneration* (Refer Note below)		
- As Auditor	575.00	160.00
- For Taxation Matters	75.00	30.00
- Certification and Other Services	-	-
- For Out of Pocket Expenses	4.76	-
Legal & Professional Charges	368.25	240.00
Net Loss on Foreign Currency Transactions and Translations	215.00	-
Courier Expenses	37.09	42.73
Office Expenses	627.77	615.19
Generator rent	78.92	112.60
Recruitment expense	171.46	2.40
Subscription fee	100.00	300.00
Project Expenses	219.36	-
Provision for Credit Losses	-	3,783.05
Bad debts written off	341.67	-
Consultancy Fees	23,311.52	30,627.10
Miscellaneous expenses	1,288.73	747.31
Total	**48,787.02**	**52,196.41**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

Auditor's Remuneration

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
As Auditor	575.00	160.00
For Taxation Matters	75.00	30.00
Certification and Other Services* (Refer Note below)	1,405.00	-
For Out of Pocket Expenses* (Refer Note below)	81.65	-
Total	**2,136.65**	**190.00**

* Note: During the year ended 31st March 2019, the Company has incurred ₹1,405.00 (₹ in 000s) and ₹76.89 (₹ in 000s) towards audit of restated financial statements, certification and out of pocket expenses for the Initial Public Offer of the equity shares of the Company. These expenses are adjusted against securities premium collected on issue of equity shares.

Note 30 Earnings per share

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018
Net Profit After Tax	(49,399.03)	(36,021.94)
Number of Shares outstanding at the beginning of the year	65,17,132	48,74,998
Add: Shares Issued during the year	36,20,725	-
Add: Bonus shares issued by capitalisation of reserves	65,999	16,42,134
Add: Shares Issued during the year part of IPO	35,01,442	
Number of Shares outstanding at the end of the year	1,37,05,298	65,17,132
Weighted Average Number of Equity Shares		
For calculating Basic EPS	1,07,67,384	89,84,276
For calculating Diluted EPS	1,07,67,384	89,84,276
Earnings Per Share Before and After Extraordinary Items		
(Face Value of ₹10)		
Restated Basic (in ₹)	(4.59)	(4.01)
Restated Diluted (in ₹)	(4.59)	(4.01)

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Note 31 Related party disclosures

A) Related Parties and their Relationship

a) Joint ventures

(₹ in '000)

Name of the Joint Venture	Country	% Holding as at 31st March 2019	% Holding as at 31st March 2018	% Holding as at 31st March 2017
Fortigo Networks Xelpmoc Private Limited (w.e.f. 7th April 2017)	India	18.00%	49.00%	Nil

b) Associates

(₹ in '000)

Name of the Associates	Country	% Holding as at 31st March 2019	% Holding as at 31st March 2018	% Holding as at 31st March 2017
Madworks Ventures Private Limited (w.e.f from 14th February 2018)	India	21.74%	21.74%	Nil
IFTOSI Jewels Private Limited (up to 31st March 2017)	India	Nil	17.00%*	25.00%

*As at 31st March 2018, the Company holds 17.00% in IFTOSI Jewels Private Limited. However, IFTOSI Jewels Private Limited is not an Associate of the Company since the holding is less than 20.00%.

c) Companies under common Control with whom transactions have taken place

i) Jzeva Signature Jewelcrafts Private Limited

ii) Getbasis Securities and Technology India Private Limited.

iii) Mihup Communication Private Limited

d) Key Management Personnel (KMP) and Relatives

i)	Sandipan Samiran Chattopadhyay	KMP	
ii)	Srinivas Koora	KMP	
iii)	Jaison Jose	KMP	w.e.f. 9th March 2017
iv)	Vishal Chaddha	KMP	w.e.f. 13th September 2017
v)	Abhay Kadam	Company Secretary	w.e.f. 1st December 2017 & up to 24th July 2018
vi)	Vaishali Kondhbar	Company Secretary	w.e.f 24th July 2018
vii)	Rajesh Dembla	Director	up to 26th July 2017
viii)	Bhavna Chattopadhyay	Director and Relative of KMP	
ix)	Mihika Rajesh Dembla	Relative of KMP	up to 26th July 2017
x)	Mamta Rajesh Dembla	Relative of KMP	up to 26th July 2017
xi)	Raunak Rajesh Dembla	Relative of KMP	up to 26th July 2017

e) Independent Directors

i)	Premal Mehta	w.e.f. 2nd July 2018
ii)	Pratiksha Pingle	w.e.f. 2nd July 2018
iii)	Tushar Trivedi	w.e.f. 2nd July 2018

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B) Related Parties and their Relationship

i) Transactions with Associates and Joint Ventures:

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Sale of services		
Fortigo Network Xelpmoc Private Limited	3,700.00	9,800.00
Madworks Venture Private Limited	800.00	400.00
	4,500.00	**10,200.00**
Investment in equity shares		
Fortigo Network Xelpmoc Private Limited	-	49.00
Madworks Venture Private Limited	-	243.26
	-	**292.26**
Investment in preference shares		
Madworks Venture Private Limited	-	912.29
	-	**912.29**
Disposal of investment in equity shares		
Fortigo Network Xelpmoc Private Limited	31.00	-
IFTOSI Jewels Private Limited	-	8.00
	31.00	**8.00**

ii) Transactions with Companies under common control:

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Expenses incurred by us on behalf of others		
Jzeva Signature Jewelcrafts Private Limited	138.26	24.29
Getbasis Securities and Technology India Private Limited.	216.09	-
	354.35	**24.29**
Investment in preference shares		
Mihup Communications Private Limited	-	1,673.58
	-	**1,673.58**

iii) Transactions with Key Management Personnel and Relatives:

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Remuneration paid to directors and KMP (including employer's contribution to Provident Fund)		
Srinivas Koora	1,521.60	380.40
Sandipan Samiran Chattopadhyay	1,521.60	380.40
Jaison Jose	1,521.60	380.40
Vishal Chaddha	1,500.00	375.00
Abhay Kadam	76.00	80.00
Vaishali Kondhbar	304.37	-
	6,445.17	**1,596.20**
Loan taken from Directors		
Sandipan Samiran Chattopadhyay	12,950.00	7,500.00
Rajesh Dembla	-	3.62
Jaison Jose	2,700.00	2,000.00
Srinivas Koora	4,200.00	1,000.00
	19,850.00	**10,503.62**
Loan repaid to Directors		
Sandipan Samiran Chattopadhyay	10,000.00	7,500.00
Rajesh Dembla	-	5,200.00
Jaison Jose	2,700.00	2,000.00
Srinivas Koora	4,000.00	1,000.00
	16,700.00	**15,700.00**

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(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Receipt towards share application money		
Sandipan Samiran Chattopadhyay	-	1,034.48
Srinivas Koora	-	517.24
Jaison Jose	-	3,827.58
	-	**5,379.30**
Receipt towards security premium		
Sandipan Samiran Chattopadhyay	-	1,965.51
Srinivas Koora	-	982.76
Jaison Jose	-	7,272.40
	-	**10,220.67**
Issue of Bonus shares		
a) Key Managerial Personnel (KMP)		
Srinivas Koora	9,000.83	-
Sandipan Chattopadhyay	14,474.23	-
Jaison Jose	2,985.22	-
Bhavna Chattopadhyay	1,608.25	-
	28,068.53	**-**
Receipt of services		
Mihika Rajesh Dembla	-	208.00
Mamta Rajesh Dembla	-	208.00
Raunak Rajesh Dembla	-	208.00
	-	**624.00**
Expenses incurred by directors and KMP		
Sandipan Samiran Chattopadhyay	573.15	4,515.33
Srinivas Koora	3,809.53	8,015.13
Jaison Jose	-	9.55
Bhavna Chattopadhyay	620.60	-
	5,003.28	**12,540.00**
Reimbursement of expenses to directors and KMP		
Sandipan Samiran Chattopadhyay	84.82	4,363.33
Srinivas Koora	2,389.08	8,023.37
Bhavna Chattopadhyay	419.05	-
	2,892.94	**12,386.70**
Sitting Fee		
Bhavna Chattopadhyay	30.00	-
	30.00	**-**

iv) Transactions with Independent Directors

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Sitting Fee		
Premal Mehta	52.50	-
Pratiksha Pingle	52.50	-
Tushar Trivedi	75.00	-
	180.00	**-**

Notes:

(a) Transactions with the related parties have been reported since the date they become related.

(b) The above figure of managerial remuneration excludes provision for retirement benefits which is done for the company as a whole.

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

C) The Related Party Balances are as under:

(₹ in '000)

Name of the Shareholder	Associate Company/ Joint Ventures			Companies Under Common Control			Key Management Personnel and Relatives		
	As at			As at			As at		
	31st March 2019	31st March 2018	1st April 2017	31st March 2019	31st March 2018	1st April 2017	31st March 2019	31st March 2018	1st April 2017
Outstanding Balances									
Receivables									
Fortigo Network Xelpmoc Private Limited	-	2,397.60	-						
Madworks Venture Private Limited	844.00	432.00	-						
Jzeva Signature Jewelcrafts Private Ltd				-	24.29	89.86			
Payables									
Remuneration payable to Directors and KMP									
Srinivas Koora							796.66	123.45	-
Sandipan Samiran Chattopadhyay							782.80	123.45	-
Jaison Jose							731.30	123.45	-
Vishal Chaddha							759.60	123.45	-
Vaishali Kondhbar							33.00	-	-
Abhay Kadam							-	19.80	-
Expenses reimbursement payable to Directors and KMP									
Srinivas Koora							1,830.39	409.93	418.17
Sandipan Samiran Chattopadhyay							898.04	409.71	257.71
Bhavna Chattopadhyay							201.55		
Unsecured loans from Directors									
Rajesh Dembla							-	-	5,196.38
Srinivas Koora							200.00	-	-
Sandipan Samiran Chattopadhyay							2,950.00	-	-

The Related Party Balances are as under:

(₹ in '000)

	Directors		
	As at		
	31st March 2019	31st March 2018	1st April 2017
Sitting fee payable to Directors			
Bhavna Chattopadhyay	12.00	-	-
Premal Mehta	33.75	-	-
Pratiksha Pingle	12.00	-	-
Tushar Trivedi	33.75	-	-

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Note 32

Leases

The Company's significant leasing agreements are in respect of operating lease for office premises and the aggregate lease rentals payable are charged as rent. The Total lease payments accounted for the year ended 31st March 2019 is ₹6,679.13 (₹ in 1000s) (previous year ended 31st March 2018: ₹3,701.63 (₹ in 1000s)).

The future minimum lease payments outstanding under non-cancellable operating leases are as follows:

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018
Not later than one year	9,170.02	4,480.14
Later than one year and not later than five years	20,486.72	4,598.02
Later than five years	-	-
Total	**29,656.74**	**9,078.17**

Note 33 Hedging Contracts

The uncovered foreign exchange exposure:

	Currency in '000	As at 31st March 2019	As at 31st March 2018
Receivables	UK Pounds	38.98	38.98
Receivables	US Dollars	15.00	-
Payables	US Dollars	(6.47)	

Note 34 Employee benefits

a) Defined Contribution Plan

Provident Fund:

The contributions to the Provident Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution on the company.

b) Defined Benefit Plan

Gratuity:

The liability in respect of future payment of gratuity to retiring employees on retirement is provided on the basis of actual number of year's entitlement pending to be paid as at the end of each year. The Company estimates and provides the liability towards gratuity on the basis of actuarial valuation made at the end of the year.

These benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and investment risk.

c) Amounts Recognised as Expense:

I) Defined Contribution Plan

Employer's Contribution to Provident Fund, ESIC and LWF amounting to ₹1,573.37 (₹in 1000s) (March 2018: ₹699.09 (₹in 1000s)) has been included under Contribution to Provident and Other Funds.

II) Defined Benefit Plan

a. Gratuity cost amounting to ₹933.60 (₹ in 1000s) (March 2018: ₹395 (₹ in 1000s) has been included in Note 26 under the head of employee benefits.

b. Remeasurement gain/loss on defined benefit plan amounting to ₹-869.27 (₹ in 1000s (Year ended 31st March 2018: ₹677.05 (₹ in 1000s)) is debited to statement of Other comprehensive Income.

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The amounts recognised in the Company's financial statements as at year end are as under:

(₹ in '000)

	As at	
	31st March 2019	**31st March 2018**
Change in Present Value of Obligation		
Present value of the obligation at the beginning of the year / period	1,390.75	319.07
Current Service Cost	795.09	362.91
Interest Cost	138.51	31.72
Actuarial (Gain) / Loss on Obligation- Due to Change in Demographic Assumptions	39.51	-
Actuarial (Gain) / Loss on Obligation- Due to Change in Financial Assumptions	34.82	(62.78)
Actuarial (Gain) / Loss on Obligation- Due to Experience	(943.61)	739.83
Benefits Paid	-	-
Present value of the obligation at the end of the year / period	**1,455.08**	**1,390.75**
Change in Plan Assets		
Fair value of Plan Assets at the beginning of the year /period	-	-
Interest Income	-	-
Return on plan assets excluding interest income	-	-
Benefits Paid	-	-
Fair value of Plan Assets at the end of the year / period	**-**	**-**
Amounts Recognised in the Balance Sheet:		
Present value of Obligation at the end of the year / period	1,455.08	1,390.75
Fair value of Plan Assets at the end of the year / period	-	-
Funded status – Deficit	1,455.08	1,390.75
Net Liability recognised in the Balance Sheet	**1,455.08**	**1,390.75**
Amounts Recognised in the Statement of Profit and Loss:		
Current Service Cost	795.09	362.91
Interest Cost on Obligation	138.51	31.72
Net Cost Included in Personnel Expenses	**933.60**	**394.63**
Recognised in other comprehensive income for the year / period		
Actuarial (Gain) / Loss on Obligation	(869.27)	677.05
Return on plan assets excluding interest income	-	-
Recognised in other comprehensive income	**(869.27)**	**677.05**
Actuarial Assumptions		
i) Discount Rate	7.51%	7.75%
ii) Salary Escalation Rate (per annum)	12.00%	12.00%
iii) Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	

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

Maturity Analysis of Projected Benefit Obligation: From the Fund

(₹ in '000)

	As at 31st March 2019	As at 31st March 2018
Projected Benefits Payable in Future Years from the Date of Reporting		
Within the next 12 months	2.92	2.35
2nd Following Year	117.87	24.44
3rd Following Year	174.20	101.36
4th Following Year	237.46	172.69
5th Following Year	275.62	198.87
Sum of Years 6 To 10	1,242.89	918.36

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Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in '000)

	31st March 2019		31st March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (100 basis points)	(104.70)	117.74	(121.78)	124.15
Future salary growth (100 basis points)	106.21	(95.19)	96.75	92.55

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Other details

Methodology Adopted for ALM	Projected Unit Credit Method
Usefulness and Methodology adopted for Sensitivity analysis	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.
Stress Testing of Assets	Not Done
Investment Strategy	Not Applicable
Comment on Quality of Assets	Not Applicable
Management Perspective of Future Contributions	As per Actuarial calculation

Risk exposure

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

Interest Rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary Inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Compensated absences

The Compensated absences obligations cover the company's liability for earned leave.

The company recognises the obligations as per the actuarial valuation. A summary of employee benefit obligation for compensated absence is presented below:

(₹ in '000)

Particulars	As at 31st March 2019	As at 31st March 2018
The Actuarial Liability in respect of the compensated absence of earned leave	474.98	281.16
Less: Plan assets	-	-
Net obligation	**474.98**	**281.16**

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(₹ in '000)

Particulars	As at 31st March 2019	As at 31st March 2018
Significant Assumptions		
Discounting Rate	7.51%	7.75%
Salary Escalation Rate (per annum)	12.00%	12.00%
Retirement Age	58 years	58 years

Note 35 Financial instruments

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in '000)

As at 31st March 2019	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current								
Investments								
Shares*	-	2,74,419.00	-	2,74,419.00	-	-	2,74,419.00	2,74,419.00
Loans	-	-	5,341.82	5,341.82	-	-	5,341.82	5,341.82
Others	-	-	2,913.42	2,913.42	-	-	2,913.42	2,913.42
Current								
Current investments	1,60,816.35	-	-	1,60,816.35	1,60,816.35	-	-	1,60,816.35
Trade receivables	-	-	9,546.17	9,546.17	-	-	9,546.17	9,546.17
Cash and cash equivalents	-	-	24,601.87	24,601.87	-	-	24,601.87	24,601.87
Other Current Financial Assets	-	-	4,790.71	4,790.71	-	-	4,790.71	4,790.71
	1,60,816.35	**2,74,419.00**	**47,193.99**	**4,82,429.34**	**1,60,816.35**	**-**	**3,21,612.99**	**4,82,429.34**
Financial liabilities								
Current								
Trade and other payables	-	-	6,590.40	6,590.40	-	-	6,590.40	6,590.40
Other Current Financial Liabilities	-	-	15,903.32	15,903.32	-	-	15,903.32	15,903.32
	-	**-**	**22,493.72**	**22,493.72**	**-**	**-**	**22,493.72**	**22,493.72**

(₹ in '000)

As at 31st March 2018	Carrying amount / Fair Value				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current								
Investments								
Shares*	-	1,91,172.49	-	1,91,172.49	-	-	1,91,172.49	1,91,172.49
Loans	-	-	4,692.12	4,692.12	-	-	4,692.12	4,692.12
Others	-	-	1,066.67	1,066.67	-	-	1,066.67	1,066.67
Current								
Current investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	20,817.95	20,817.95	-	-	20,817.95	20,817.95
Cash and cash equivalents	-	-	21,712.95	21,712.95	-	-	21,712.95	21,712.95
Other Current Financial Assets	-	-	2,294.89	2,294.89	-	-	2,294.89	2,294.89
	-	**1,91,172.49**	**50,584.58**	**2,41,757.07**	**-**	**-**	**2,41,757.07**	**2,41,757.07**
Financial liabilities								
Current								
Trade and other payables	-	-	4,347.21	4,347.21	-	-	4,347.21	4,347.21
Other Current Financial Liabilities	-	-	6,256.54	6,256.54	-	-	6,256.54	6,256.54
	-	**-**	**10,603.75**	**10,603.75**	**-**	**-**	**10,603.75**	**10,603.75**

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(₹ in '000)

As at 31st March 2017	Carrying amount				Fair value Hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current								
Investments								
Shares*	-	1,74,126.22	-	1,74,126.22	-	-	1,74,126.22	1,74,126.22
Loans	-	-	4,000.00	4,000.00	-	-	4,000.00	4,000.00
Others	-	-	-	-	-		-	-
Current								
Current investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	4,688.44	4,688.44	-	-	4,688.44	4,688.44
Cash and cash equivalents	-	-	2,070.89	2,070.89	-	-	2,070.89	2,070.89
Other Current Financial Assets	-	-	341.12	341.12	-	-	341.12	341.12
	-	**1,74,126.22**	**11,100.45**	**1,85,226.67**	**-**	**-**	**1,85,226.67**	**1,85,226.67**
Financial liabilities								
Current								
Trade and other payables	-	-	752.27	752.27	-	-	752.27	752.27
Other Current Financial Liabilities	-	-	8,434.92	8,434.92	-	-	8,434.92	8,434.92
	-	**-**	**9,187.19**	**9,187.19**	**-**	**-**	**9,187.19**	**9,187.19**

* Note: Includes investment in equity instruments of Joint ventures and associates initially recognized at cost of acquisition. The carrying value of the investments is adjusted to recognise changes in the group's share of net assets of the joint venture and associate since the acquisition date.

Level - 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level – 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level - 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment in equity shares of private limited companies	Discounted cash flow (DCF) method	Future estimated free cash flows available to the equity holders. This method takes into account the inherent strength of the business to generate cash flows	A 1% increase or decrease in the estimated discounted cash flow of the company is not likely to have any significant impact on the fair valuation of the equity instruments.

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Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment in preference shares of private limited companies	Discounted cash flow (DCF) method	Future estimated free cash flows available to the equity holders. This method takes into account the inherent strength of the business to generate cash flows	A 1% increase or decrease in the estimated discounted cash flow of the company is not likely to have any significant impact on the fair valuation of the preference instruments.

Level 3 fair values
Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

(₹ in '000)

Particulars	Total
Opening Balance (1st April 2017)	**1,74,126.22**
Gain/(loss) recognised in OCI (unrealised)	(362.35)
Purchases	17,416.61
Sales	(8.00)
Closing Balance (31st March 2018)	**1,91,172.48**
Opening Balance (1st April 2018)	1,91,172.48
Gain/(loss) recognised in OCI (unrealised)	76,198.02
Purchases	7,096.51
Sales	(48.00)
Closing Balance (31st March 2019)	**2,74,419.01**

Note 36 Financial risk management

The activities of the Company expose it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance.

(i) Management of market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings, investments and derivative financial instruments.

(ii) Management of 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 does not have any exposure to interest rate risks since it has no borrowings.

(iii) Management of price risk:

The Company invests its surplus funds in various unlisted equity and preference shares. Investments in unlisted equities and preference shares are susceptible to market price risk, arising from changes in availability of future free cash flow which may impact the return and value of the investments. The company mitigates this risk by periodically evaluating the performances of the investee company.

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(iv) Management of currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits and periodic monitoring of the exposures. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. ₹)

The currency profile of financial assets and financial liabilities as at 31st March 2019, 31st March 2018, and 1st April 2017 are as below:

(₹ in '000)

	Currency	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Trade receivables	GBP	3,526.26	3,554.48	2,440.80
	USD	1,037.55		
		4,563.81	**3,554.48**	**2,440.80**
Trade payables	USD	447.53		
		447.53	**-**	**-**

The following significant exchange rates have been applied during the year:

	Yearend spot rate		
	31st March 2019	31st March 2018	1st April 2017
UK Pound INR	0.011	0.011	0.012
US Dollar INR	0.014	-	-

(v) Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of the Indian Rupee against USD at 31st March 2019 and 31st March 2018 would have affected the measurement of financial instruments denominated in USD and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in '000)

Effect in INR	Profit or loss	
	Strengthening	Weakening
31st March 2019		
5% movement		
UK Pound Vs INR	228.19	(228.19)
US Dollar Vs INR	22.38	(22.38)
	250.57	**(250.57)**

(₹ in '000)

Effect in INR	Profit or loss	
	Strengthening	Weakening
31st March 2018		
5% movement		
UK Pound	177.72	(177.72)
	177.72	**(177.72)**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

(vi) Management of credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterpart to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposits and loans given, investments and balances at bank.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Expected credit loss is based on actual credit loss experienced and past trends based on the historical data.

The Company does not have any significant concentration of credit risk. There is one customer which accounted for 10% or more of the total trade receivables as at the year end.

The average credit period on sales is 60 days. No interest is charged on overdue trade receivables. Up to the year ended 31st March 2018, the company has made provision for doubtful debtors using specific identification method. From the year ended 31st March 2019 onwards, the Company has adopted the policy of recognising an allowance for doubtful debts at 100% against all receivables past due over 365 days because of possibility of non-realisation in addition to the specific identification method.

Credit risk on cash and cash equivalents is assessed as low risk as the company has invested surplus funds in short term deposits with bank of maturity less than 30 days.

Credit risk for trade receivables is evaluated as follows:

Expected credit loss for trade receivables and unbilled revenue under simplified approach

As at 31st March 2019

(₹ in '000)

Trade Receivables	Overdue for a period of less than a year	Overdue for a period of more than a year	Total
Gross carrying amount	9,546.17	3,754.83	13,301.01
Expected credit loss rate	0.00%	100.00%	
Expected credit loss (provision for credit loss)	-	(3,754.83)	(3,754.83)
Carrying amount of trade receivables	**9,546.17**	**-**	**9,546.17**

Year end 31st March 2018

(₹ in '000)

Trade Receivables	Overdue for a period of less than a year	Overdue for a period of more than a year	Total
Gross carrying amount	20,817.95	3,783.05	24,601.00
Expected credit loss rate	0.00%	100.00%	
Expected credit loss (provision for credit loss)	-	(3,783.05)	(3,783.05)
Carrying amount of trade receivables	**20,817.95**	**-**	**20,817.95**

Year end 31st March 2017

(₹ in '000)

Trade Receivables	Overdue for a period of less than a year	Overdue for a period of more than a year	Total
Gross carrying amount	4,688.44	-	4,688.44
Expected credit loss rate	0.00%	100.00%	
Expected credit loss (provision for credit loss)			-
Carrying amount of trade receivables	**4,688.44**	**-**	**4,688.44**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

Management believes that the unimpaired amounts that are past due by less than a year are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

Trade receivables Impairments	(₹ in '000)
Balance as at 31st March 2017	**-**
Impairment loss recognised	3,783.05
Amounts written off	-
Balance as at 31st March 2018	**3,783.05**
Foreign exchange translation on receivables considered doubtful	(28.21)
Balance as at 31st March 2019	**3,754.83**

(vii) Management of liquidity risk:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a robust cash management system in place.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

(₹ in '000)

31st March 2019		Contractual cash flows				
	Carrying amount	Total	Less than 1 Year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade and other payables	6,590.36	6,590.36	6,590.36	-	-	-
Other Financial Liabilities	15,903.32	15,903.32	15,903.32	-	-	-

(₹ in '000)

31st March 2018		Contractual cash flows				
	Carrying amount	Total	Less than 1 Year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade and other payables	4,347.21	4,347.21	4,347.21	-	-	-
Other Financial Liabilities	6,256.54	6,256.54	6,256.54	-	-	-

(₹ in '000)

1st April 2017		Contractual cash flows				
	Carrying amount	Total	Less than 1 Year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade and other payables	752.27	752.27	752.27	-	-	-
Other Financial Liabilities	8,434.92	8,434.92	8,434.92	-	-	-

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

Note 37

Operating segment

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
Revenue from software development services	60,886.95	53,601.34

The Company is required to disclose segment information based on the 'management approach' as defined in Ind AS 108 - Operating Segments, which in how the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on the analysis of the various performance indicators. In the case of the Company, the CODM reviews the results of the Company as a whole as the Company is primarily engaged in the business of software development services. Accordingly, the Company is a single CGU, hence single segment Company. The information as required under Ind AS 108 is available directly from the financial statements, hence no separate disclosures have been made.

Revenues of ₹36,851.42 (₹ In 000s) (31st March 2018; ₹39,152.75 (₹ In 000s)) are derived from four customers (31st March 2018; three customers) who contributed more than 10% of the Company's total revenue from software development services.

Geographical segment

(₹ in '000)

	Year ended 31st March 2019	Year ended 31st March 2018
India	39,974.58	52,210.94
Others	20,912.37	1,390.40
Total	**60,886.95**	**53,601.34**

There are no Non-Current Assets located outside India. All the assets of the Company are located in India.

Note 38

Operations carried out by the Company

The principal business of the company is to provide technology services and solutions, the company does not fall into the definition of Non-Banking Finance Company as per the Reserve Bank of India Act, 1934.

Note 39

Commitments and Contingencies

Commitments (to the extent not provided for)	**(₹ in '000)**
Uncalled liability on preference shares partly paid*	3,051.07
Capital commitment towards fitouts at upcoming delivery centre at Kolkata	100.00

***Company**	**Instrument held**	**No of shares**	**Uncalled & unpaid amount**
KidsStopPress Media Private Limited	Convertible Preference share	684	3,015.07

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

Note 40

First time adoption of Ind AS

IGAAP to Ind AS reconciliation

The following reconciliations provide the explanations and quantifications of the differences arising between Indian GAAP and Ind AS in accordance with Ind AS 101:

1. Reserves as at 1st April 2017 and 31st March 2018; and
2. Net Profit after tax for the year ended 31st March 2018.

Reconciliations of reserves between Ind-AS and Previous GAAP are given below:

(₹ in '000)

Particulars	Foot note No.	As at 31st March 2018	As at 31st March 2017
Total Equity as per Indian GAAP		**(3,183.29)**	**(44,375.28)**
Summary of Ind AS adjustments			
Fair value Adjustments to the Investments	A	1,73,663.30	1,74,025.65
Lease Straighlining adjustments	B	104.57	-
Deferred tax on Ind AS Adjustments	C	(45,760.53)	(45,114.44)
Total Ind AS adjustments		**1,28,007.34**	**1,28,911.21**
Summary of periodic adjustments			
Prior period Expenses	D	-	(911.00)
Prior period Income	D	-	315.00
Prior period depreciation	D	-	(534.00)
Total periodic adjustments		**-**	**(1,130.00)**
Total Equity as per Ind AS		**1,24,824.05**	**83,405.93**

Reconciliation of Net Profit after tax between Ind-AS and Previous GAAP are given below

(₹ in '000)

Particulars	Foot note No.	Year ended 31st March 2017
Profit After Tax as per Indian GAAP		**(37,017.22)**
Summary of Ind AS adjustments		
Fair value Adjustments to the Investments	A	(362.35)
Lease Straighlining adjustments	B	104.57
Deferred tax on Ind AS Adjustments	C	(646.10)
Total Ind AS adjustments		**(903.88)**
Summary of periodic adjustments		
Prior period Expenses	D	911.00
Prior period Income	D	(315.00)
Prior period depreciation	D	534.00
Total periodic adjustments		**1,130.00**
Total Comprehensive income as per Ind AS		**(36,791.10)**

Note:

Previous GAAP figures have been reclassified / restored wherever necessary to conform with Financial Statements prepared under Ind-AS.

Foot notes to the reconciliation of reserves and profit after tax between Ind-AS and Previous GAAP:

A. Under the previous GAAP, investments in equity instruments were classified as long-term investments which were carried at cost less provision for other than temporary decline in the value of such instruments. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in Other Comprehensive Income for the year ended 31st March 2018. Investments in associates and JVs are valued at cost of acquisition plus the share of post-acquisition profit/(loss).

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2019

Foot notes to the reconciliation of reserves and profit after tax between Ind-AS and Previous GAAP:

B. Under the IGAAP, provision for lease straightlining is done for rent escalation during the lock in period, however, as the rent escalation is only 3%, the same is treated as in line with inflation as per Ind AS. Accordingly, no lease straightlining impact given under Ind AS.

C. Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of the balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

   Deferred tax has been computed on Ind AS adjustments made and has been adjusted in the Financial Statements for the respective years to which they relate.

D. Adjustments on account of omission for employee cost, interest income, and depreciation by the company for the year ended 31st March 2017.

Note 41

Events after the reporting period

There were no events that occurred after the reporting period i.e. 31st March 2019 up to the date of approval of financial statements that require any adjustment to the carrying value of assets and Liabilities.

In terms of our report of even date attached

For JHS & Associates LLP Chartered Accountants ICAI Firm Registration No. 133288W/W100099	**For Xelpmoc Design and Tech Limited**			
Huzeifa Unwala Partner Membership No.: 105711	**Sandipan Chattopadhyay** Managing Director and Chief Executive Officer DIN: 00794717	**Srinivas Koora** Whole-Time Director and CFO DIN: 07227584	**Jaison Jose** Whole-time Director DIN: 07719333	**Vaishali Kondbhar** Company Secretary
Place : Mumbai Date : 24th May 2019	Place : Mumbai Date : 24th May 2019	Place : Mumbai Date : 24th May 2019	Place : Mumbai Date : 24th May 2019	Place : Mumbai Date : 24th May 2019