1. COMPANY OVERVIEW

The Company is a public limited company, domiciled in India and registered with the ROC – Mumbai (Maharashtra) vide Corporate Identification number (CIN) L72900MH1983PLC030920.

Registered office of the Company is situated at 602, Maker Bhavan No.III, New Marine Lines, Mumbai – 400020.

The Company is into the business of IT & IT Enabled Services .

1.1. BASIS OF PREPARATION AND PRESENTATION

This note provides a list of the significant accounting policies adopted in the presentation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. BASIS OF PREPARATION AND PRESENTATION

The financial statements of the Company have been prepared in accordance with and to comply in all material aspects with the Indian Accounting Standards (Ind AS) as prescribed under Companies Act 2013 ("the Act"), Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the Act and rules made thereunder.

These financial statements for the year ended 31 March 2018 are the first financial statements of the Company under Ind AS. The date of transition to Ind AS is 1st April 2016. Reconciliations and descriptions of the effect of the transition have been summarized in note 2.1 to 2.5 for an explanation of how the transition from Indian GAAP (IGAAP) to Ind AS has affected the Company's financial position, financial performance and cash flows.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

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

B. USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements is in conformity with Ind AS which requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates.

The estimates and underlying assumptions are reviewed on Going Concern basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, in the period of the revision and future periods if the revision affects both current and future

C. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability
The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Fair value for measurement and /or disclosure purpose in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

For other fair value related disclosures refer note no 25

D. CLASSIFICATION OF EXPENDITURE / INCOME

Except otherwise indicated:

i) All expenditure and income are accounted for under the natural heads of account.
ii) All expenditure and income are accounted for on accrual basis.

2. SIGNIFICANT ACCOUNTING POLICIES

A. REVENUES

Revenues from sale of securities

Revenue from the sale of securities in the course of ordinary activities is measured at the value of the consideration received or receivable. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. The timing of transfers of risks and rewards normally happen upon issue of contract by the intermediary.

Capital Gains

Income/(Loss) from the sale of securities held as Investments is measured at the value of the consideration received or receivable and reported as Profit/(Loss) on sale of Investments in Securities.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable, which is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset to that asset’s net carrying amount on the initial recognition.

Dividend Income

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

Rental Income

Rental income from Investment Property and Property, Plant & Equipment is recognised as part of Other Income in profit or loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from sub-leasing is also recognised in a similar manner and included under other income.

B. PROPERTY, PLANT AND EQUIPMENT (PPE)

Recognition and measurement:

The Company does not have any Property, Plant and Equipment (PPE).

C. INTANGIBLE ASSETS

The Company does not have any Intangible Assets.

D. INVENTORIES

The Company does not have any Inventory.

E. FINANCIAL INSTRUMENTS

Initial Recognition:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Recognition:

Non-derivative financial instruments

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

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

(iii) Financial assets at fair value through profit or loss: A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

(iv) Financial liabilities: Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate to its fair value due to the short maturity of these instruments.

(v) Investment in Subsidiaries/Joint ventures / Associates: Investment in subsidiaries / Joint Ventures / Associates are carried at cost in the separate financial statements. Any gain or losses on disposal of these investments are recognized in the statement of profit & loss.

De-recognition of Financial Assets:

A financial asset is primarily derecognized when:
• The rights to receive cash flows from the asset have expired, or
• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and

rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

F. FINANCIAL LIABILITIES

Financial liabilities are initially recognized at the fair value of the consideration received less directly attributable transaction cost.

Subsequent to initial measurement, financial liabilities are measured at amortized cost. The difference in the initial carrying amount of the financial liabilities and their redemption value is recognized in the statement of profit & loss over the contractual term using the effective interest rate method. This category includes the following class of liabilities; trade and other payables, borrowing; and other financial liabilities.

Financial liabilities are further classified as current and non-current depending whether they are payable within 12 months from the balance sheet date or beyond.

Financial liabilities are derecognized when the company is discharged from its obligation; they expire, are cancelled or replaced by a new liability with substantial modified terms.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

G. TRADE RECEIVABLES

Trade receivables represents amount billed to customers as credit sales and are net off; a) any amount billed but for which revenues are reversed under the relevant Indian accounting standard and b) impairment for trade receivables, which is estimated for amounts not expected to be collected in full.

H. LOANS AND ADVANCES

Loans and advances are non-derivative financial assets with fixed and determinable payments. This category includes the loans, cash and bank balances, other financial assets and other current assets.

Subsequent to initial measurement, loans and receivables are carried at amortized cost based on effective interest rate method less appropriate allowance for doubtful receivables. Loans and advances are further classified as current and non-current depending whether they will realize within 12 months from the balance sheet date or beyond.

I. EARNING PER SHARE

Basic Earnings Per Share is computed by dividing the net profit attributable to the equity shareholders of the company to the weighted average number of Shares outstanding during the period & Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders of the company after adjusting the effect of all dilutive potential equity shares that were outstanding during the period to the weighted average number of shares outstanding during the period including the weighted average number of equity shares that could have issued upon conversion of all dilutive potential

J. TAXATION

Current Tax

Current tax is tax expected, tax payable on the taxable income for the year, using the tax rate enacted at the reporting date, and any adjustment to the tax payable in respect of the earlier periods.

Current tax assets and liabilities are offset where the company has legal enforceable right to offset and intends either to settle on net basis, or to realize the assets and settle the liability simultaneously.

Deferred Tax Assets and Liabilities

Deferred tax is recognized for all taxable temporary differences and is calculated based on the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset and when the deferred tax balances relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but the Group intends to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Current and Deferred Tax for the Year

Current and deferred tax are recognized in the statement of profit & loss, except when they relates to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax and deferred tax is recognized directly in other comprehensive income or equity respectively.

K. EMPLOYEE BENEFITS

The company provides for the various benefits plans to the employees. These are categorized into Defined Benefits Plans and Defined Contributions Plans. Defined contribution plans includes the amount paid by the company towards the liability for Provident fund to the Employees Provident Fund Organization and Employee State Insurance fund in respect of ESI and defined benefits plans includes the retirement benefits, such as gratuity and paid absences (leave benefits) both accumulated and non-accumulated.

a. In respect Defined Contribution Plans, contribution made to the specified fund based on the services rendered by the employees are charged to Statement of Profit & Loss in the year in which services are rendered by the employee.

b. Liability in respect of Defined Long Term benefit plan is determined at the present value of the amounts payable determined using actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit methods. Re-measurement, comprising actuarial gain and losses, the effects of assets ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of Financial Position with a charge or credit recognized in other comprehensive income in the period in which they occur. Past Service cost is recognized in the statement of profit & loss in the period of plan amendment.

c. Liabilities for accumulating paid absences is determined at the present value of the amounts payable determined using the actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit method. Actuarial gain or losses in respect of accumulating paid absences are charged to statement of profit & loss account.

d. Liabilities for short term employee benefits are measured at undiscounted amount of the benefits expected to be paid and charged to Statement of Profit & Loss in the year in which the related service is rendered.

L. IMPAIRMENT

Financial assets

The company recognizes the impairment on financial assets based on the expected credit loss model for the financial assets which are not fair value through profit and loss account. Loss allowance on trade receivables, with no significant financing component is measured at an amount equal to lifetime expected credit loss. For all financial assets expected credit losses are measured at an amount equal to 12-month ECL unless there has been significant increase in credit risk from initial recognition in which case these are measured at lifetime expected credit loss. The amount of expected credit losses or reversal that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the profit and loss for the period.

Intangible assets, investment property and property, plant and equipment

Intangible assets, investment property and property plant & equipment are evaluated for recoverability wherever events or changes in circumstances indicate that their carrying amount may not be recoverable.

For impairment testing, assets that do not generate independent cash flows are grouped together into cash generating units (CGUs).

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such asset is considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit & loss if there have been changes in the estimates used to determine the recoverable amount. The carrying amount is increased to its revised recoverable amount, provided that this amount does not exceeds the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss has been recognized for the asset in prior years.

M. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized, if as a result of past event the company has present legal or constructive obligations that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to liability.

Contingent liabilities are disclosed for possible obligations arising out of uncertain events not wholly in control of the company.

Contingent assets are not recognized in the financial statements. However due disclosures are made in the financial statements for the contingent assets, where economic benefits is probable and amount can be estimated reliably.

N. FOREIGN CURRENCY TRANSACTIONS

Functional Currency

The Companies functional currency is Indian Rupees. The financial statement of the company is presented in Indian rupees.

Transaction and translations

Transactions in currency other than Indian Rupees are recorded at the rate, as declared by the custom and excise department / inter-bank rates, ruling on the date of transaction.

Unsettled Foreign currency denominated monetary assets and liabilities, as at the balance sheet date, are translated using the exchange rates as at the balance sheet date. The gain or loss resulting from the translation is recognized in the profit & loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at cost are translated at the exchange rate at the date of the transaction.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured carried at fair value are translated at the date when the fair value is determined.

Transaction gain or losses realized upon settlement of foreign currency transaction are included in determining the net profit for the period in which transaction is settled.

Exchanges difference arises on settlement / translation of foreign currency monetary items relating to acquisition of property, plant & equipment till the period they are put to use for commercial production, are capitalized to the cost of assets acquired and provided for over the useful life of the property, plant & equipment.

O. NON CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.
Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

P. BORROWING COST

Borrowings cost are interest and other costs incurred in connection with the borrowing of funds. Borrowing cost directly attributable to the acquisition or construction of qualifying / eligible assets, intended for commercial production are capitalized as part of the cost of such assets. All other borrowing costs are recognized as an expense in the year in which they are incurred

Q. CASH AND CASH EQUIVALENTS

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

UNITED INTERACTIVE LIMITED
CIN: L72900MH1983PLC030920
First Time Ind AS Adoption Reconciliation

2.1 Reconciliation of Balance Sheet as at 31st March, 2017 and April 01, 2016

	Particulars	Balance sheet as at 31st March, 2017 (Amount in ₹)			Balance sheet as at 1st April, 2016 (Date of Transition to Ind AS) (Amount in ₹)		
		IGAAP	Effect of transition and restatement adjustments	Ind AS	IGAAP	Effect of transition and restatement adjustments	Ind AS
A	**ASSETS**						
1	**Non-current assets**						
a	Financial assets			-			
	(i) Investment	78,14,000	-	78,14,000	78,14,000	-	78,14,000
	(ii) Other financial asset	1,78,000	-	1,78,000	1,78,000	-	1,78,000
2	**Current assets**						
a	Financial assets						
	(i) Cash & cash equivalent	5,65,716	-	5,65,716	10,59,732	-	10,59,732
b	Other current assets	47,718	-	47,718	45,462	-	45,462
	TOTAL	**86,05,434**	**-**	**86,05,434**	**90,97,194**	**-**	**90,97,194**
B	**EQUITY AND LIABILITIES**						
1	**Equity**						
a	Share capital	1,83,10,000	-	1,83,10,000	1,83,10,000	-	1,83,10,000
b	Other equity	(99,27,114)	-	(99,27,114)	(94,13,777)	-	(94,13,777)
2	**Current liabilities**						
a	Other current liabilities	2,22,548	-	2,22,548	2,00,970	-	2,00,970
	TOTAL	**86,05,434**	**-**	**86,05,434**	**90,97,194**	**-**	**90,97,194**

2.2 Reconciliation of Profit & Loss A/c as at 31st March, 2017

(Amount in ₹)

	Particulars	Notes	For the year ended as at 31st March, 2017		
			IGAAP	Effect of transition and restatement adjustments	Ind AS
1	Other income		7,81,400	-	7,81,400
	Total Revenue (I + II)		**7,81,400**		**7,81,400**
3	**Expenses:**				
	Employee benefits expenses		3,05,189	-	3,05,189
	Other expenses		9,89,549	-	9,89,549
	Total expenses		**12,94,738**		**12,94,738**
	Profit before tax (III-IV)		**(5,13,338)**		**(5,13,338)**
4	Tax expense:				
	Current tax		-	-	-
	Deferred tax		-	-	-
	Total tax expenses		-		-
	Profit (Loss) for the period (V - VI)		**(5,13,338)**	-	**(5,13,338)**
5	**Other Comprehensive Income / (Losses)**	c			
A	**Items that may not be reclassified subsequently to profit and loss A/c**				
	Changes in fair value of financial assets		-	-	-
	Income Tax thereon		-	-	-
	Total (Net of Tax)		**-**	**-**	**-**
	Total Comprehensive Income		**(5,13,338)**	**-**	**(5,13,338)**

2.3 Reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is givemn below:

(Amount in ₹)

Particulars	Note No.	for the period ended 31.03.2017
Profit after tax as per previous GAAP		(5,13,338)
Ind AS adjustments:		
Adjustments with regards to Other Comprehensive Income		
Fair valuation of non-current financial investments through OCI	a	-
Tax effect adjustments	b & d	-
Total Other Comprehensive Income as per Ind AS		**(5,13,338)**

2.4 Reconciliation of total equity as reported in previos GAAP to Ind AS is as below:

(Amount in ₹)

Particulars	Note No.	As at 31.03.2017 (End of the last period presented under previous GAAP)	As at 01.04.2016 (Date of Transition)
Total Equity (Shareholder's Fund as per previous GAAP) - A		**83,82,886**	**88,96,224**
Ind AS adjustments:			
Fair valuation of non-current financial investments through OCI	a	-	-
Tax effect adjustments	b & d	-	-
Total adjustments - B		**-**	**-**
Total equity as per Ind AS (A - B)		**83,82,886**	**88,96,224**

2.5 Notes to Reconciliation of Restated Financial Statements

Transition to Ind AS

These financial statements for the year ended March 31, 2018 are the first financial statements prepared in accordance with Ind AS. For the periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with Accounting Standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 (Indian GAAP)

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet as at April 01, 2016 (the "transition date")

The note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the Balance Sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2017.

A) Exemptions and exceptions availed

In preparing these Ind AS Financial Statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, as explained below. The resulting difference between the carrying values of the assets and liabilities in the Financial Statements as at the transition date (April 01, 2016) under Ind AS and IGAAP have been recognized directly in equity (retained earnings or another appropriate category of equity). This Note explains the adjustments made by the Company in restating its IGAAP Financial Statements, including the Balance Sheet as at April 01, 2016, the financial statements as at and for the year ended March 31, 2017 and the financial statements as at and for the year ended March 31, 2018

a) Ind AS optional exemptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from IGAAP to Ind AS.

i) **Deemed cost**
Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the Financial Statements as at the date of transition to Ind AS, measured under IGAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decapitalization of borrowing costs. This exemption can also be used for intangible assets covered by Ind AS 38 ‘Intangible Assets’ and investment properties covered by Ind AS 40 ‘Investment Property’. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment properties at their IGAAP carrying value in their Financial Statements.

ii) **Investments in associate company**
Ind AS 101 permits a first-time adopter to measure it’s investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost, The deemed cost of such investment shall be it’s fair value at date of transition to Ind AS of the Company, or IGAAP carrying amount at that date. The Company has elected to measure its investment in associate company under IGAAP carrying amount as its deemed cost on the transition date.

b) Ind AS mandatory exceptions

The Company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

i) **Estimates**
Estimates in accordance with Ind AS at the transition date will be consistent with estimates made for the same date in accordance with IGAAP (after adjustments to reflect any difference in Accounting Policies) unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with IGAAP.

ii) **Classification and measurement of financial assets**
Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

B) Notes to the reconciliations between Indian GAAP and Ind AS accounts and restatements

For the purpose of transition to Ind AS, the company has intitally regrouped the Indian GAAP financials as per Ind AS format. The notes ranging from 2.1 to 2.4 illustrates the regrouped figures of Indian GAAP as per Ind AS in the column IGAAP and then the adjustments of transitions and restatements are provided.

a) Fair Value of Investment
Under previous GAAP, Long Term Investments, except investment in associates, were measured at fair value less diminution in value which is other than temporary, under Ind AS Financial Assets other than amortised cost are subsequently measured at fair value.

b) Deferred Tax
Under Ind AS, the deferred tax asset and liabilities are required to be accounted based on the balance sheet approach. The Company has remeasured its deferred tax assets and liabilities as aforesaid and accounted in the Ind AS financial statements

c) Other Comprehensive Income
Under Ind AS, all items of income and expense recognized in a period are to be included in profit or loss for the period, unless a standard requires or permits otherwise. In accordance with Ind AS re-measurement of financial assets are accounted in Other Comprehensive Income , net of taxes. The concept of Other Comprehensive Income did not exist under IGAAP.

d) Tax Adjustments

Tax Adjustment represents short/excess provision of current taxes in respect of earlier years which is adjusted to the year in which the earlier year tax actually belongs so as to reconcile taxes paid for each particular year as per the Income Tax return filed with the relevant authority.

e) Impact of Ind AS adoption on the Statements of Cash Flows for the year ended March 31, 2017 and 1st April, 2016

The transition from IGAAP to Ind AS has not had a material impact on the Statement of Cash Flows.

3	INVESTMENTS - NON CURRENT		31-Mar-18		31-Mar-17		01-Apr-16
		Qty	₹	Qty	₹	Qty	₹
	Subsidiary Company						
	Fully paid equity shares (Unquoted)	7,81,400	78,14,000	7,81,400	78,14,000	7,81,400	78,14,000
	Total		**78,14,000**		**78,14,000**		**78,14,000**

4	OTHER FINANCIAL ASSETS - NON CURRENT	31-Mar-18	31-Mar-17	01-Apr-16
		₹	₹	₹
	(Unsecured considered good)			
	Security Deposits	1,78,000	1,78,000	1,78,000
		1,78,000	**1,78,000**	**1,78,000**

5	CASH & CASH EQUIVALENTS	31-Mar-18	31-Mar-17	01-Apr-16
		₹	₹	₹
	(i) Balances with banks			
	- In current account	7,39,970	5,40,991	10,27,046
	(ii) Cash on hand	30,084	24,725	32,686
	Total	**7,70,054**	**5,65,716**	**10,59,732**

6	OTHER CURRENT ASSETS	31-Mar-18	31-Mar-17	01-Apr-16
		₹	₹	₹
	Advances receivable in cash or kind or for value to be received	5,514	47,718	45,462
	Total	**5,514**	**47,718**	**45,462**

7	SHARE CAPITAL	31-Mar-18	31-Mar-17	01-Apr-16
		₹	₹	₹
	Authorised Share Capital			
	25,00,000 Equity Shares of ₹10/- each	2,50,00,000	2,50,00,000	2,50,00,000
	(Previous year 25,00,000 Equity Shares of ₹10/- each)			
	50000 4% Cumulative Redeemable Non convertible Preference Shares of ₹100/- each	50,00,000	50,00,000	50,00,000
	(Previous Year 50000 4% Cumulative Redeemable Non convertible Preference Shares of ₹100/- each)			
		3,00,00,000	**3,00,00,000**	**3,00,00,000**
	Issued, Subsricbed and Paid-up Capital			
	18,31,000 Equity Shares of ₹10/-each fully paid-up.	1,83,10,000	1,83,10,000	1,83,10,000
	(Previous year 18,31,000 Equity Shares of ₹10/- each)			
		1,83,10,000	**1,83,10,000**	**1,83,10,000**

7.1 Reconcilation of the shares oustanding at the beginning and at the end of the reporting period

Particulars	31-Mar-18		31-Mar-17		01-Apr-16	
	In Nos.	₹	In Nos.	₹	In Nos.	₹
At the beginning of the Period	18,31,000	1,83,10,000	18,31,000	1,83,10,000	18,31,000	1,83,10,000
Issued During the Period	-	-	-	-	-	-
Outstanding at the end of the period	**18,31,000**	**1,83,10,000**	**18,31,000**	**1,83,10,000**	**18,31,000**	**1,83,10,000**

7,2 Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	31-Mar-18		31-Mar-17		01-Apr-16	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sarayu Somaiya	12,78,530	69.83%	12,78,530	69.83%	12,78,530	69.83%

7.3 Terms / rights attached to equity shares

The company has only one class of issued equity share capital having a par value of Rs.10 each. Each holder of equity shares is enttitled to one vote per share and right to receive dividend, if any, declared on the equity shares. In the event of liquidation of the Company all prefrential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of Equity Shares in proportion of the number of shares held to the total equity shares outstanding as on that date.

8 OTHER EQUITY	31-Mar-18 ₹	31-Mar-17 ₹	01-Apr-16 ₹
Securities Premium	23,20,000	23,20,000	23,20,000
General Reserve	4,14,401	4,14,401	4,14,401
Profit & Loss Account			
Loss brought forward	(1,26,61,515)	(1,21,48,178)	(1,38,02,118)
Add: Profit During The Year	2,76,522	(5,13,338)	16,53,941
	(1,23,84,993)	(1,26,61,515)	(1,21,48,178)
Total (A) + (B)	**(96,50,592)**	**(99,27,114)**	**(94,13,777)**

9 OTHER CURRENT LIABILITIES	31-Mar-18 ₹	31-Mar-17 ₹	01-Apr-16 ₹
For Expenses	1,08,160	2,22,548	2,00,970
Total	**1,08,160**	**2,22,548**	**2,00,970**

10 OTHER INCOME	2017-18 ₹	2016-17 ₹
Dividend	15,62,800	7,81,400
Total	**15,62,800**	**7,81,400**

11 EMPLOYEE BENEFITS EXPENSES	2017-18 ₹	2016-17 ₹
Salaries and wages	3,70,075	2,78,658
Contribution to employees welfare fund	25,468	26,531
Staff welfare expenses	6,482	-
Total	**4,02,025**	**3,05,189**

12 OTHER EXPENSES	2017-18 ₹	2016-17 ₹
Listing Fees	2,87,500	2,29,000
AGM Expenses	83,094	82,648
Office Expenses	67,174	60,337
RTA Charges	62,100	61,830
Auditors Remuneration	1,47,500	2,99,000
Other expenses	2,36,885	2,56,734
Total	**8,84,253**	**9,89,549**

13 Earning Per Share (EPS)

(Amount in ₹)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit for the year	2,76,522	(5,13,338)
Weighted average number of equity shares Rs.10/- each	18,31,000	18,31,000
EPS (in Rs.) - Basic & Diluted	**0.15**	**(0.28)**

"Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity Shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity Shares outstanding during the year plus the weighted average number of Equity Shares that would be issued on conversion of all the dilutive potential Equity Shares into Equity Shares."

14 Payment To Auditors

(Amount in ₹)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Audit Fees	60,000	1,50,000
Compliance and Certification	65,000	1,10,000
Others	22,500	39,000
	1,47,500	**2,99,000**

15. Employee Benefits

i) Contribution to the Employees Provident Funds is made at a predetermined Rate.
ii) On account of Defined Contribution Plan, the Company has charged the following amounts in the Profit and Loss Account:

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Provident Fund	25,468	26,531
Total	**25,468**	**26,531**

16. Related Party Transaction

Key Management Personnel: Sarayu Somaiya, Director

Related Parties with whom transaction has taken place during the year:

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Directors Sitting Fees		
1. Nishant Upadhyay	60,000	60,000
Remuneration to Company Secretary		
1. Nilesh Amrutkar	1,99,800	1,69,200

* Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19- Employee Benefits in the financial statements.

17. Fair value Measurement

The carrying value of the instruments are as follows:

Particulars	As at	Amortised Cost	Financial Assets / Liabilities at fair value through Profit or Loss	Financial Assets / Liabilities at fair value through OCI	Total Carrying Value
Assets					
Financial Assets					
i) Investment	31.03.2018	78,14,000	-	-	78,14,000
	31.03.2017	78,14,000	-	-	78,14,000
	01.04.2016	78,14,000	-	-	78,14,000
ii) Other Financial Assets (non-current)	31.03.2018	1,78,000	-	-	1,78,000
	31.03.2017	1,78,000	-	-	1,78,000
	01.04.2016	1,78,000	-	-	1,78,000
iii) Cash & Cash Equivalent	31.03.2018	7,70,054	-	-	7,70,054
	31.03.2017	5,65,716	-	-	5,65,716
	01.04.2016	10,59,732	-	-	10,59,732

Total	31.03.2018 31.03.2017 01.04.2016	87,62,054 85,57,716 90,51,732	- - -	- - -	87,62,054 85,57,716 90,51,732
Liabilities **Financial Liabilities** i) Other Long-Term Liabilities	31.03.2018 31.03.2017 01.04.2016	- - -	- - -	- - -	- - -

Fair Value hierarchy disclosures:

Level 1 - Financial Instruments measured using quoted prices. This includes listed equity instruments, traded bonds, ETF's and mutual funds that have quoted prices. The fair value of all equity instruments (including bonds) which are traded in stock exchanges is valued using the closing prices as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - Financial Instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). This is the case of unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The carrying amounts of trade receivables, cash and cash equivalent, current other financial assets are considered to be the same as their fair values, due to their short term nature.

The carrying amounts of non current financial assets are primarily consist of Term-Deposit with banks considered to be the same as their fair value as it the same is interest bearing and are close to the fair value.

The investment included in Level 1 of fair value hierarchy has been valued using quotes available in the active market. The investment included in Level 2 of fair value hierarchy has been valued using quotes available for the similar assets and liabilities in the active market. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurement and the cost represents estimate fair value within that range.

18. Previous year's figures have been regrouped/reclassified wherever necessary, to confirm with the current years' classification/disclosures.

As per our report of even date

For J.L. Thakkar & Co.
Chartered Accountants
(FRN 110898W)

For and on behalf of the Board of Directors

J.L. Thakkar
Proprietor
Membership No. 32318

Sarayu Somaiya
Director
DIN: 00153136

Rasik Somaiya
Director
DIN: 00153038

Mumbai, May 30, 2018

Hemang Joshi
Chief Financial Officer

Nilesh Amrutkar
Company Secretary