



A MODI & CO

CHARTERED ACCOUNTANTS

4, SHIVKRIPA, MAHAVEER COLONY, BEDLA ROAD, UDAIPUR- 313 011
TEL- 0294 2450152, 94142 39096, E MAIL- CAASHOKMODI@GMAIL.COM

CA ASHOK MODI
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INDEPENDENT AUDITOR'S REPORT

To the Members of Italica Furniture Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Italica Furniture Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, Statement of changes in equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair





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view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one





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resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure- "A" a





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statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, this section is not applicable to the Company since it has paid no remuneration to its directors.

(g) With respect to the adequacy of the internal financial controls with reference to the financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

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





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

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

for A Modi & Co.

Chartered Accountants

Firm Regn no. 005753C


Ashok Modi

Proprietor

M.No. 074488

Place of signature: Udaipur

Date: April 26, 2019





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Annexure – “A” to the Independent Auditor’s Report (Referred to in paragraph 8 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

(b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company has no immovable properties.

(ii) The Company is not having any inventory during the year, therefore, the provisions of the clause 3(ii) of the Companies (Auditor’s Report) Order, 2016 are not applicable to the Company.

(iii) The Company has granted unsecured loans to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(a) the terms and conditions of the grant of such loans are not prejudicial to the Company’s interest;

(b) the schedule of repayment of the principal and payment of interest has been stipulated and the repayments or receipts are regular;

(c) There is no overdue amount.

(iv) In our opinion and according to the information and explanations given to us the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, in respect of granting of loans, making investments and providing guarantees and securities wherever applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits to which the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder.

(vi) The Central Government has not specified the maintenance of cost accounts and records under sub-section (1) of section 148 of the Companies Act, 2013.





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(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service tax, sales-tax, , service tax, duty of customs, duty of excise, value added tax,cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, , service tax, duty of customs, duty of excise, value added tax,cess and other statutory dues were in arrears, as at 31.03.2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax and sales tax or service tax or duty of custom or duty of excise or value added tax as on 31st March,2019 which have not been deposited on account of the dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.

(ix) The Company has raised no moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year under audit. Accordingly, the provisions of clause 3(ix) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

(x) According to the information and explanation given to us no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanation given to us the Company has paid or provided no managerial remuneration during the year under audit. Accordingly, the provisions of clause 3(xi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

(xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Ind AS financial statements etc. as required by the applicable Indian accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year





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under review and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanation given to us the Company has not entered into any non-cash transactions with directors or persons connected with him requiring compliances with the provisions of Section 192 of Companies Act, 2013.

(xvi) In our opinion and according to the information and explanation given to us the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

for A Modi & Co.
Chartered Accountants
Firm Regn no. 005753C

Ashok Modi
Proprietor

M.No. 074488

Place of signature: Udaipur

Date: April 26, 2019





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Annexure – “B” to the Independent Auditor’s Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **ITALICA FURNITURE PRIVATE LIMITED** (“the Company”) as of 31st March, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a





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material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to (Referred to in paragraph 7 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date) the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion





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In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for A Modi & Co.
Chartered Accountants
Firm Regn no. 005753C





Ashok Modi
Proprietor

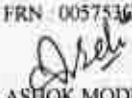



M.No. 074488

Place of signature: Udaipur

Date: April 26, 2019



| ITALICA FURNITURE PRIVATE LIMITED | | | | | |
|---|------|------------------|----------|------------------|----------|
| BALANCE SHEET AS AT 31.03.2019 | | | | | |
| (Rs. In lakhs) | | | | | |
| Particulars | Note | As at 31.03.2019 | | As at 31.03.2018 | |
| 1 | 2 | 3 | | 4 | |
| ASSETS | | | | | |
| (1) Non-current assets | | | | | |
| (a) Property, Plant and Equipment | 3 | | 421.84 | | 367.40 |
| (b) Capital work-in-Progress | | | - | | - |
| (c) Investment Property | | | - | | - |
| (d) Goodwill | | | - | | - |
| (e) Other Intangible Assets | | | - | | - |
| (f) Intangible assets under development | | | - | | - |
| (g) Biological Assets other than bearer plants | | | - | | - |
| (h) Financial Assets | | | | | |
| (i) Investments | 4 | 539.68 | | 478.04 | |
| (ii) Trade receivables | | - | | - | |
| (iii) Loans | | - | | - | |
| (iv) Others | | - | 539.68 | - | 478.04 |
| (i) Deferred tax assets (net) | | | - | | - |
| (j) Other non-current assets | 5 | | 0.46 | | 0.49 |
| (2) Current assets | | | | | |
| (a) Inventories | | | - | | - |
| (b) Financial Assets | | | | | |
| (i) Investments | | | - | | - |
| (ii) Trade receivables | 6 | 13.18 | | 10.96 | |
| (iii) Cash and cash equivalents | 7 | 0.88 | | 10.65 | |
| (iv) Bank balances other than (iii) above | | - | | - | |
| (v) Loans | 8 | 2,043.55 | | 1,884.81 | |
| (vi) Others | 9 | 6.70 | 2,064.31 | 0.41 | 1,906.83 |
| (c) Current Tax Assets (Net) | 10 | | 3.39 | | 3.39 |
| (d) Other current assets | 11 | | 1.64 | | 1.01 |
| Total Assets | | | 3,031.52 | | 2,757.36 |
| EQUITY | | | | | |
| (a) Equity Share Capital | 12 | 208.21 | | 208.21 | |
| (b) Other Equity | 13 | 891.31 | 1,099.52 | 798.70 | 1,006.91 |
| LIABILITIES | | | | | |
| (1) Non-current liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 14 | 18.00 | | 24.35 | |
| (ii) Trade payables | | - | | - | |
| (iii) Other financial liabilities (other than those specified in item (b)) | | - | 18.00 | - | 24.35 |
| (b) Provisions | | | | | |
| (c) Deferred tax liabilities (Net) | 15 | | 49.30 | | 45.11 |
| (d) Other non-current liabilities | | | - | | - |
| (2) Current liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 16 | 1,730.17 | | 1,628.32 | |
| (ii) Trade payables | 17 | 0.38 | | 0.76 | |
| (iii) Other financial liabilities (other than those specified in item (c)) | 18 | 121.51 | 1,852.06 | 23.85 | 1,652.93 |
| (d) Other current liabilities | 19 | | 1.80 | | 28.06 |
| (c) Provisions | | | | | |
| (d) Current Tax Liabilities (Net) | 20 | | 10.84 | | - |
| Total Equity and Liabilities | | | 3,031.52 | | 2,757.36 |
| <p>See accompanying Notes to financial statements Annexure 39</p> <p>The Notes referred to above form an integral part of the financial statements.</p> <p>As per our Report Attached</p> <p>for and on behalf of A MODI & CO., Chartered Accountants FRN - 005713C  ASHOK MODI Proprietor M No. 074488</p> <p></p> <p>Signatures to the Financial Statements and Notes</p> <p>  ASAD DAUD HAKIM S. TIDIWALA Director Director DIN: 02491539 DIN: 00119156</p> <p>Udaipur, April 26, 2019</p> | | | | | |

| ITALICA FURNITURE PRIVATE LIMITED | | | | | |
|---|----------|---|--------|------------------|--------|
| STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2019 | | | | | |
| (Rs. In lakhs) | | | | | |
| Particulars | Note no. | As at 31.03.2019 | | As at 31.03.2018 | |
| I Revenue from operations | 21 | | 117.48 | | 516.77 |
| II Other income | 22 | | 7.11 | | 34.02 |
| III Total Revenue (I+II) | | | 124.59 | | 550.79 |
| IV Expenses :- | | | | | |
| Cost of Materials consumed | | | - | | - |
| Purchases of Stock-in-Trade | 23 | | - | | 406.58 |
| Changes in inventories of finished goods, | | | - | | - |
| Stock -in-Trade and work-in-progress | | | - | | - |
| Employee benefits expense | | | - | | - |
| Finance costs | 24 | | 2.72 | | 65.16 |
| Depreciation and amortization expense | 3 | | 27.80 | | 28.77 |
| Other expenses | 25 | | 7.82 | | 8.60 |
| Total expenses | | | 38.34 | | 509.11 |
| V Profit before exceptional items and tax (III-IV) | | | 86.25 | | 41.68 |
| VI Exceptional items | | | | | |
| Profit/(Loss) on sales of Investment | | 41.95 | 41.95 | (2.40) | (2.40) |
| VII Profit/(loss) before tax (V-VI) | | | 128.20 | | 39.28 |
| VIII Tax expense :- | | | | | |
| (1) Current tax | | 26.40 | | 7.74 | |
| (2) Deferred tax | | 4.19 | 30.59 | (4.21) | 3.53 |
| IX Profit/(loss) for the period from continuing operation (VII-VIII) | | | 97.61 | | 35.75 |
| X Profit/(Loss) from discontinued operations | | | - | | - |
| XI Tax expense of discontinued operations | | | - | | - |
| XII Profit/(loss) from discontinued operation (X-XI) | | | - | | - |
| XIII Profit/(loss) for the period (IX+XII) | | | 97.61 | | 35.75 |
| XIV Other Comprehensive Income | | | | | |
| A (i) Items that will not be reclassified to profit or loss | | | | | |
| Equity Instruments through Other Comprehensive Income | | | (5.00) | | - |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | | - | | - |
| B (i) Items that will be reclassified to profit or loss | | | - | | - |
| (ii) Income tax relating to items that will reclassified to profit or loss | | | - | | - |
| XVI Total Comprehensive Income for the period (XIII+XIV) (Comprising profit (loss) and other Comprehensive Income for the period) | | | 92.61 | | 35.75 |
| XVII Earnings per equity share (for continued Operation): | | | | | |
| (1) Basic | | | 4.69 | | 1.72 |
| (2) Diluted | | | 4.69 | | 1.72 |
| XVIII Earnings per equity share (for discontinued Operation): | | | | | |
| (1) Basic | | | - | | - |
| (2) Diluted | | | - | | - |
| XIX Earnings per equity share (for discontinued & continuing operations) | | | | | |
| (1) Basic | | | 4.69 | | 1.72 |
| (2) Diluted | | | 4.69 | | 1.72 |
| See accompanying notes to the financial statement | | 1 to 39 | | | |
| The Notes referred to above form an integral part of the financial statements. | | Signatures to the Financial Statements and Notes | | | |
| As per our Report Attached | | | | | |
| for and on behalf of A MODI & CO., Chartered Accountants FRN : 0057536 | | for and on behalf of the Board | | | |
|  ASHOK MODI Proprietor M.No. 074488 | |  ASAD DAUD Director DIN : 02491539 | | | |
|  | |  HAKIM S TIDIWALA Director DIN : 00119156 | | | |
| Udaipur, April 26, 2019 | | | | | |

ITALICA FURNITURE PRIVATE LIMITED

Statement of Changes in equity

Rs. in lakhs

(a) Equity Share Capital

| | Balance at the beginning of the reporting period | Changes in equity share capital during the year | Balance at the end of the reporting period |
|----------------------------------|--|---|--|
| For the year ended on 31/03/2019 | 208.21 | 0 | 208.21 |
| For the year ended on 31/03/2018 | 208.21 | 0 | 208.21 |

(b) Other equity

| | Reserves & Surplus | | Equity Instruments through other Comprehensive Income | Total |
|--|--------------------|-------------------|---|--------|
| | Securities premium | Retained earnings | | |
| Balance as at 01/04/2017 | | | | |
| Balance at the beginning of the reporting period | 420.13 | 342.82 | - | 762.95 |
| Profit for the year | - | 35.75 | - | 35.75 |
| Balance as at 31/03/2018 | | | | |
| Balance at the end of the reporting period | 420.13 | 378.57 | - | 798.70 |
| Profit for the year | - | 97.61 | - | 97.61 |
| Other comprehensive income | | | (5.00) | (5.00) |
| Balance as at 31/03/2019 | | | | |
| Balance at the end of the reporting period | 420.13 | 476.18 | (5.00) | 891.31 |

As per our Report Attached

Signatures to the Financial Statements and Notes

for and on behalf of
A MODI & CO.,
Chartered Accountants
FRN : 005753C

ASHOK MODI
Proprietor
M.No. 074488



ASAD DAUD

ASAD DAUD
Director
DIN: 02491539

HAKIM S TIDIWALA

HAKIM S TIDIWALA
Director
DIN : 00119156

Udaipur, April 26, 2019

ITALICA FURNITURE PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR 31ST MARCH, 2019

Rupees in lakhs

| Sr. No. | Particulars | Year ended 31.03.2019 | Year ended 31.03.2018 |
|----------|---|--------------------------|--------------------------|
| A | Cash Flow from Operating Activities | 128.20 | 39.28 |
| | Net Profit before tax | | |
| | Adjustments for: | 27.80 | 28.77 |
| | Depreciation | 2.72 | 65.16 |
| | Interest Paid | (7.11) | - |
| | Interest received | (41.95) | 2.40 |
| | (Profit)/Loss on Sale of investments | 109.66 | 135.61 |
| | Operating Profit before working capital changes | | |
| | Adjustment for Changes in Working Capital: | (2.22) | 393.86 |
| | Decrease/(Increase) in Trade Receivables | (26.64) | (399.38) |
| | Increase/(Decrease) in Trade Payables & Other Current Liabilities | - | (3.25) |
| | Increase/(Decrease) Non-financial liabilities | 97.66 | - |
| | Increase/(Decrease) financial liabilities | - | 28.06 |
| | Increase in other current liabilities | (6.29) | 14.99 |
| | Other financial assets | - | (3.59) |
| | Increase current tax assets | 0.03 | - |
| | Increase/(Decrease) non-current assets | (0.63) | 0.18 |
| | Increase in other current assets | 171.57 | 166.48 |
| | Cash Generated from Operations | | |
| | Income Taxes Refund / (Paid) | 15.56 | 17.20 |
| | Net Cash Inflow / (Out Flow) from Operation (A) | 156.01 | 149.28 |
| B | Cash Flow from Investing Activities: | | |
| | Purchase of property, plant and equipment | (82.24) | - |
| | Purchase of investments | (73.17) | (288.18) |
| | Loans | (158.74) | (1,722.12) |
| | Sale of investment | 48.48 | 7.83 |
| | Interest received | 7.11 | - |
| | Net Cash Inflow/(Outflow) from investing Activities (B) | (258.56) | (2,002.47) |
| C | Cash flow from Financing Activities | | |
| | Repayment of borrowings | (6.35) | (5.75) |
| | Increase in borrowings | 101.85 | - |
| | Increase in loans- Current | - | 1,308.82 |
| | Interest Paid | (2.72) | (65.16) |
| | Net Cash Inflow / (Out Flow) from Financing Activities (C) | 92.78 | 1,237.91 |
| | Net Increase/Decrease in cash & Cash equivalents (A+B+C) | (9.77) | (615.28) |
| | Cash and Cash equivalents as at 31.03.2018 | 10.65 | 625.93 |
| | Cash and Cash equivalents as at 31.03.2019 | 0.88 | 10.65 |

Notes:-

1. The above Cash Flow Statement has been prepared under the "indirect Method" as set out in the Indian Accounting standard-7

"Cash Flow statement"

As per our Report Attached

for and on behalf of
A MODI & CO.,
Chartered Accountants
FRN : 005752

ASHOK MODI
Proprietor
M.No. 074488



Signatures to the Financial Statements and Notes

ASAD DAUD

ASAD DAUD
Director
DIN: 02491539

HAKIM S TIDIWALA

HAKIM S TIDIWALA
Director
DIN: 00119156

Udaipur, April 26, 2019

Notes to the Financial Statements

1. Company Information

Italica Furniture Private Limited (IFPL) is a private limited Company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. IFPL is engaged in the business of plastic goods and providing machines on hiring.

2. Significant Accounting Policies**Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies

Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 - Share-based Payment, leasing transactions that are within the scope of Ind AS 17 - Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 - Inventories or value in use in Ind AS 36 - Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Operating Cycle

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 and Ind AS 1 - Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Property, Plant and Equipment - Tangible Assets

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

The estimated useful lives of property, plant and equipment of the Company are as follows:

| | |
|------------------------|----------|
| Plant and Equipment | 25 Years |
| Furniture and Fixtures | 10 Years |
| Vehicles | 8 Years |
| Office Equipment | 5 Years |

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Impairment of Assets

Impairment loss, if any, is provided in the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

Financial Instruments, Financial assets, Financial liabilities and Equity Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale 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 recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets**Recognition:**

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.



Classification:

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.
 - (b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
 - (c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.
- Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment:

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition:

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

Revenue

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods includes excise and other duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as sales tax and value added tax.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.



Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax bases), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Financial and Management Information Systems

The Company's Accounting System is designed to comply with the relevant provisions of the Companies Act, 2013, to provide financial information appropriate to the businesses and facilitate Internal Control.

2. Use of estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. Certain trademarks have been considered of having an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under contract or law. Other trademarks have been amortized over their useful economic life. Refer notes to the financial statements.

B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1. Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

2. Fair value measurements and valuation processes:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.



ITALICA FURNITURE PRIVATE LIMITED

| NOTE NO. - 3 PROPERTY, PLANT AND EQUIPMENT | | | | | | | Rs. in lakhs | |
|--|---------------------------|---------|--------------|---------------------|-----------------------|------------------------|--------------|--|
| Particulars | Owned Assets | | | | Under Operating Lease | | Total | |
| | Furniture and Fixtures | Vehicle | EPABX System | Office equipment | Moulds | Plant and Equipment | | |
| | | | | | | | | |
| Year ended March 31st, 2019 | | | | | | | | |
| GROSS CARRYING AMOUNT | | | | | | | | |
| Opening Gross Carrying Amount | 3.47 | 106.42 | 0.24 | 1.01 | 200.10 | 237.46 | 548.7 | |
| Additions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 82.24 | 82.2 | |
| Disposals/Adjustment | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0 | |
| Closing Gross Carrying Amount | 3.47 | 106.42 | 0.24 | 1.01 | 200.10 | 319.70 | 630.9 | |
| ACCUMULATED DEPRECIATION | | | | | | | 0.0 | |
| Opening Accumulated Depreciation | 1.75 | 61.21 | 0.24 | 0.86 | 79.46 | 37.78 | 181.3 | |
| Depreciation charged during the year | 0.37 | 10.48 | 0.00 | 0.15 | 5.68 | 11.12 | 27.8 | |
| Disposals/Adjustments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0 | |
| Closing Accumulated Depreciation | 2.12 | 71.69 | 0.24 | 1.01 | 85.14 | 48.90 | 209.1 | |
| Net Carrying Amount | 1.35 | 34.73 | 0.00 | 0.00 | 114.96 | 270.80 | 421.8 | |
| Year ended March 31st, 2018 | | | | | | | | |
| GROSS CARRYING AMOUNT | | | | | | | | |
| Opening Gross Carrying Amount | 3.47 | 106.42 | 0.24 | 1.01 | 200.10 | 237.46 | 548.70 | |
| Additions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Disposals/Adjustment | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Closing Gross Carrying Amount | 3.47 | 106.42 | 0.24 | 1.01 | 200.10 | 237.46 | 548.70 | |
| ACCUMULATED DEPRECIATION | | | | | | | 0.00 | |
| Opening Accumulated Depreciation | 1.38 | 48.22 | 0.20 | 0.65 | 73.78 | 28.30 | 152.53 | |
| Depreciation charged during the year | 0.37 | 12.99 | 0.04 | 0.21 | 5.68 | 9.48 | 28.77 | |
| Disposals/Adjustments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Closing Accumulated Depreciation | 1.75 | 61.21 | 0.24 | 0.86 | 79.46 | 37.78 | 181.30 | |
| Net Carrying Amount | 1.72 | 45.21 | 0.00 | 0.15 | 120.64 | 199.68 | 367.40 | |



ITALICA FURNITURE PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31.03.2019

Note 04

| NON-CURRENT INVESTMENTS | As at 31.03.2019 | As at 31.03.2018 |
|--|-------------------------|-------------------------|
| Unquoted : Investment in Equity Instrument | | |
| In Others (at fair value through other comprehensive | | |
| RNT Wellness Pvt Ltd | 3.29 | 3.29 |
| 79(Pt yr 79) Equity Shares of Rs. 10/- each fully paid up | 0.71 | 0.71 |
| Ketto Online Ventures Private Limited | | |
| 10(Pt yr 10) Equity Shares of Rs. 10/- each fully paid up | 2.69 | 2.69 |
| Confirm Ticket Online Solution Pvt Ltd | | |
| 441(Pt yr 441) Equity Shares of Rs. 10/- each fully paid up | - | 5.00 |
| Preximit India Pvt Ltd | | |
| 84(Pt yr 84) Equity Shares of Rs. 10/- each fully paid up | 10.13 | 10.13 |
| Vplexor Analytics Solution Pvt Ltd | | |
| 112(Pt yr 112) Equity Shares of Rs. 10/- each fully paid up | 0.56 | 0.56 |
| GetUp For Change Services Private Limited | | |
| 5(Pt yr 5) Equity Shares of Rs. 10/- each fully paid up | 0.10 | 0.10 |
| Idempe Media Pvt Ltd | | |
| 01(Pt yr 01) Equity Shares of Rs. 10/- each fully paid up | 5.00 | 5.00 |
| My Aashiana Management Services P Ltd | | |
| 6880(Pt yr 5460) Equity Shares of Rs. 1/- each | 11.01 | 11.01 |
| Innofin Solution Private Limited | | |
| 298(Pt yr 298) Equity Share of Rs.10 each | 3.09 | 3.09 |
| Urthrans Technologies Pvt Ltd | | |
| 104(Pt yr 104) Equity Share of Rs.10 each | 15.00 | 15.00 |
| Idea bubbles Consulting Services P Ltd | | |
| 1425(Pt yr 1425) Equity Share of Rs.1/- each | 55.00 | 55.00 |
| Creditas Solutions Private Limited | | |
| 2904(Pt yr 2904) Equity Share of Rs.10/- each | 20.01 | 20.01 |
| Zeva Caprol Private Limited | | |
| 19634(Pt yr 19634) Equity Share of Rs.10/- each | 2.11 | 2.11 |
| Reconnet Labs Private Limited | | |
| 16(Pt yr 16) Equity Share of Rs.10/- each | 60.00 | 60.00 |
| Edevana Financing Private Limited | | |
| 8219(Pt yr 8219) Equity Share of Rs.10/- each | 6.19 | 4.09 |
| Flickaroo Productions P Ltd | | |
| 50(Pt yr 33) Equity Share of Rs.10/- each | 6.10 | 6.10 |
| Metro politan Exchange Limited | | |
| 300000(Pt yr 300000) Equity Share of Rs.1/- each | 20.00 | 20.00 |
| Nuve Pro Technologies Pvt Ltd | | |
| 76920(Pt yr 76920) Equity Share of Rs.1/- each | 3.12 | 3.07 |
| Kalpenik Technologies Pvt Ltd | | |
| 21688(Pt yr 13013) Equity Share of Rs.1 each | 4.73 | 2.43 |
| Bohri Kitchen Pvt. Ltd | | |
| 55(Pt yr 28) Share of Rs.10 each fully | 5.00 | 5.00 |
| Karma Health Care Ltd | | |
| 1025(Pt yr 1025) Equity Share of Rs. 1 each fully | 3.15 | 1.87 |
| Truotas Textiles Pvt Ltd | | |
| 32(Pt yr 19) Equity Share of Rs.10 each fully | 5.03 | 5.03 |
| SynThera Biomedical Private Limited | | |
| 82(Pt yr 82) Equity Share of Rs.10 each fully | 5.00 | - |
| Switchme Technologies and Services Pvt Ltd | | |
| 103(Pt yr 0) Equity Share of Rs.10 each fully paid-up | 2.60 | - |
| SSMaserTechnology Private Limited | | |
| 23(Pt yr 0) Equity Share of Rs.10 each fully paid up | 5.00 | - |
| Insorce Operational Optimizers Pvt Ltd | | |
| 34165(Pt yr 0) Equity Share of Rs.1 each fully paid up | 5.00 | - |
| Myrvax Private Limited | | |
| 51(Pt yr 0) Equity Share of Rs.10 each fully paid up | 4.98 | - |
| Supa Star Foods P Ltd | | |
| 68(Pt yr 0) Equity Share of Rs.100 each fully paid up | 0.01 | - |
| Lenden Club Techserve P Ltd | | |
| 101(Pt yr 0) Equity Share of Rs.1 each fully paid up | - | - |



| | | | |
|--|--------|--|--------|
| INVESTMENT IN CONVERTIBLE PREFERENCE SHARES: | | | |
| In Others (at fair value through other comprehensive | | | |
| Ketto Online Ventures Private Limited | 4.23 | | 4.23 |
| 600(Pr. yr. 60) Compulsorily Convertible Non -Cumulative Preference shares of Rs. 10/- each fully paid up | | | |
| Daronto Technologies Private Limited | 10.00 | | 10.00 |
| 1122(Pr. yr. 1122) Compulsorily Convertible Preference Shares of Rs. 45/- each fully paid up | | | |
| GetUp For Change Services Private Limited | 9.42 | | 9.42 |
| 84(Pr. yr. 84) Preference shares of Rs. 300/- each fully paid up | | | |
| Lithana Technologies Pvt Ltd | 19.03 | | 15.27 |
| 83(Pr. yr. 70) Pre - Series A1 Cumulative Convertible Preference shares of Rs. 100/- each fully paid up | | | |
| Ideope Media Pvt Ltd | 4.95 | | 4.95 |
| 49(Pr. yr. 49) CCPS. of Rs. 10/- each fully paid up | | | |
| Stay Vista Private Limited | 10.01 | | 10.01 |
| 600(Pr. yr. 600) Cumulative Convertible Preference shares of Rs. 10/- each fully | | | |
| Absentia Virtual Reality Private Limited | 6.98 | | 6.98 |
| 42(Pr. yr. 42) Cumulative Convertible Preference shares of Rs. 10/- each fully paid | | | |
| Manali E-Business Pvt Ltd | 5.04 | | 5.04 |
| 112(Pr. yr. 112) 0.01% Compulsorily Convertible Cumulative Preference shares of Rs. 10/- each fully paid up | | | |
| Innovia Solution Private Limited | 27.58 | | 27.58 |
| 338(Pr. yr. 338) 0.01% Compulsorily Convertible Cumulative Convertible Preference Share of Rs. 10 each fully | | | |
| 375(Pr. yr. 375) 0.01% Compulsorily Convertible Cumulative Preference Share of Rs. 10 each fully | 31.81 | | 31.81 |
| Endless Robotics Pvt Ltd | | | 5.01 |
| 50(Pr. yr. 50) 0.001% Cumulative Convertible Preference Share of Rs. 500 each fully | | | |
| Edevana Financing Private Limited | 4.99 | | 4.99 |
| 370(Pr. yr. 370) 0.01% Compulsorily Convertible Preference Share of Rs. 10 each fully paid up | | | |
| Silva Innovation Labs Pvt Ltd | 3.03 | | - |
| 140(Pr. yr. 00) Compulsory Convertible Series A3 Preference Share face value of Rs. 200 each fully paid up | | | |
| DEBENTURES: | | | |
| In others(at amortised cost) | | | |
| My Aashiana Management Services P Ltd | 5.00 | | 5.00 |
| 3,745 (Pr. Yr. 3745) Cumulative Convertible Preference Shares of Rs. 133.51/- each fully paid up | | | |
| Switchme Technologies and Services Pvt Ltd | - | | 5.00 |
| 500(Pr. yr. 500)Convertible Debenture of Rs. 1000 each fully paid up | | | |
| Idea Bubbles Consulting Pvt Ltd | 5.00 | | 5.00 |
| 5000(Pr. yr. 5000) Cumulative Convertible Debentures Share of Rs. 100 each | | | |
| In others(at amortised cost) | | | |
| OTHERS | | | |
| Venture Capital Fund | 89.83 | | 81.35 |
| India Quotient Fund II- Venture Capital Fund | | | |
| 95(pr. yr. 85) Class A units of Rs. 1,00,000/- each | | | |
| Artha Venture Fund-I | 27.00 | | - |
| 25000(pr. yr. 0) Units of Rs. 100/- each | | | |
| Rubia Capital Advisors LLP | 5.12 | | 3.12 |
| 3.13% Share | | | |
| | 539.68 | | 478.04 |
| (a) Aggregate of unquoted investments | 539.68 | | 478.04 |
| (b) Aggregate of quoted investments | - | | - |
| (c) Market value of quoted investments | - | | - |

Note 5

| OTHER NON- CURRENT ASSETS | As at 31.03.2019 | As at 31.03.2018 |
|--|------------------|------------------|
| Advances other than capital advances : | | |
| Security Deposit | | |
| - Others | 0.46 | 0.49 |
| | 0.46 | 0.49 |



Note 6

| TRADE RECEIVABLE -CURRENT | As at 31.03.2019 | As at 31.03.2018 |
|--|-------------------------|-------------------------|
| (a) Trade Receivables considered good- secured | - | - |
| (b) Trade Receivables considered good- unsecured | 13.18 | 10.96 |
| (c) Trade Receivables which have significant increase in Credit Risk | - | - |
| (d) Trade Receivables -Credit impaired | - | - |
| | 13.18 | 10.96 |
| Less: Allowance for bad and doubtful receivables | - | - |
| | 13.18 | 10.96 |

Note 7

| CASH AND CASH EQUIVALENTS | As at 31.03.2019 | As at 31.03.2018 |
|----------------------------------|-------------------------|-------------------------|
| (a) Balances with banks | 0.84 | 10.60 |
| On Current Account | 0.04 | 0.05 |
| (b) Cash on hand | 0.88 | 10.65 |

Note 8

| LOANS -CURRENT | As at 31.03.2019 | As at 31.03.2018 |
|--|-------------------------|-------------------------|
| Loans to Others | | |
| (a) Loans Receivables considered good- Secured | - | - |
| (b) Loans Receivables considered good- Unsecured | 2,043.55 | 1,884.81 |
| (c) Loans Receivables which have significant increase in Credit Risk | - | - |
| (d) Loans Receivables -Credit impaired | - | - |
| | 2,043.55 | 1,884.81 |
| Less: Allowance for bad and doubtful loans | - | - |
| | 2,043.55 | 1,884.81 |

Note 9

| OTHER FINANCIAL ASSETS -CURRENT | As at 31.03.2019 | As at 31.03.2018 |
|--|-------------------------|-------------------------|
| Other Financial Assets | | |
| Interest accrued on loan, deposits, investments etc. | 1.15 | 0.25 |
| Other receivables | 5.55 | 0.16 |
| | 6.70 | 0.41 |

Note 10

| CURRENT TAX ASSET | As at 31.03.2019 | As at 31.03.2018 |
|---|-------------------------|-------------------------|
| Advance tax net of provisions (IT Refund) | 3.59 | 3.59 |
| | 3.59 | 3.59 |

Note 11

| OTHER CURRENT ASSETS | As at 31.03.2019 | As at 31.03.2018 |
|--|-------------------------|-------------------------|
| Advances other than capital advances : | | |
| Other advances : | | |
| -Statutory authorities, employees, pre-paid expenses etc | 1.64 | 1.01 |
| | 1.64 | 1.01 |

Note 12

| Share Capital : | As at 31.03.2019 | As at 31.03.2018 |
|--|-------------------------|-------------------------|
| Authorised : | | |
| 50,00,000 (pr. yr. 50,00,000) Equity Shares of Rs. 10/- each | 500.00 | 500.00 |
| | 500.00 | 500.00 |
| Issued : | | |
| 20,82,118 (pr. yr. 20,82,118) Equity Shares of Rs. 10/- each | 208.21 | 208.21 |
| | 208.21 | 208.21 |
| Subscribed and fully paid up | | |
| 20,82,118 (pr. yr. 20,82,118) Equity Shares of Rs. 10/- each | 208.21 | 208.21 |
| | 208.21 | 208.21 |
| Reconciliation of number of shares : | As at 31.03.2019 | As at 31.03.2018 |
| Number of Equity Shares outstanding at the beginning of the period | 2,082,118 | 2,082,118 |
| Add: No. of Equity Shares issued during the period | - | - |
| | 2,082,118 | 2,082,118 |
| Less: Deduction during the year | - | - |
| Number of Equity Shares outstanding at the end of the reporting period | 2,082,118 | 2,082,118 |



| Name of the shareholders holding more than 5% shares in the company | | | | | |
|---|--------|------------------|--------------|------------------|--------------|
| Name of shareholder | Class | As at 31.03.2019 | | As at 31.03.2018 | |
| | | No. of shares | % of holding | No. of shares | % of holding |
| Sat Industries Limited and nominees | Equity | 2081118 | 100.00 | 2081118 | 100.00 |

| Shares held by holding Company | | | | | |
|-------------------------------------|--------|------------------|-----------|------------------|-----------|
| Name of holding Company | Class | As at 31.03.2019 | | As at 31.03.2018 | |
| | | No. of shares | % Holding | No. of shares | % Holding |
| Sat Industries Limited and nominees | Equity | 2081118 | 100.00 | 2081118 | 100.00 |

- (a) The Company has only one class of shares referred to as the equity shares having face value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by the Shareholders at the Annual General Meeting.
- (b) The Company has not allotted any shares pursuant to contract without payment being received in cash.
- (c) There are no call unpaid on equity shares.
- (d) No equity shares have been forfeited.

Note 13

OTHER EQUITY

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|-------------------------------|------------------------|------------------------|
| 1. SECURITIES PREMIUM | | |
| As per the last year accounts | 420.13 | 420.13 |
| Add: Addition during the year | - | - |
| | 420.13 | 420.13 |
| 2. RETAINED EARNINGS | | |
| As per the last year accounts | 378.57 | 342.82 |
| Add: Surplus for the year | 97.61 | 35.75 |
| | 476.18 | 378.57 |
| 3. Other Comprehensive Income | (5.00) | - |
| TOTAL | 891.31 | 798.70 |

1. Securities Premium

It shows the movement in the share premium amount due to issue of share at a price higher than its face value.

Note 14

| BORROWINGS - NON CURRENT | As at 31.03.2019 | | As at 31.03.2018 | |
|--------------------------|------------------|--------------|------------------|--------------|
| | Current | Non-current | Current | Non-current |
| SECURED: | | | | |
| Term Loans | | | | |
| from bank | | | | |
| ICICI Bank Limited | 6.35 | 18.00 | 5.74 | 24.35 |
| | 6.35 | 18.00 | 5.74 | 24.35 |

Term loan from ICICI Bank Limited is secured against hypothecation of Car no. MH-01-CD-0522. The loan is repayable in 84 equal monthly instalments of Rs. 70,800.00 each commencing from 10th October, 2015 and the last instalment is repayable on 10th August, 2022. There is no continuing default in the repayment of instalment and interest thereon. The rate of interest as on 31.03.2019 is 10.00% p.a. with monthly rests.

Note 15

| DEFERRED TAX LIABILITIES (NET) | As at 31.03.2018 | current year charge/(credit) | As at 31.03.2019 |
|--|------------------|------------------------------|------------------|
| Deferred tax liability | | | |
| Depreciation | 45.11 | 4.19 | 49.30 |
| Deferred Tax Assets | | | |
| Net amount charged to Statement of Profit and Loss | 45.11 | 4.19 | 49.30 |
| Mat Credit Entitlement | | | |
| Deferred tax liabilities(net) | 45.11 | 4.19 | 49.30 |

Note 16

| BORROWINGS CURRENT | As at 31.03.2019 | As at 31.03.2018 |
|---|------------------|------------------|
| UNSECURED: | | |
| Repayable on demand | | |
| From related parties -Holding Company -Sat Industries Ltd | 544.00 | 406.75 |
| Others | 1,186.17 | 1,221.57 |
| | 1,730.17 | 1,628.32 |

* Borrowings are interest free



Note 17

| TRADE PAYABLES -CURRENT | As at 31.03.2019 | As at 31.03.2018 |
|--|-------------------------|-------------------------|
| Total outstanding dues of micro enterprises and small enterprises | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 0.38 | 0.76 |
| | 0.38 | 0.76 |

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding years.

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.

| Information relating to the Micro, Small and Medium Enterprises | As at 31.03.2019 | As at 31.03.2018 |
|--|-------------------------|-------------------------|
| (a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; | NIL | NIL |
| (i) Principal amount (ii) Interest | | |
| (b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | NIL | NIL |
| (c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | NIL | NIL |
| (d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and | NIL | NIL |
| (e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | NIL | NIL |

Note 18

| OTHER FINANCIAL LIABILITIES -CURRENT | As at 31.03.2019 | As at 31.03.2018 |
|---|-------------------------|-------------------------|
| Current maturity of long term debt * | 6.35 | 3.74 |
| Payable for Property, plant and equipment | 115.16 | 18.11 |
| | 121.51 | 21.85 |

*for security and other terms refer no. 14

Note 19

| OTHER CURENT LIABILITIES | As at 31.03.2019 | As at 31.03.2018 |
|---------------------------------|-------------------------|-------------------------|
| Interest Payable | 0.88 | 25.89 |
| Statutory Liabilities | 0.05 | 4.17 |
| Other Current Liabilities | 0.87 | - |
| | 1.80 | 28.06 |

Note 20

| CURRENT TAX LIABILITIES | As at 31.03.2019 | As at 31.03.2018 |
|--|-------------------------|-------------------------|
| Current taxation (net of advance tax) | 10.84 | - |
| | 10.84 | - |



| Note 21 | | | |
|-------------------------|------------------|--|------------------|
| REVENUE FROM OPERATIONS | As at 31.03.2019 | | As at 31.03.2018 |
| Sales : | | | |
| Traded Goods | - | | 410.09 |
| Services : | | | |
| Equipment usage charges | 117.48 | | 106.68 |
| | 117.48 | | 516.77 |

| Note 22 | | | |
|--|------------------|--|------------------|
| OTHER INCOME | As at 31.03.2019 | | As at 31.03.2018 |
| Interest on financial assets at amortised cost | 7.11 | | 34.02 |
| | 7.11 | | 34.02 |

| Note 23 | | | |
|-----------------------------|------------------|--|------------------|
| PURCHASE OF STOCK -IN-TRADE | As at 31.03.2019 | | As at 31.03.2018 |
| Purchase -Traded Goods | - | | 406.58 |
| | - | | 406.58 |

| Note 24 | | | |
|---------------------------------------|------------------|--|------------------|
| FINANCE COST | As at 31.03.2019 | | As at 31.03.2018 |
| (a) Interest | | | |
| (i) On borrowings | 2.72 | | 63.85 |
| (ii) On delayed Payment of Income tax | - | | 1.31 |
| | 2.72 | | 65.16 |

| Note 25 | | | |
|------------------------|------------------|--|------------------|
| OTHER EXPENSES | As at 31.03.2019 | | As at 31.03.2018 |
| Payment to Auditors | | | |
| As statutory auditors | 0.13 | | 0.10 |
| For taxation matters | 0.05 | | 0.03 |
| Telephone Expenses | 0.05 | | - |
| Office Rent | 0.24 | | 0.24 |
| Vehicle Expenses | 4.79 | | 3.86 |
| Consultancy charges | 0.35 | | - |
| Miscellaneous expenses | 1.71 | | 3.87 |
| Donation | 0.50 | | 0.50 |
| | 7.62 | | 8.60 |

26. Additional Notes to the Financial Statements :

| | As at 31.03.2019 | | As at 31.03.2018 |
|--|------------------|--|------------------|
| Depreciation and amortization expenses | | | |
| (i) Depreciation | 27.80 | | 28.77 |
| (ii) Amortization expenses | - | | - |
| | 27.80 | | 28.77 |

Note 27

SEGMENT INFORMATION:

As per Ind AS 108 "Operating Segment", the Company has one operating segment.

Note 28

Financial Instruments and Related Disclosures

1. Capital Management

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals, borrowings etc. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

2. Categories of financial instruments :

| Particulars | Note | As at 31st March, 2019 | | As at 31st March, 2018 | |
|--|------|------------------------|------------|------------------------|------------|
| | | Carrying Value | Fair Value | Carrying Value | Fair Value |
| A Financial assets | | | | | |
| a) Measured at amortised cost | | | | | |
| i) Cash and cash equivalent | 7 | 0.88 | 0.88 | 10.65 | 10.65 |
| ii) Investment in debentures/ bonds etc. | 4 | 10.00 | 10.00 | 15.00 | 15.00 |
| iii) Investment - others | 4 | 121.95 | 121.95 | 86.46 | 86.46 |
| iv) Loans-current | 8 | 2,043.55 | 2,043.55 | 1,884.81 | 1,884.81 |
| v) Trade receivables | 6 | 13.18 | 13.18 | 10.96 | 10.96 |
| vi) Other financial assets | 9 | 6.70 | 6.70 | 0.41 | 0.41 |
| Sub Total | | 2196.26 | 2196.26 | 2008.29 | 2008.29 |
| b) Measured at fair value through OCI | | | | | |
| i) Equity Shares | 4 | 407.73 | 407.73 | 376.58 | 376.58 |
| Sub Total | | 407.73 | 407.73 | 376.58 | 376.58 |
| Total Financial assets | | 2603.99 | 2603.99 | 2384.87 | 2384.87 |
| B Financial Liabilities | | | | | |
| a) Measured at amortised cost | | | | | |
| i) Borrowings -current | 16 | 1,730.17 | 1,730.17 | 1,628.32 | 1,628.32 |
| ii) Borrowing -non-current | 14 | 18.00 | 18.00 | 24.35 | 24.35 |
| iii) Trade payables | 17 | 0.38 | 0.38 | 0.76 | 0.76 |
| iv) Other financial liabilities | 18 | 121.51 | 121.51 | 23.85 | 23.85 |
| Total financial liabilities | | 1870.06 | 1,870.06 | 1,677.28 | 1,677.28 |

3 : FINANCIAL RISK MANAGEMENT

The activities of the Company exposes 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. The Company does regularly monitor, analyze and manage the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

A. 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 and investments. The Company has no international trade operations and is, therefore, not exposed to market risks, currency and interest rate risks.

The Company is not an active investor in equity markets, it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments as at 31st March, 2019 is Rs. 407.73 lakhs (2018 - Rs. 376.58 lakhs). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

The debts of the Company do not carry interest, the exposure to interest rate risk from the perspective of Financial Liabilities is negligible. Further investment is guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within acceptable risk parameters after due evaluation.

(i) 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 its borrowings and investments are all in fixed rate instruments.

(ii) Management of price risk

The Company invests its surplus funds in equity instruments and very minimal in debt instruments. And such have no price risk.

(iii) Management of currency risk

The Company has no currency risk since it has no exposure to foreign currency.



B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables).

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored.

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

C. 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 cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic banks and financial markets at optimized cost.

The Company's Current assets aggregate to Rs. 2069.54 lakhs (2018 – Rs. 1911.43 Lakhs) including Cash and cash equivalents and Other bank balances of Rs. 0.88 lakhs (2018 – Rs. 10.65 Lakhs) against an aggregate Current liability of Rs. 1864.70 lakhs (2018 – Rs. 1680.99 Lakhs); Non-current liabilities due between one year to three years amounting to Rs. 18.00 lakhs (2018 – Rs. 24.35 Lakhs) and Non-current liability due after three years amounting to Rs. NIL (2018 – Rs. NIL) on the reporting date. Further, while the Company's total equity stands at Rs. 1099.52 lakhs (2018 – Rs. 1006.91 Lakhs), it has non-current borrowings of Rs. 18.00 lakhs (2018 – Rs. 24.35 lakhs). In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

D. Fair value measurement

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

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

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

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If 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).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

| Particulars | Fair value hierarchy | As at 31st March, 2019 | As at 31st March, 2018 |
|--|----------------------|------------------------|------------------------|
| | | Fair Value | Fair Value |
| A Financial assets | | | |
| a) Measured at amortised cost | | | |
| i) Cash and cash equivalent | L2 | 0.88 | 10.65 |
| ii) Investment in debentures/ bonds etc. | L2 | 10.00 | 15.00 |
| iii) Investment - others | L2 | 121.95 | 86.46 |
| iv) Loans-current | L2 | 2,043.55 | 1,884.81 |
| v) Trade receivables | L2 | 13.18 | 10.96 |
| vi) Other financial assets | L2 | 6.70 | 0.41 |
| Sub Total | | 2196.26 | 2008.29 |
| b) Measured at fair value through OCI | | | |
| i) Equity Shares | L2 | 407.73 | 376.58 |
| Sub Total | | 407.73 | 376.58 |
| Total Financial assets | | 2603.99 | 2,384.87 |



Reconciliation of tax expenses and the accounting profit

The reconciliation between estimated income tax at statutory income tax rate into income tax expenses reported in Statement of Profit and Loss is given below :

| | Year ended March 31, 2019 | Year ended March 31, 2018 |
|--|------------------------------|------------------------------|
| Profit before income tax | 128.20 | 39.28 |
| Indian statutory income tax rate | 26.00% | 25.75% |
| Expected income tax expenses | 33.33 | 10.11 |
| Tax effect of adjustment to reconcile expected income tax Expenses to reported Income as Expenses | | |
| Tax effects of amounts which are not deductible for taxable income | 0.06 | 0.06 |
| Additional tax paid on book profits | - | (0.61) |
| MAT Credit Adjust | 1.99 | |
| Others | 4.88 | 2.93 |
| | 6.93 | 2.38 |
| Total income tax expenses | 26.40 | 7.73 |

Deferred Tax (Liabilities)

| | Year ended March 31, 2019 | Year ended March 31, 2018 |
|-------------------------------------|------------------------------|------------------------------|
| Property Plant and Equipment | 4.19 | 4.01 |
| Total deferred tax liabilities | 4.19 | 4.01 |

Deferred Tax Assets

| | Year ended March 31, 2019 | Year ended March 31, 2018 |
|---------------------------|------------------------------|------------------------------|
| Others | - | 8.22 |
| Total deferred tax Assets | - | 8.22 |

| | | |
|--|------|--------|
| Net Deferred tax (Liabilities)/ Assets | 4.19 | (4.21) |
|--|------|--------|

Movement in Deferred tax Liabilities/Assets

| Particular | Property, plant and equipment | Other Deferred Tax Assets | Deferred Tax Liabilities/ Asset (Net) |
|---------------------------------------|-------------------------------|---------------------------|---------------------------------------|
| As at 31st March, 2017 | -49.32 | - | (49.32) |
| (Charged)/Credited to Profit and Loss | -4.01 | 8.22 | 4.21 |
| As at 31st March, 2018 | -53.33 | 8.22 | -45.11 |
| (Charged)/Credited to Profit and Loss | -4.19 | - | -4.19 |
| As at 31st March, 2019 | -57.52 | - | -49.30 |

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.

During the year, the Company has not accounted for tax credits in respect of Minimum Alternative Tax (MAT credit) of Rs. NIL (March 31, 2018- Rs. 0.61 lakhs). The Company is reasonably not certain availing the said MAT Credit in future years against the normal tax expected to be paid in those years and accordingly has not recognised a deferred tax asset for the same.



| Tax Credits carried forward | As at March 31, 2019 | Expiry date | As at March 31, 2018 | Expiry date |
|-----------------------------|-------------------------|-------------|-------------------------|-------------|
| 2014-15 | 1.46 | 31.03.2030 | 3.45 | 31.03.2030 |
| 2015-16 | 5.85 | 31.03.2031 | 5.85 | 31.03.2031 |
| 2017-18 | 0.61 | 31.03.2033 | 0.61 | 31.03.2033 |

Note 33 : Impairment of assets

In the opinion of the Management, there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

Note 34 : Subsequent Event

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

Note 35

The financial statements were authorised for issue by the Board of Directors on April 26, 2019.

Note 36 : General

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

Note 37

There are no amount due to be credited to Investor Education and Protection Fund in accordance with section 125 of the Companies Act, 2013 as at year end.

Note 38

Figures of the previous year have been reclassified/reagrouped wherever necessary to conform with the Financial Statements of the current year.

Note 39

Rs. In Lakh

The future minimum lease rental receivable under the non-cancellable operating lease is as follows:

| Particulars | As at 31/03/2019 | As at 31/03/2018 |
|---|------------------|------------------|
| Not later than one year | 128.28 | 106.68 |
| Later than one year and not later than five years | 234.96 | 307.44 |
| Later than five years | NIL | NIL |

The Notes referred to above form an integral part of the Financial Statements.

As per our Report Attached

Signatures to the Financial Statements and Notes

for and on behalf of

A MODI & CO.,
Chartered Accountants
FRN : 005753C

ASHOK MODI
Proprietor
M.No. 074488



for and on behalf of the Board

ASAD DAUD
Director
DIN : 02491539

HAKIM S. TIDIWALA
Director
DIN : 00119156

Udaipur, April 26, 2019