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SUBSIDIARY COMPANIES ANNUAL REPORT 2016-2017

CONTENTS

DIRECTOR'S REPORT

To,

The Members,

Applect Learning Systems Private Limited

Your Directors are pleased to present the Sixteenth Annual Report and Audited Statement of Accounts of the Company for the financial year ended **31st March, 2017.**

FINANCIAL RESULTS **(Amount in Thousands)**

Particulars	For the Year Ended 31st March, 17	For the Year Ended 31st March, 16
Revenue (Including Other Income)	373,687	298,035
Profit & Loss (Before Depreciation)	(232,004)	(408,479)
Depreciation	13,316	27,738
Profit & Loss (After Depreciation)	(245,320)	(436,217)
Provision for Tax (Including deferred Tax)*	27,004	151
Profit & Loss carried to balance sheet	(218,316)	(436,066)

** Refers to Deferred Tax Asset created on account of accumulated carried forward depreciation*

PERFORMANCE REVIEW

Your Company recorded revenue of Rs. 373,687 thousand for the period ended March 31, 2017 as against Rs. 298,035 thousand during the previous financial year. The net loss for the financial year 2016–17 was Rs. (218,316) thousand as compared to the loss of Rs. (436,066) thousand in the financial year 2015–16.

EXTRACT OF ANNUAL RETURN

The Extract of Annual Return required under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, forms part of this report as **Annexure- I**.

MEETINGS OF THE BOARD DURING THE FINANCIAL YEAR

During the period under review, the Board of directors duly met Six (6) times on May 24, 2016, June 16, 2016, September 2, 2016, December 17, 2016, January 16, 2017 and March 21, 2017.

The intervening gap between the Meetings was within the period as prescribed under the Companies Act, 2013 read with Secretarial Standards.

S. No.	Name of Directors	No. of meetings attended by him/her during the year
1.	Pavan Chauhan	6
2.	Ritesh Hemrajani	6
3	Sudhir Bhargava	5

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Independent Director

Pursuant to Section 149(4) of the Companies Act, 2013 read with Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014, every public company having paid up capital of 10 crore or more, is required to appoint at least 2 directors as Independent Directors("IDs"). Accordingly, the Shareholders of the Company at the Extra Ordinary General Meeting held on 27, March, 2017 approved the appointment of Mr. Kaushik Dutta and Mr. Naveen Saraff as the Independent Director of the Company.

The Independent directors have submitted their disclosures to the board that they fulfill all the requirements as stipulated in section 149(6) of the Companies act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provision of the Companies act, 2013 and the relevant rules.

COMMITTEES OF THE BOARD

During the year, in accordance with the Companies Act, 2013, the Board constituted two Committees which are as follows:

a. **Audit Committee**

   During the year the board has constituted the Audit committee of the board on 28 March, 2017. Audit committee consists of following members:

   a. Mr. Sudhir Bhargava, Nominee Director

   b. Mr. Kaushik Dutta, Non Executive & Independent Director

   c. Mr. Naveen Saraff, Non Executive & Independent Director

b. **Nomination and Remuneration Committee**

   During the year the Board has constituted the "Nomination and Remuneration Committee" of the Board on 28 March, 2017. Nomination and Remuneration Committee consist of following members:

   a. Mr. Sudhir Bhargava, Nominee Director

   b. Mr. Kaushik Dutta, Non Executive & Independent Director

   c. Mr. Naveen Saraff, Non Executive & Independent Director

AUDITORS

Statutory Auditors

During the year M/s. Price Waterhouse & Co Bangalore LLP (FRN-007567S/S-200012), Chartered Accountants resigned from the post of Statutory Auditor of the Company. The resignation was effective from 10 January, 2017.

Consequent to M/s. Price Waterhouse & Co Bangalore LLP resignation, M/s MZSK & Associates were appointed as the Statutory Auditor of the Company for the financial year 2016-17. Their appointment was effective from 2 February, 2017. M/s MZSK & Associates hold office until the conclusion of forthcoming Annual General Meeting (AGM). A resolution for re- appointment of M/s MZSK & Associates as the statutory Auditor for the financial year 2017-18 and future years will be proposed at the forthcoming AGM post taking a confirmation from them regarding their interest to continue in office.

Cost Auditors

The Provisions related to Cost Auditors are not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2017 and of the profit and loss of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such financial controls are adequate and were operating effectively and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

DETAIL OF FRAUD AS PER AUDITORS REPORT

There is no fraud reported in the Company during the financial year ended 31st March, 2017. This is also supported by the auditor report wherein no fraud has been reported in their audit report for the F.Y. ended 31st March, 2017.

PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

The meetings of the board were conducted complying with the requirements of the Companies Act 2013 with proper notice and agenda being provided as per the requirements. The business was carried out as per the directions provided by the board in the various board meetings during the year.

BOARD'S COMMENTS ON QUALIFICATION, RESERVATION & ADVERSE REMARKS OR DISCLAIMER MADE BY STATUTORY AUDITORS

There is no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self explanatory.

PARTICULARS OF INTER-CORPORATE LOANS & INVESTMENT

During the period under review, the Company has not provided any loans, guarantee and not made any investments under provisions of the Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS

The particulars of contracts or arrangements with related parties referred to in sub section (1) of section 188 entered by the Company during the financial year ended 31st March, 2017 is annexed hereto as **Annexure- II** in prescribed **Form AOC-2** and forms part of this report.

PARTICULARS OF EMPLOYEE

None of the employees received the remuneration of Rs. 102,00,000 (One Crore Two Lakhs) or more or employed for part of the year and in receipt of Rs. 8,50,000 (Eight Lakh Fifty Thousands) or more a month under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

AMOUNT WHICH IT PROPOSES TO CARRY TO RESERVES

The Company has not transferred any amount to the general reserves for the year ended March 31, 2017.

DIVIDEND

The Company did not declare any dividend during the year.

MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no other material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The statement pursuant to section 134(3)(m) of the Companies Act, 2013 read with Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 is given below

Particulars relating to conservation of energy, technology absorption are Not Applicable on the Company as Company not a Manufacturing Company.

Foreign Exchange Earning: NIL

Foreign Exchange Outgo:

Particulars	Amount (in 000's)
Expense	
Server Hire Charges	595
Travel & Conveyance	3,200
Advertisement Expenses	1,243
Others Expense	1,150
TOTAL (A)	**6,188**

RISK MANAGEMENT POLICY

The Company has identified the key risks which can impact the business of the Company and reviews these risks on a regular basis. The Company evaluates these parameters and take necessary action, wherever required, to minimize the impact on the business of the Company.

DETAILS OF COMPANY'S CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

JOINT VENTURE / ASSOCIATE OR SUBSIDIARY COMPANIES

The Company is not in any Joint Venture/Associate or does not have any Subsidiary Company.

DEPOSITS

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2017. There were no unclaimed or unpaid deposits as on March 31, 2017.

ORDERS PASSED BY REGULATORS/COURTS/TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control to ensure compliance with policies and procedures which is commensurate with size, scale and complexity of its operations.

SHARE CAPITAL

a. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

b. EMPLOYEES STOCK OPTION PLAN

During the year, the Company granted 1,552 stock options. The Company, post shareholder approval, has increased the time period for exercising the option from 2 month to 6 months under the Employee Stock Option Scheme, 2009 in case of resignation or termination of services by the Company. In addition, the Company has extended the exercise period for the ESOPS granted to two active employees.

c. ISSUE OF EQUITY SHARES WITH DIFFERNTIAL RIGHTS

The Company has not issued any Equity shares with differential rights during the period under review.

d. ISSUE OF OPTIONALLY CONVERTIBLE CUMULATIVE REDEEMABLE PREFERENCE SHARES

The Company has not issued any optionally convertible cumulative redeemable Preference shares during the period under review.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the co-operation and support extended by the shareholders, various authorities, banks, dealers and vendors.

The Directors also acknowledge with gratitude the dedicated efforts and valuable contribution made by all the employees of the Company.

For & on behalf of the Board of
Applect Learning Systems Private Limited

Date: 18/05/2017
Place: New Delhi

Ritesh Hemrajani	**Pavan Chauhan**
Whole Time Director	**Managing Director**
Din: 00283248	**Din: 00283074**

ANNEXURE- I

Form No.MGT-9

EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on 31st March, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	**U99999DL2001PTC110324**
Registration Date	**04/04/2001**
Name of the Company	**Applect Learning Systems Private Limited**
Category/ Sub –Category of the Company	**Private Company Limited by Shares**
Address of the Registered Office	**A-221, Basement & Ground Floor, Okhla Industrial Area Phase-I, New Delhi-110020**
Whether Listed Company	**No**
Name, Address and Contact details of Registrar and Transfer Agent, if any	**N.A.**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

S. No.	Name & Description of Main Products/Services	NIC Code of the Product/ Service	% to Total Turnover of the Company
1.	Educational Support services	85500	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Ultimate Holding	16.47	-
2.	Startup Investments (Holding) Limited	U74140DL2015PLC277487	Holding	37.69	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

i) Category-wise Share Holding

A. Promoter's

- **Equity Shares:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
1) Indian									
a) Individual / HUF	-	11,761	11,761	33	-	11,761	11,761	33	-
b)Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d)Bodies Corp.	-	19,300	19,300	54.16	-	19,300	19,300	54.16	-
d)Banks/FI	-	-	-	-	-	-	-	-	-
e)Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(1)	**-**	**31,061**	**31,061**	**87.16**	**-**	**31,061**	**31,061**	**87.16**	**-**
2)Foreign									
a)NRI's-Individuals	-	-	-	-	-	-	-	-	-
b)Other-Individuals	-	-	-	-	-	-	-	-	-
c)Bodies Corp.	-	-	-	-	-	-	-	-	-
d)Banks/FI	-	-	-	-	-	-	-	-	-
e)Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(2)	-	-	-	-	-	-	-	-	-
Total of A(1) + A(2)= A	**-**	**31,061**	**31,061**	**87.16**	**-**	**31,061**	**31,061**	**87.16**	**-**

- **Preference Shares:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
1) Indian									
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b)Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d)Bodies Corp.	-	24,9974,932	24,9974,932	100	-	24,9974,932	24,9974,932	100	
d)Banks/FI	-	-	-	-	-	-	-	-	-
e)Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(1)	**-**	**24,9974,932**	**24,9974,932**	**100**	**-**	**249,974,932**	**24,9974,932**	**100**	
2)Foreign									
a)NRI's-Individuals	-	-	-	-	-	-	-	-	-
b)Other-Individuals	-	-	-	-	-	-	-	-	-
c)Bodies Corp.	-	-	-	-	-	-	-	-	-
d)Banks/FI	-	-	-	-	-	-	-	-	-
e)Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(2)	-	-	-	-	-	-	-	-	-
Total of A(1) + A(2)= A	**-**	**24,9974,932**	**24,9974,932**	**100**	**-**	**249,974,932**	**249,974,932**	**100**	

B. Public Share Holding:-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
1) Institutions									
a)Mutual Funds	-	-	-	-	-	-	-	-	-
b)Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d)Banks/FI	-	-	-	-	-	-	-	-	-
d)Venture Capital funds	-	-	-	-	-	-	-	-	-
e)FIIs	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
i) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-Total B(1)	-	-	-	-	-	-	-	-	-
2)Non- Institutions	-	-	-	-	-	-	-	-	-
a)Bodies Corp.(Indian/ Overseas)	-	-	-	-	-	-	-	-	-
b)Individuals	-	-	-	-	-	-	-	-	-
i)Individual Shareholders holding nominal share Capital upto 1 lakh	-	495	495	1.39	-	495	495	1.39	-
ii) Individual Shareholders holding nominal share Capital excess 1 lakh	-	-	-	-	-	-	-	-	-
e) Others (Specify)	-	4,082	4,082	11.45	-	4,082	4,082	11.45	-
Sub-Total B(2)	-	**4,577**	**4,577**	**12.84**	**-**	**4,577**	**4,577**	**12.84**	-
Totalof (1)+(2)= B	-	**4,577**	**4,577**	**12.84**	**-**	**4,577**	**4,577**	**12.84**	-

ii) **Share Holding of Promoters**

- **Equity Shares**

S.No.	Shareholder's Name	Shareholding held at the beginning of the year			Shareholding held at the end of the year			% Change during the year
		No. of shares	% of total Shares	%of Shares Pledged/ encumbered to total shares	No. of shares	% of total Shares	%of Shares Pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	5,871	16.47	-	5,871	16.47	-	-
2.	Startup Investments (Holding) Ltd.	13,429	37.69	-	13,429	37.69	-	-
3.	Pavan Chauhan	9,252	25.96	-	9,252	25.96	-	-
4.	Ritesh Hemrajani	2,509	7.04	-	2,509	7.04	-	-

- **Preference Shares**

S.No.	Shareholder's Name	Shareholding held at the beginning of the year			Shareholding held at the end of the year			% Change during the year
		No. of shares	% of total Shares	%of Shares Pledged/ encumbered to total shares	No. of shares	% of total Shares	%of Shares Pledged/ encumbered to total shares	
1.	Startup Investments (Holding) Limited	249,974,932	100	-	249,974,932	100	-	-

iii) **Change in Promoter's Shareholding (Please specify, if there is no change)**

S. No.	Particulars	Shareholding held at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
	At the beginning of the year	31,061	87.16	31,061	87.16
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g.allotment / transfer / bonus/ sweat	-	-	-	-
	At the end of the year	31,061	87.16	31,061	87.16

iv) **Share Holding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

S. No.	Particulars	Shareholding held at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top Ten Shareholders	No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
	At the beginning of the year	4,577	12.84	4,577	12.84
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease(e.g.allotment / transfer / bonus/ sweat	-	-	-	-
	At the end of the year	4,577	12.84	4,577	12.84

v) Share Holding of Directors & KMPs

S. No.	Particulars	Shareholding held at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
	At the beginning of the year	11,761	33	11,761	33
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease(e.g.allotment / transfer / bonus/ sweat	-	-	-	-
	At the end of the year	11,761	33	11,761	33

V) INDEBTEDNESS

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-		-	
i) Principal Amount		17,000,000		17,000,000
ii) Interest due but not paid*		118,907		118,907
iii) Interest accrued but not due				
Total(i+ii+iii)		17,118,907		17,118,907
Change in Indebtedness during the financial year	-		-	
• Addition		2,19,500,000		2,19,500,000
• Interest addition*		11,272,752		11,272,752
• Reduction				
Net Change	-	2,30,772,752	-	2,30,772,752
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount		236,500,000		236,500,000
ii) Interest due but not paid*		11,391,659		11,391,659
iii) Interest accrued but not due				
Total(i+ii+iii)	-	2,47,891,659	-	2,47,891,659

***** TDS included in Interest amount

VI. REMUNERATION OF DIRECTORS AND KMP

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:-

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Mr. Pavan Chauhan (Managing Director) Mr. Ritesh Hemrajani (Whole Time Director)	60,00,000 30,00,000
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specifyƐ	-	-
5.	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act (Through Special Resolutions)	-	60,00,000

B. Remuneration to Other Directors- Nil

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1.	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify		-
	Total (1)	-	-
2.	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	-	-
	Total (2)	-	-
	Total (B)=(1+2)	-	-
	Total Managerial Remuneration	-	-
	Overall Ceiling as per the Act	-	

C. Remuneration to KMP other than MD/Manager/WTD:

S.No.	Particulars of Remuneration	Key Managerial Personnel(KMP)			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	271,663 P.A.	6,000,000 P.A.	6,271,663 PA
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - Others, specify	-	-	-	
5.	Others, please specify	-	-	-	-
	Total	-	271,663	6,000,000	6,271,663

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

Type	Section of the Companies Act, 2013	Brief Description	Details Penalty/ Punishment/ Compounding fees imposed	Authority(RD/NCLT/ COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHERS OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For & on behalf of the Board of
Applect Learning Systems Private Limited

Date: 18.05.2017
Place: New Delhi

Ritesh Hemrajani
Whole Time Director
Din: 00283248

Pavan Chauhan
Managing Director
Din: 00283074

ANNEXURE-II

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis :

S.No.	Name of Related Partyand nature of relationship	Nature of Contract/ Arrangement/ Transactions	Duration of Contract/ Arrangement	Terms of Contract/ Arrangement	Justification for enteringinto such contract or arrangement or transactions	Date of Approval by the Board, if any	Amount Paid as Advance	Date on which the special resolution was passed in general meeting as require under first proviso to section188
Not Applicable								

2. Details of material contracts or arrangement or transactions at arm's length basis:

S.No.	Name of Related Party	Nature of Relationship	Nature of Contract/ Arrangement/ Transactions	Amount	Duration of Contract/ Arrangement	Terms of Contract/ Arrangement	Date of Approval by the Board, if any	Amount Paid as Advance
1	Info Edge (India) Limited	Holding Company	Recruitment Services	287,500	-	As per agreement	-	-

For & on behalf of the Board of
Applect Learning Systems Private Limited

Date: 18.05.2017
Place: New Delhi

Ritesh Hemrajani	**Pavan Chauhan**
Whole Time Director	**Managing Director**
Din: 00283248	**Din: 00283074**

INDEPENDENT AUDITORS' REPORT

To the Members of Applect Learning Systems Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Applect Learning Systems Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information in which are incorporated the financial statement of Applect Employees Stock Option Plan Trust ("the Trust") for the year ended on that date audited by another auditor.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, Cash Flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017, and its loss (including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Other Matter

a) We did not audit the financial statements of the Trust included in the Ind AS financial statements of the Company whose financial statements reflect total assets of INR 11,632 thousands and total revenues of INR Nil for the year ended on that date, as considered in the Ind AS financial statements. The financial statements of the Trust have been audited by another auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the Trust, is based solely on the report of such auditor.

b) The comparative financial information of the Company for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April 2015 included in these IND AS financial statements, are based on the previously issued statutory financial statements for the year ended 31 March 2016 and 31 March 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by another auditor whose report dated 24 May 2016 and 28 May 2015 respectively expressed an unmodified opinion on those statements. The adjustment to those financial statements for the difference in accounting principles adopted by the Company on transition to the IND AS have been audited by us.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. 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 except in relation to disclosure of Specified Bank Notes [Refer Note 10].

   (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 except in relation to Specified Bank Notes during the period 8 November 2016 to 30 December 2016.

   (c) The reports on the accounts of the Trust of the Company audited by another auditor have been provided to us by the management and have been properly dealt with by us in preparing this report.

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

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

   (f) In our opinion, there are no matters that may have an adverse effect on the functioning of the Company.

   (g) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

   (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'

   (i) 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.

      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.

      iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. However, we are unable to obtain sufficient and appropriate audit evidence to report on whether the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 10.

2. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section 11 of section 143 of the Act, we give in the 'Annexure B', a statement on the matters specified in paragraphs 3 and 4 of the Order.

For MZSK & Associates
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518

Place : New Delhi
Date : 18 May 2017

ANNEXURE A

TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF APPLECT LEARNING SYSTEMS PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Applect Learning Systems Private Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, 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.

For **MZSK & Associates**
Chartered Accountants
Firm Registration No. 105047W

Amit Mitra
Partner
Membership No. 094518
Place : New Delhi
Date : 18 May 2017

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Applect Learning Systems Private Limited on the financial statements for the year ended 31 March 2017.

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

(b) All the fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification. In our opinion, the frequency of verification is reasonable.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties which are held in the name of the Company.

ii. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, no loans, investments, guarantees and security made by the Company under the provisions of section 185 and 186 of the Act. Accordingly, the provisions stated in paragraph 3 (iv) of the Order are not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, there are no amounts outstanding which are in the nature of deposits as on 31 March 2017 and the Company has not accepted any deposits during the year.

vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with appropriate authorities.

According to the information and explanation given to us, no undisputed amounts are 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 any other statutory dues applicable to it and were in arrears, as at 31 March 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, no undisputed amounts are 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 any other statutory dues which were applicable to the company were in arrears, as at 31 March 2017 for a period of more than six months from the date they became payable.

viii. The Company does not have any loans or borrowings from any financial institution, banks, government or nor has it issued any debentures during the year. Accordingly, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.

x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

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

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

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.

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

xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For **MZSK & Associates**
Chartered Accountants
Firm Registration No. 105047W

Amit Mitra
Partner
Membership No. 094518
Place : New Delhi
Date : 18 May 2017

BALANCE SHEET AS AT MARCH 31, 2017

(Amount in INR thousands, unless otherwise stated)

	Notes	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
ASSETS				
Non-current assets				
Property, plant and equipment	6	26,967	38,050	20,429
Capital work-in-progress		373	-	3,484
Intangible assets	7	45	60	263
Financial assets				
Loans	8A	3,824	4,642	3,458
Other assets- term deposits	8B	-	-	60,474
Deferred tax asset (net)	27	26,684	-	-
Other non-current assets	9	1,285	995	849
Total non-current assets		59,178	43,747	88,957
Current assets				
Financial assets				
Cash and cash equivalents	10	32,994	29,564	21,779
Bank balances other than cash and cash equivalent	11	-	5,002	-
Loans	12	1,884	2,426	2,953
Other assets	12	2,917	3,729	6,798
Current tax assets (net)	13a	3,788	8,216	7,259
Other current assets	13b	4,468	4,329	6,039
Assets classified as held for sale	6B	2,303	-	-
Total current assets		48,354	53,266	44,828
Total assets		**1,07,532**	**97,013**	**1,33,785**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	14	356	356	356
Other equity	15	(4,68,724)	(2,83,793)	(82,532)
Total equity		(4,68,368)	(2,83,437)	(82,176)
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16A	58,906	52,263	12,738
Other financial liabilities	16B	1,114	1,171	811
Provisions	17	11,205	8,559	7,006
Other non-current liabilities	18	25,923	30,016	18,876
Total non-current liabilities		97,148	92,009	39,431
Current liabilities				
Financial liabilities				
Borrowings	19	2,36,500	17,000	-
Trade payables	19	10,879	20,989	28,745
Other financial liabilities	19	61,261	66,286	23,765
Other current liabilities	20	1,68,023	1,82,189	1,23,799
Provisions	17	2,089	1,977	221
Total current liabilities		4,78,752	2,88,441	1,76,530
Total liabilities		5,75,900	3,80,450	2,15,961
Total equity and liabilities		**1,07,532**	**97,013**	**1,33,785**
Summary of significant accounting policies	2			

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MZSK & Associates
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Date: 18 May 2017
Place: New Delhi

For and on behalf of the Board of Directors of
Applect Learning Systems Private Limited
CIN: U99999DL2001PTC110324

Pavan Chauhan
Director
DIN: 00283074
Place: New Delhi
Date: 18 May 2017

Ritesh Hemrajani
Director
DIN: 00283248
Place: New Delhi
Date: 18 May 2017

Pankaj Mishra
Company Secretary
Membership No: A40550
Place: New Delhi
Date: 18 May 2017

Shwetank Patni
Chief Finance Officer
Place: New Delhi
Date: 18 May 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR thousands, unless otherwise stated)

	Notes	Year ended 31 March 2017	Year ended 31 March 2016
Income			
Revenue from operations	21	3,62,989	2,87,093
Other income	22	10,698	10,941
Total income		3,73,687	2,98,034
Expenses			
Employee benefits expense	23	4,25,845	4,64,600
Finance costs	24	16,866	4,424
Depreciation and amortization expense	25	13,316	27,738
Other expenses	26	1,62,980	2,37,489
Total expenses		**6,19,007**	**7,34,251**
Loss before tax		(2,45,320)	(4,36,217)
Income tax expense			
Current tax	27	-	-
Deferred tax	27	27,004	151
Total income tax expense		**27,004**	**151**
Loss for the year		(2,18,316)	(4,36,066)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements gain of post-employment benefit obligations		388	490
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurements losses of post-employment benefit obligations		(120)	(151)
Other comprehensive income for the year		**268**	**339**
Total other comprehensive income for the year		**(2,18,048)**	**(4,35,727)**
Loss per share			
Basic loss per share (INR)	28	(7.78)	(13.88)
Diluted loss per share (INR)	28	(7.78)	(13.88)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MZSK & Associates
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Date: 18 May 2017
Place: New Delhi

For and on behalf of the Board of Directors of
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Date: 18 May 2017

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Company Secretary
Membership No: A40550
Place: New Delhi
Date: 18 May 2017

Shwetank Patni
Chief Finance Officer
Place: New Delhi
Date: 18 May 2017

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

	Year ended 31 March 2017	Year ended 31 March 2016
Cash flow from operating activities		
Loss before tax	(2,45,320)	(4,36,217)
Adjustments for:		
Depreciation and amortization expenses	13,316	27,738
Share based payment expense	27,088	27,102
Finance cost	16,855	4,332
Interest income	(886)	(9,450)
Impairment of assets classified as held for sale	2,990	-
Liabilities written back	(5,872)	(325)
(Gain)/ loss on sale of fixed assets	(1,046)	1,292
Operating loss before working capital changes	(1,92,875)	(3,85,528)
Changes in working capital		
Decrease in trade payables	(10,109)	(7,755)
(Decrease)/ increase in other current liabilities	(14,166)	58,390
(Decrease)/ increase in non-current liabilities	(4,093)	11,141
Increase in provisions	3,146	3,799
(Increase)/ decrease in other financial liabilities	(2,065)	35,797
Decrease/ (increase) in other financial assets	1,827	(2,052)
Decrease in other current assets	4,290	753
Increase in non-current assets	(290)	(146)
Increase in non-current assets held for sale	(5,294)	-
Cash generated used in operations	(2,19,629)	(2,85,601)
Income tax paid	-	-
Net cash flows used in operating activities (A)	(2,19,629)	(2,85,601)
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(8,576)	(42,965)
Proceeds from sale/ disposal of fixed assets	7,030	-
Net proceeds from fixed deposits	5,002	55,472
Interest received	1,230	13,914
Net cash flow from investing activities (B)	4,686	26,421
Cash flow from Financing activities		
Proceeds from issuance of preference share capital	-	2,49,965
Proceeds from short-term borrowings	2,19,500	17,000
Interest paid	(1,127)	-
Net cash flow from financing activities (C)	2,18,373	2,66,965
Net increase in cash and cash equivalents (A+B+C)	3,430	7,785
Cash and cash equivalents at the beginning of the year	29,564	21,779
Cash and cash equivalents at the end of the year	32,994	29,564
Cash and cash equivalents comprise (Refer note 10)		
Balances with banks		
On current accounts	15,676	11,858
Fixed deposits with maturity of less than 3 months	16,014	16,406
Cash on hand	2	2
Cheques on hand	1,302	1,298
Total cash and bank balances at end of the year	32,994	29,564

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MZSK & Associates
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Date: 18 May 2017
Place: New Delhi

For and on behalf of the Board of Directors of
Applect Learning Systems Private Limited
CIN: U99999DL2001PTC110324

Pavan Chauhan
Director
DIN: 00283074
Place: New Delhi
Date: 18 May 2017

Ritesh Hemrajani
Director
DIN: 00283248
Place: New Delhi
Date: 18 May 2017

Pankaj Mishra
Company Secretary
Membership No: A40550
Place: New Delhi
Date: 18 May 2017

Shwetank Patni
Chief Finance Officer
Place: New Delhi
Date: 18 May 2017

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

(A)	Equity share capital	As at 31 March 2017		As at 31 March 2016	
		No. of shares	Amount	No. of shares	Amount
	Equity shares of INR 10 each issued, subscribed and fully paid				
	Opening	35,638	356	35,638	356
	Add: issue during the year	-	-	-	-
	Closing	**35,638**	**356**	**35,638**	**356**

(B)	Other equity	Equity component of compound financial instrument	Reserve and surplus					Total
			Share options outstanding account	Securities premium reserve	Treasury shares	General reserve	Retained earnings	
	Balance as at 1 April 2015	9	31,798	7,09,123	(11,577)	68,867	(8,80,752)	(82,532)
	Loss for the year	-	-	-	-	-	(4,36,066)	(4,36,066)
	Other comprehensive income	-	-	-	-	-	339	339
	Total other comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(4,35,727)**	**(4,35,727)**
	Transactions with owners in their capacity as owners							
	Issue of 0.1% Optionally Convertible Cumulative Redeemable Preference Shares	2,07,363	-	-	-	-	-	2,07,363
	Employee stock option expense	-	24,123	-	-	-	-	24,123
	Exercise of share options	-	-	-	1	2,025	-	2,026
	Forfeiture of share options		-	-	-	954	-	954
	Balance as at 31 March 2016	**2,07,372**	**55,921**	**7,09,123**	**(11,576)**	**71,846**	**(13,16,479)**	**(2,83,793)**
		Equity component of compound financial instrument	**Reserve and surplus**					**Total**
			Share options outstanding account	**Securities premium reserve**	**Treasury shares**	**General reserve**	**Retained earnings**	
	Balance as at 1 April 2016	2,07,372	55,921	7,09,123	(11,576)	71,846	(13,16,479)	(2,83,793)
	Profit for the year	-	-	-	-	-	(2,18,316)	(2,18,316)
	Other comprehensive income	-	-	-	-	-	268	268
	Total other comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(2,18,048)**	**(2,18,048)**
	Transactions with owners in their capacity as owners							
	Issue of equity shares	-	-	-	-	-	-	-
	Issue of 0.1% Optionally Convertible Cumulative Redeemable Preference Shares	6,029	-	-	-	-	-	6,029
	Employee stock option expense	-	27,088	-	-	-	-	27,088
	Exercise of share options	-	-	-	-	-	-	-
	Forfeiture of share options	-	-	-	-	-	-	-
	Balance as at 31 March 2017	**2,13,401**	**83,009**	**7,09,123**	**(11,576)**	**71,846**	**(15,34,527)**	**(4,68,724)**
	Summary of significant accounting policies	2						

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MZSK & Associates
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Date: 18 May 2017
Place: New Delhi

For and on behalf of the Board of Directors of
Applect Learning Systems Private Limited
CIN: U99999DL2001PTC110324

Pavan Chauhan
Director
DIN: 00283074
Place: New Delhi
Date: 18 May 2017

Ritesh Hemrajani
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Place: New Delhi
Date: 18 May 2017

Pankaj Mishra
Company Secretary
Membership No: A40550
Place: New Delhi
Date: 18 May 2017

Shwetank Patni
Chief Finance Officer
Place: New Delhi
Date: 18 May 2017

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

1. General Information

Applect Learning Systems Private Limited (the "Company") is a private limited company domiciled in India and was incorporated on 4 April 2001 under the provisions of the Companies Act, 1956 applicable in India. Its registered and principal office of business is located at A-221, Okhla Phase -I, New Delhi. The Company is primarily engaged in the business of providing online & offline educational services. The courses offered by the Company cater to class 1 to 12 and for engineering and medical entrance examinations.

2. Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

(a) **Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under the section 133 of the Act, read with with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These financial statements for the year ended 31 March 2017 are the first set of financial statements prepared in accordance with Ind AS. Refer note 5 for an explanation of how the Company has adopted Ind AS.

Accounting policies have been consistently applied to all the years presented 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) **Basis of measurement**

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:-

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)

ii) Share based payment transactions

iii) Embedded derivative and

iv) Asset classified as held for sale.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

(c) **Use of estimates**

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	
Leasehold improvement*	Lease period
Plant & Machinery	10 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Computers:	
-Servers	6 years
-End user devices such as, desktops, laptops etc.	3 years
* Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.	

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its all intangible assets recognised as at 1 April 2015 measured as per the Indian GAAP and use that carrying value as the deemed cost of the intangible assets.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	
Computer Software	6 years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

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

2.6 Revenue Recognition

The Company primarily earns revenue from online and offline coaching services. Revenue from online and offline coaching is received in the form of subscription fees which is recognised over the period that coaching is imparted.

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met as described below.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of service tax, trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

In respect of above, the amounts received in advance are reflected in the Balance sheet under “Other Current and Non-current Liabilities” as “Revenue received in advance”.

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists

2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.8 Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programmed to locate a buyer and complete the plan has been initiated (if applicable),

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

2.9 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lesser) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Also initial direct cost incurred in operating lease such as commissions, legal fees and internal costs is recognised immediately in the Statement of Profit and Loss.

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

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

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.12 Cash and cash equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash at banks and short-term deposits net of bank overdraft.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

2.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) Initial recognition and measurement

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

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

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

<u>Amortized cost:</u> Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

<u>Fair value through other comprehensive income (FVOCI):</u> Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

<u>Fair value through profit or loss:</u> Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

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 and Loss as finance costs.

(c) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contract are separated if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

(d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.14 Convertible preference shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability portion of an optionally convertible preference shares is determined using a market interest rate for an equivalent non-convertible bonds. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument since it meets Ind AS 32, Financial Instruments: Presentation, criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not subsequently re-measured.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

2.15 Employee Benefits

(a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) **Other long-term employee benefit obligations**

(i) **Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) **Defined benefit plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

(c) **Share-based payments**

Equity settled stock options granted under "Applect Learning Systems Private Limited Option Plan 2009" are measured by reference to the fair value of the option at the date of grant in accordance with Ind AS 102, Share-Based Payment. The expense is recognized in the Statement of Profit and Loss with a corresponding increase to the share based payment reserve, a component of other equity. The estimated fair value of awards is charged to the Profit and Loss on a straight-line basis over the vesting period.

(d) **Treasury shares**

The Company has created an Employee Stock Option Plan Trust (ESOP trust) for providing share-based payment to its employees. The Company uses ESOP trust as a vehicle for transferring shares to employees under the employee remuneration schemes. ESOP Trust buys shares of the Company from existing shareholders and the Company itself, for giving shares to the Company's employees as part of ESOP scheme. The Company treats ESOP trust as its extension and shares held by ESOP Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in general reserve. Share options exercised during the year are satisfied with treasury shares.

2.16 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

2.18 Rounding off amounts

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

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 30.

(b) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation. Refer Note 27.

(c) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 29.

4 Standards (including amendments) issued but not yet effective

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Amendments to Ind AS 7, Statement of Cash Flows and Ind AS 102, Share-based Payment

On 17th March 2017, MCA has notified amendments to Companies (Indian Accounting Standards) Rules, 2015 to keep Ind AS consistent with the amendments made to International Financial Reporting Standards (IFRS) in order to maintain convergence. The amendment relates to Ind AS 7, *Statement of Cash Flows*, and Ind AS 102, Share-based Payment and are effective from 1 April 2017. Key amendments are as follows

(a) **Ind AS 7, *Statement of Cash Flows***

Additional disclosures to be made for changes in liabilities arising from financing activities to improve information provided to users of financial statements, on account of:

a. Non-cash changes (i.e. changes in fair values), changes resulting from acquisitions and disposals of subsidiaries/businesses and the effect of foreign exchange differences; and

b. Cash flows, such as drawdowns and repayment of borrowings.

The Company is currently evaluating the requirements of amendments. The Company believe that the adoption of this amendment will not have a material effect on its financial statements.

(b) **Ind AS 102, Share-based Payment**

The amendments relate to:

a. Measurement of cash-settled share-based payments;

b. Classification of share-based payments settled net of tax withholdings; and

c. Accounting for a modification of a share-based payment from cash-settled to equity-settled.

The Company is currently evaluating the requirements of amendments. The Company believe that the adoption of this amendment will not have a material effect on its financial statements.

5. First-time adoption of Ind-AS

These financial statements are the first set of Ind AS financial statements prepared by the Company. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on 31 March 2017, together with the comparative year data as at and for the year ended 31 March 2016, as described in the significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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as at 1 April 2015, being the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

5.1 Exemptions availed on first time adoption of Ind AS

Ind AS 101, First-time Adoption of Indian Accounting Standards, allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions.

(a) Deemed Cost

Since there is no change in the functional currency, the Company has elected to continue with carrying value for all of its property, plant and equipment as recognized in its Indian GAAP financial statements as its deemed cost at the date of transition after making adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38, Intangible Assets. Accordingly the management has elected to measure all of its property, plant and equipment and intangible assets at their Indian GAAP carrying value.

(b) Decommissioning liabilities included in the cost of property, plant and equipment

Appendix A of Ind AS 16, Changes in Existing Decommissioning, Restoration and Similar Liabilities, requires specified changes in a decommissioning, restoration or similar liability to be added to or deducted from the cost of the asset to which it relates; the adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life. The Company is not required to comply with these requirements for changes in such liabilities that occurred before the date of transition to Ind AS. Instead, the decommissioning liability is calculated at the date of transition and it is assumed that the same liability (adjusted only for the time value of money) existed when the asset was first acquired/constructed.

(c) Compound financial instruments

When the liability component of a compound financial instrument is no longer outstanding at the date of transition to Ind AS, a first-time adopter may elect not to apply Ind AS 32, Financial Instruments: Presentation, retrospectively to split the liability and equity components of the instrument.

5.2 Mandatory Exemption on first-time adoption of Ind AS

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP (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 1 April 2015 are consistent with the estimates as at the same date made in conformity with Indian GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Indian GAAP:

(i) Impairment of financial assets based on expected credit loss model.

(ii) Fair valuation of compound instrument.

(iii) Effective interest rate used in calculation of security deposit.

(b) Derecognition of financial assets and financial liabilities

A first-time adopter should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively to transactions occurring on or after the date of transition. Therefore, if a first-time adopter derecognized non-derivative financial assets or non-derivative financial liabilities under its Indian GAAP as a result of a transaction that occurred before the date of transition, it should not recognize those financial assets and liabilities under Ind AS (unless they qualify for recognition as a result of a later transaction or event). A first-time adopter that wants to apply the derecognition requirements in Ind AS 109,Financial Instruments, retrospectively from a date of the entity's choosing may only do so, provided that the information needed to apply Ind AS 109,Financial Instruments, to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognize provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

(c) Classification and measurement of financial assets

Ind AS 101, First-time Adoption of Indian Accounting Standards, requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

5.3 Reconciliations

The following reconciliations provides the effect of transition to Ind AS from Indian GAAP in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards:

(a) **Reconciliation of equity as at date of transition 1 April 2015**				
	Notes to first-time adoption	**Indian GAAP***	**Adjustments**	**Ind AS**
ASSETS				
Non-current assets				
Property, plant and equipment		20,429	-	20,429
Capital work-in-progress		3,484	-	3,484
Intangible assets		263	-	263
Financial assets				
Loans	h(iii) & (iv)	4,682	(1,224)	3,458
Other financial assets		60,474	-	60,474
Deferred tax asset (net)		-	-	-
Other non-current assets	h(iii)	132	717	849
Total non-current assets		89,464	(507)	88,957
Current assets				
Financial assets				
Cash and cash equivalents	h(iv)	21,733	46	21,779
Bank balances other than above		-	-	-
Loans		2,953	-	2,953
Other financial assets		6,798	-	6,798
Current tax assets (net)		7,259	-	7,259
Other current assets	h(iii)	5,696	343	6,039
Total current assets		44,439	389	44,828
Total assets		1,33,903	(118)	1,33,785
EQUITY AND LIABILITIES				
Equity				
Equity share capital	h(ii) & (iv)	314	42	356
Other equity	h(i),(ii),(iii),(iv) & (v)	(72,582)	(9,950)	(82,532)
Total equity		(72,268)	(9,908)	(82,176)
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	h(ii)	-	12,738	12,738
Employee related payable		811	-	811
Provisions		7,006	-	7,006
Other non-current liabilities	h(i)	21,859	(2,983)	18,876
Total non-current liabilities		29,676	9,755	39,431
Current liabilities				
Financial liabilities				
Borrowings		-	-	-
Trade payables	h(iv)	28,710	35	28,745
Other financial liabilities		23,765	-	23,765
Other current liabilities		1,23,799	-	1,23,799
Provisions		221	-	221
Total current liabilities		1,76,495	35	1,76,530
Total liabilities		2,06,171	9,790	2,15,961
Total equity and liabilities		**1,33,903**	**(118)**	**1,33,785**

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

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(b) **Reconciliation of equity as at 31 March 2016**

	Notes to first-time adoption	Indian GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		38,050	-	38,050
Capital work-in-progress		-	-	-
Intangible assets		60	-	60
Financial assets				
Loans	h(iii) & (iv)	6,128	(1,486)	4,642
Other financial assets		-	-	-
Deferred tax asset (net)		-	-	-
Other non-current assets	h(iii)	52	943	995
Total non-current assets		44,290	(543)	43,747
Current assets				
Financial assets				
Cash and cash equivalents	h(iv)	29,516	48	29,564
Bank balances other than above		5,002	-	5,002
Loans	h(iii)	2,619	(193)	2,426
Other financial assets		3,729	-	3,729
Current tax assets (net)		8,216	-	8,216
Other current assets	h(iii)	3,766	563	4,329
Total current assets		52,848	418	53,266
Total assets		**97,138**	**(125)**	**97,013**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	h(iv)	315	41	356
Other equity	h(i),(ii),(iii),(iv) & (v)	(2,26,946)	(56,847)	(2,83,793)
Total equity		(2,26,631)	(56,806)	(2,83,437)
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	h(ii)	-	52,263	52,263
Employee related payable		1,171	-	1,171
Provisions		8,559	-	8,559
Other non-current liabilities	h(i)	32,940	(2,924)	30,016
Total non-current liabilities		42,670	49,339	92,009
Current liabilities				
Financial liabilities				
Borrowings		17,000	-	17,000
Trade payables		20,937	52	20,989
Other financial liabilities	h(iv)	58,996	7,290	66,286
Other current liabilities		1,82,189	-	1,82,189
Provisions		1,977	-	1,977
Total current liabilities		2,81,099	7,342	2,88,441
Total liabilities		3,23,769	56,681	3,80,450
Total equity and liabilities		**97,138**	**(125)**	**97,013**

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

(c) **Reconciliation of profit or loss for the year ended 31 March 2016**

	Notes to first-time adoption	**Indian GAAP***	**Adjustments**	**Ind AS**
Income				
Revenue from operations		2,87,093	-	2,87,093
Other income	h(iii)	10,556	385	10,941
Total income		2,97,649	385	2,98,034
Expenses				
Employee benefit expense	h(v)	4,64,110	490	4,64,600
Finance costs	h(ii)	211	4,213	4,424
Depreciation and amortization expense		27,738	-	27,738
Other expenses	h(i), (iii) & (iv)	2,37,020	469	2,37,489
Total expenses		**7,29,079**	**5,172**	**7,34,251**
Loss before tax		(4,31,430)	(4,787)	(4,36,217)
Income tax expense				
Current tax		-	-	-
Deferred tax		-	151	151
Total income tax expense		**-**	**151**	**151**
Loss for the year		(4,31,430)	(4,636)	(4,36,066)
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Re-measurements gain/(losses) of post-employment benefit obligations	h(v)	-	490	490
Income tax relating to items that will not be reclassified to profit or loss				
Re-measurements gain/(losses) of post-employment benefit obligations	h(v)	-	(151)	(151)
Other comprehensive income for the year		**-**	**339**	**339**
Total other comprehensive income for the year		**(4,31,430)**	**(4,297)**	**(4,35,727)**

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

(d) **Reconciliation of total equity as at 31 March 2016 and 1 April 2015**

	Notes to first-time adoption	**As at 1 April 2016**	**As at 1 April 2015**
Shareholder's equity as per Indian GAAP audited financial statements		(2,26,631)	(72,268)
Adjustment			
(i) Reversal of lease equalization reserve	h(i)	2,924	2,983
(ii) Convertible preference shares	h(ii)	(59,553)	(12,738)
(iii) EIR Impact of security deposit	h(iii)	(80)	(72)
(iv) ESOP Trust accounting	h(iv)	(97)	(81)
Total Adjustment		(56,806)	(9,908)
Shareholder's equity as per Ind AS		**(2,83,437)**	**(82,176)**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

(e) **Reconciliation of total comprehensive income for the year ended 31 March 2016**

	Notes to first-time adoption	**As at 1 April 2016**
Loss as per Indian GAAP		(4,31,430)
Adjustment		
(i) Reversal of lease equalization reserve	h(i)	(59)
(ii) EIR Impact of security deposit	h(iii)	(8)
(iii) ESOP Trust accounting	h(iv)	(17)
(iv) Convertible preference shares	h(ii)	(4,213)
Total		(4,297)
Loss as per Ind AS		(4,35,727)

(f) **Impact of Ind AS adoption on cash flow statements for the year ended 31 March 2016**

	Notes to first-time adoption	**Indian GAAP***	**Adjustments**	**Ind AS**
Net cash flow from operating activities	h(ii)	(2,85,601)	-	(2,85,601)
Net cash flow from investing activities		26,421	-	26,421
Net cash flow from financing activities	h(ii) & (iv)	2,66,965	-	2,66,965
Net increase / (decrease) in cash and cash equivalents		**7,785**	**-**	**7,785**
Cash and cash equivalents as at 1 April 2015	h(iv)	21,733	46	21,779
Cash and cash equivalents as at 31 March 2016		29,518	46	29,564

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

(g) **Analysis of changes in cash and cash equivalent for the purpose of statement of cash flows under Ind AS:**

	Notes to first-time adoption	**As at 1 April 2016**	**As at 1 April 2015**
Cash and cash equivalents as per Indian GAAP		29,518	21,733
Adjustments:			
ESOP Trust accounting	h(iv)	46	46
Cash and cash equivalents as per Ind AS		**29,564**	**21,779**

(h) **Notes to first-time adoption**

(i) Lease equalization reserve

Under Indian GAAP, the Company has recognized lease equalization reserve as on 31 March 2016 amounting to INR 2,924 thousand (1 April 2015: INR 2,983 thousand) due to straight- line impact. In contrast, Ind AS 17, Leases, requires lease payments to be recognized on straight-line basis if the increase is not in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. The Company has lease agreements with an escalation clause which in line with expected general inflation, and hence no straight-lining of the lease payments have been done in Ind AS. Consequently, lease equalization reserve has been decreased with a corresponding adjustment in retained earnings as of 1 April 2015 by INR 2,983 thousand and increase in rent expense during the year ending 31 March 2016 INR 59 thousand.

(ii) Convertible preference shares

The Company has issued 0.1% optionally convertible cumulative redeemable preference shares (OCCRPS). The OCCRPS carry fixed cumulative dividend and convertible at the option of the holder into the equity instruments of the Company. Under Indian GAAP, OCCRPS were classified as equity. Under Ind AS, OCCRPS are separated into liability and equity components based on the terms of the contract. Interest on liability component is recognized using the effective interest method. Thus the OCCRPS equity amount under Indian GAAP for Series B is reduced by INR NIL as on 31 March 2016 (1 April 2015: INR 1 thousand) and and securities premium amount is reduced by INR NIL as on 31 March 2016 (1 April 2015: INR 10,993 thousand) with a corresponding increase in borrowings as liability component. And for Series C OCCRPS, as on 31 March 2016 equity amount under Indian GAAP is reduced by INR 42,602 thousand as on 31 March 2016 (1 April 2015: NIL) with a corresponding increase in borrowings by INR 35,312 thousand (1 April 2015: NIL) as liability component and embedded derivative liability by INR 7,290 thousand (1 April 2015: NIL).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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Borrowing cost on the financial liability component has been charged to retained earnings as on 1 April 2015 amounting INR 1,743 thousand and to statement of profit and loss during the year ending 31 March 2016 amounting INR 4,213 thousand with a corresponding increase in borrowings as liability component.

(iii) Security deposit

Under Indian GAAP, interest-free security deposit (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognized at fair value. Accordingly the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognized as prepaid rent. Consequently, the amount of security deposit as on 31 March 2016 has been decreased by INR 839 thousand (1 April 2015: INR 1,729 thousand) with a corresponding increase in prepaid rent. The loss for the year ended 31 March 2016 and retained earnings as on 1 April 2015 has been decreased by INR 393 thousand and INR 669 thousand, respectively due to amortization of prepaid rent. Amortization of prepaid rent in statement profit or loss is partially off-set by the notional interest income of INR 385 thousand during the year ended 31 March 2016 and in retained earnings by INR 597 thousand as on 1 April 2015 with corresponding increase in security deposit. As on 31 March 2016, The Company has classified INR 563 thousand (1 Aprl 2015: INR 343 thousand) as short-term prepaid rent.

Under Indian GAAP, as on 31 March 2016 the Company has classified INR 2,426 thousand (1 April 2015: INR 2,953 thousand) as short term security deposit. Under Ind AS, as on 31 March 2016 short-term security deposits includes deposits which were measured at amortized cost due it long-term nature in the previous years. However, in current year the same has been classified as short-term as they will be settled within 12 months from the end of 31 March 2016. Therefore, Indian GAAP amount of INR 2,619 thousand has been reduced by finance income amounting INR 193 thousand (1 April 2015: NIL) to be unwind on such security deposits in next year.

(iv) ESOP Trust accounting

Under Indian GAAP, the Company was not required to incorporate ESOP Trust financial statements in the Company's financial statement where in amount paid to the ESOP Trust has been shown as deduction from equity share capital and securities premium. Under Ind AS, ESOP Trust financial statements have been incorporated in the financial statements of the Company since it is considered as an integral activity of the Company. The assets and liabilities of ESOP Trust have been included on line-by line basis and difference on elimination, if any, has been adjusted from retained earnings. The shares held by ESOP Trust have been considered as Treasury Shares.

The assets and liabilities of ESOP Trust as on 31 March 2016 and 1 April 2015 were as follows:

	As at 1 April 2016	**As at 1 April 2015**
Cash-in hand	2	2
Cash-at ICICI bank	45	44
Profit and loss	91	73
Investments in equity shares of the Company	11,584	11,585
Expense payable	(28)	(28)
Audit fee payable	(24)	(7)
Borrowing from the Company	(11,668)	(11,668)
Corpus fund	(2)	(2)
Summarized statement of profit and loss of ESOP Trust for the year ended 31 March 2016:		
		As at 1 April 2016
Audit fee		17
Total impact on profit		**17**

(v) Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to Statement of Profit and Loss. Under Ind AS, re-measurements comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus the employee benefit cost for the year ended 31 March 2016 is reduced by INR 490 thousand and re-measurement gains/ losses on defined benefit plans of the corresponding amount has been recognized in the OCI, net of taxes.

(vi) Deferred tax

Indian GAAP requires assessment of virtual certainty in case of losses for recognising deferred tax asset, but under Ind AS deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

(vii) Other comprehensive income

The concept of Other Comprehensive Income (OCI) did not exist under Indian GAAP. Also refer point (v) above.

(viii) Statement of cash flows

No material impact on transition from Indian GAAP to Ind AS on the statement of cash flows.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

6 Property, plant and equipment

	Gross block					Depreciation					Net block	
	As at 1 April 2016	Additions/ Adjustments	Deductions/ Adjustments	Assets classified as held for sale (Refer Note 6B)	As at 31 March 2017	As at 1 April 2016	For the year	Deductions/ Adjustments	Assets classified as held for sale (Refer Note 6B)	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
Owned assets												
Leasehold Improvement	19,169	1,523	-	6,159	14,533	6,409	3,991	-	2,507	7,893	6,640	12,760
Plant and Machinery	4,414	446	-	850	4,010	1,786	343	-	449	1,680	2,330	2,628
Furniture and Fixtures	1,842	33	-	617	1,258	1,036	92	-	403	725	533	806
Office Equipment	6,821	507	16	694	6,618	4,314	644	8	582	4,368	2,250	2,507
Computers	21,559	3,423	1,617	3,502	19,863	11,119	6,087	933	2,588	13,685	6,178	10,440
Server	11,222	2,271	-	-	13,493	2,313	2,144	-	-	4,457	9,036	8,909
Total	65,027	8,203	1,633	11,822	59,775	26,977	13,301	941	6,529	32,808	26,967	38,050

	Gross block					Depreciation					Net block	
	As at 1 April 2015	Additions/ Adjustments	Deductions/ Adjustments	Assets classified as held for sale (Refer Note 6B)	As at 31 March 2016	As at 1 April 2015	For the year	Deductions/ Adjustments	Assets classified as held for sale (Refer Note 6B)	As at 31 March 2016	As at 31 March 2016	As at 1 April 2015
Owned assets												
Leasehold Improvement	8,542	11,848	1,221	-	19,169	-	6,603	194	-	6,409	12,760	8,542
Plant and Machinery	1,630	3,181	397	-	4,414	-	1,990	204	-	1,786	2,628	1,630
Furniture and Fixtures	428	1,416	2	-	1,842	-	1,038	2	-	1,036	806	428
Office Equipment	955	5,932	66	-	6,821	-	4,365	51	-	4,314	2,507	955
Computers	6,294	15,372	107	-	21,559	-	11,169	50	-	11,119	10,440	6,294
Server	2,580	8,642	-	-	11,222	-	2,313	-	-	2,313	8,909	2,580
Total	20,429	46,391	1,793	-	65,027	-	27,478	501	-	26,977	38,050	20,429

6A. As on 1 April 2016, the Company changed its depreciation method from 'written down value' to 'straight line'. Further, the Management reassessed the useful life of all the fixed assets as on 1 April,2016 and consequently revised useful life of Air Conditioners (grouped under Plant and Machinery) from 15 years to 10 years. During the current year ended 31 March 2017, change in depreciation method and useful life has resulted in reduction in depreciation charge by INR 8,651 thousand in Statement of Profit and Loss with corresponding impact on the net assets of the Company. Had the Company not changed the depreciation method and useful life, loss of the Company would have been more by INR 8,651 thousand. \

The impact on future charge of depreciation due to change of depreciation method would be INR 7,803 thousand. If the method of depreciation and useful life had not been changed the future profit of the Company would have increased by INR 7,803 thousand.

6B. Assets classified as held for sale

On 21 March 2017, Board of directors of the Company decided to close its centres at Chandigarh, Panchkula, Mohali and Jaipur (collectively, "Cash-generating Units or disposal group") with effect from 31 March 2017. The carrying value of property, plant & equipment of the disposal group as on 31 March 2017 amounted to INR 5,293 thousand. Based on the independent quotations received subsequent to year end, the Company has recognised an impairment loss of INR 2,990 thousand during the year. Management is in the process of disposal of such assets which have been recorded at fair value less cost to sell under "asset classified as held for sale". Management expects the process of sale to be complete within 12 months from 31 March 2017. Further, subsequent to year end INR 1,778 thosands has been realised.

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(Amount in INR thousands, unless otherwise stated)

7. Intangible assets

	Gross block					Depreciation					Net block	
	As at 1 April 2016	Additions/ Adjustments	Deductions/ Adjustments	Assets classified as held for sale	As at 31 March 2017	As at 1 April 2016	For the year	Deductions/ Adjustments	Assets classified as held for sale	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
Computer Software	316	-	-	-	316	256	15	-	-	271	45	60
Total	316	-	-	-	316	256	15	-	-	271	45	60
Computer Software	263	57	4	-	316	-	260	4	-	256	60	263
Total	263	57	4	-	316	-	260	4	-	256	60	263

As on 1 April 2016, the Company changed its depreciation method from 'written down value' to 'straight line'. During the current year ended 31 March 2017, change in depreciation method has resulted in reduction in depreciation charge by INR 37 thousand in Statement of Profit and Loss with corresponding impact on the net assets of the Company. Had the Company not changed the depreciation method, loss of the Company would have been more by INR 37 thousand.

The impact on future charge of depreciation due to change of depreciation method would be INR 37 thousand. If the method of depreciation had not been changed the future profit of the Company would have increased by INR 37 thousand.

8. Non-current financial assets

		31 March 2017	31 March 2016	1 April 2015
(A)	**Loans**			
	Unsecured, considered good			
(a)	Security deposits	3,824	4,642	3,458
(B)	**Others**			
(b)	In Fixed deposit accounts with maturity for more than 12 months from balance sheet date.	-	-	60,474
	Total other financial assets	**3,824**	**4,642**	**63,932**

9. Other non-current assets

		31 March 2017	31 March 2016	1 April 2015
(a)	Capital advance*	-	52	132
(b)	Prepaid rent	1,285	943	717
	Total other non-current other assets	**1,285**	**995**	**849**

* Value of contracts in capital account remaining to be executed as at 31 March 2017 NIL (31 March 2016: INR 52 thousand, 1 April 2015: 132 thousand)

10. Cash and bank balances

		31 March 2017	31 March 2016	1 April 2015
	Cash and cash equivalents			
(a)	Balances with banks			
	On current accounts	15,676	11,858	21,777
	Fixed deposits with maturity of less than 3 months	16,014	16,406	-
(b)	Cheques on hand	1,302	1,298	-
(c)	Cash on hand	2	2	2
	Total cash and cash equivalents	**32,994**	**29,564**	**21,779**
	Specified bank notes (SBNs):			
	Particulars	**SBNs**	**Others**	**Total**
	Closing cash in hand as on 8 November 2016	213	-	213
	Add: Receipts	-	531	531
	Less: Deposits	213	444	657
	Closing cash in hand as on 30 December 2016	-	87	87

The Company has maintained a memorandum cash book, but the Company has not maintained denomination wise cash deposit details as notification to disclose Specified Bank Note details (SBN) notified post 30 December 2016 and accordingly no disclosure has been provided as required under Notification No. G. S.R. 307(E) and Notification No. G.S.R. 308(E) dated 30 March, 2017

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

11. Bank balances other than Cash and cash equivalent

		31 March 2017	31 March 2016	1 April 2015
(a)	In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	-	5,002	-
		-	**5,002**	**-**

12. Current financial assets

		31 March 2017	31 March 2016	1 April 2015
(A)	**Loans**			
	Unsecured, considered good			
(a)	Security deposit	1,884	2,426	2,953
		1,884	**2,426**	**2,953**
(B)	**Others**			
(a)	Amount with payment gateway	2,803	3,270	1,875
(b)	Interest accrued on fixed deposits	114	459	4,923
		2,917	**3,729**	**6,798**

13a. Current tax assets

		31 March 2017	31 March 2016	1 April 2015
(a)	Advance income tax (net of provisions amounting NIL (31 March 2016: Nil, 1 April 2015: Nil))	3,788	8,216	7,259
		3,788	**8,216**	**7,259**

13b. Other current assets

		31 March 2017	31 March 2016	1 April 2015
(a)	Advance recoverable in cash or in kind	3,333	3,334	5,085
(b)	Balance with service tax authorities	259	432	611
(c)	Prepaid rent	876	563	343
	Total	**4,468**	**4,329**	**6,039**

14. Equity share capital

The Company has only one class of equity share capital having a par value of INR 10 per share, referred to herein as equity shares.

	31 March 2017	31 March 2016	1 April 2015
Authorized			
247,000 (31 March 2016: 247,000, 1 April 2015: 247,000) Equity Shares of INR 10 each	2,470	2,470	2,470
	2,470	**2,470**	**2,470**
Issued, subscribed and paid up			
35,638 (31 March 2016: 35,638, 1 April 2015: 35,638) equity shares of INR 10 each fully paid	356	356	356
Total	**356**	**356**	**356**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	31 March 2017		31 March 2016	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	35,638	356	35,638	356
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**35,638**	**356**	**35,638**	**356**

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having par value of INR 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

(c) Shares held by holding Company/ultimate holding Company and/ or their subsidiaries/ associates

	31 March 2017	31 March 2016	1 April 2015
Info Edge (India) Limited, the ultimate holding Company			
5,871 Shares (March 31, 2015: 19,300 Shares)	5,871	5,871	19,300
Name of other Subsidiaries/Associate Company, subsidiary/associate Company			
13,429 Shares (31 March 2016: 13,429 Shares) held by Startup Investments (Holding) Limited	13,429	13,429	-

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	31 March 2017		31 March 2016		1 April 2015	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity Shares of INR10 each fully paid up						
Info Edge (India) Limited	**5,871**	16.47%	**5,871**	16.47%	**19,300**	54.16%
Startup Investments (Holding) Limited	**13,429**	37.68%	**13,429**	37.68%	**-**	**-**
Pavan Chauhan	**9,252**	25.96%	**9,252**	25.96%	**9,252**	25.96%
Treasury share	**4,082**	11.45%	**4,082**	11.45%	**4,214**	11.82%
Ritesh Hemrajani	**2,509**	7.04%	**2,509**	7.04%	**2,509**	7.04%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

During the previous year ended on 31 March 2016, Info Edge (India) Limited transferred 13,429 Equity Shares out of 19,300 shares held by it in the Company to its wholly owned subsidiary Startup Investment (Holdings) Limited. The transfer of shareholding by Info Edge was approved by the Board of Directors of the Company in its board meeting dated 24 May 2016.

(e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(f) Shares reserved for issue under options

For details of shares reserved for issue under the Share based payment plan of the company, please refer note 30.

For details of shares reserved for issue on conversion of Convertible Preference Shares, please refer note 14(e) above and note 34 related to terms of conversion/redemption of preference shares.

(g) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

15. Other equity

(A) The Company has preference share capital having a par value of INR 1 per share, referred to herein as preference share capital.

	31 March 2017	31 March 2016	1 April 2015
Authorized			
250,030,000 (31 March 2016: 250,030,000, 1 April 2015: 30,000) Preference Shares of INR 1 each	2,50,030	2,50,030	30
	2,50,030	**2,50,030**	**30**
Issued, subscribed and paid up			
249,974,932 (31 March 2016: 249,974,932, 1 April 2015: 10,000) 0.1% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of INR 1 each	2,13,401	2,07,372	9
Total	**2,13,401**	**2,07,372**	**9**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

(i) Reconciliation of preference shares outstanding at the beginning and at the end of the year*	31 March 2017		31 March 2016	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	24,99,74,932	2,13,401	10,000	9
Add: Issued during the year	-	-	24,99,64,932	2,07,363
Outstanding at the end of the year	**24,99,74,932**	**2,13,401**	**24,99,74,932**	**2,07,372**
*** Refer Note 5.3 (h) (ii)**				

(ii) Rights, preferences and restrictions attached to shares

Preference Shares: The Company issued 0.1% Preference Shares (OCCRPS) in two series viz. Series B and Series C having a par value of INR 1 per share. Each shareholder is eligible for one vote per share held, only if any proposed resolution directly affects any rights or the interest of the holder including resolution for winding up or reduction of share capital. Each OCCRPS is entitled to a preferential dividend of 0.1% per annum payable in Indian Rupees.

Ranking: The OCCRPS shall rank senior to all classes of shares currently existing or established hereafter, with respect to distributions and shall rank pari passu with the equity shares in all other respects including voting rights and adjustments for any stock splits, bonuses, sub-division, recapitalization, issuance of bonus shares, non-cash dividends/ distributions to holders of shares, reclassification, conversion, buyback, cancellation, consolidation or merger.

Dividends:

(i) Each OCCRPS is entitled to a preferential dividend rate of 0.1% (Zero point one per cent) per annum (the "Preferential Dividend"). The Preferential Dividend is cumulative and shall accrue from year to year, whether or not paid. All accrued dividends shall be paid in full (together with dividends accrued from prior years) prior and in preference to any dividend or distribution.

(ii) Dividends due and payable on any other shares of the Company will be subordinate to any dividend payable on the OCCRPS. Under no circumstances shall any amounts be paid or dividends declared on any shares other than the OCCRPS, until all dividends and other amounts due and owing on the OCCRPS shall have been paid in full.

(iii) In addition, the OCCRPS shall fully participate with the Ordinary Shares in all dividends declared by the Company.

Redemption:

If the Company does not received the conversion notice for the OCCRPS within 20 (twenty) years from the date of allotment, the OCCRPS shall be automatically redeemed by the Company without any action on the part of the holder of the OCCRPS. Redemption amount is as follows.

Particulars	Redemption Amount
Series B 0.1% OCCRPS	1,00,000
Series C 0.1% OCCRPS	2,49,965
Total	**3,49,965**

(iii) Shares held by holding Company/ultimate holding Company and/ or their subsidiaries/ associates	31 March 2017	31 March 2016	1 April 2015
Info Edge (India) Limited, the ultimate holding Company			
0.1% OCCRPS held by Info Edge (India) Limited	-	-	10,000
Name of other Subsidiaries/Associate Company, subsidiary/associate Company			
249,974,932 Shares (31 March 2016: 249,974,932 Shares) held by Startup Investments (Holding) Limited	24,99,74,932	24,99,74,932	-
During the previous year ended 31 March 2016, in addition to transfer of equity share (refer Note 14 d), Info Edge (India) Limited has also transferred the entire 249,974,932 OCCRPS held by it in the Company to Startup Investment (Holdings) Limited. The transfer of shareholding by Info Edge (India) Limited was approved by the Board of Directors of the Company in its board meeting dated 24 May 2016.			

(iv) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	31 March 2017		31 March 2016		1 April 2015	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class	Number of shares	% of holding in the class
0.1% OCCRPS of INR 1 each fully paid up						
Info Edge (India) Limited	-	-	-	-	10,000	100%
Startup Investments (Holding) Limited	24,99,74,932	100%	24,99,74,932	100%	-	-

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

(v) Terms of convertible preference shares

i) A total of 1,334 (One thousand three hundred and thirty four) fully paid equity shares shall be allotted and issued to the holder in the event it exercises its option to convert the whole of this 10,000 (Ten thousand) Series B OCCRPS (0.1% Optionally Convertible Cumulative Redeemable Preference Shares) allotted on 5 December 2013 vide 5th Investment Agreement dated 26 November 2013. The holder may choose to convert the Series B OCCRPS in full or in parts and accordingly proportionate number of equity shares shall be allotted and issued at such times. No fractional shares shall be issued upon conversion of Series B OCCRPS and the number of equity shares to be issued shall be rounded to the nearest whole share, with the fair market value of any fractional shares paid to the holder in cash.

ii) As regards the 249,964,932 **Series C OCCRPS (0.1% Optionally Convertible Cumulative Redeemable Preference Shares)** allotted on 12 June 2015 vide 6th Investment Agreement dated 25 May 2015, In the event the Company and/or the Promoters raise(s) additional funding of at least INR 250,000 thousand from any Person ("Additional Funding") within 18 months from the date of allotment of Series C OCCRPS issued during the year ending 31 March 2016, then holder has the right to convert Series C OCCRPS into such number of Ordinary Shares on the basis of the pre-money valuation of the Company at which such additional funding is raised by the Company. Provided however that, if the Company and/or the Promoters do not raise any additional funding within 18 months from the date of allotment of Series C OCCRPS, then the holder of such shares will not be entitled to convert the same into ordinary shares of the Company during this period.

If the holder of Series C OCCRPS proposes to convert all or any part of the Series C OCCRPS held by such holder after 18 months from the date of allotment of Series C OCCRPS, then every 77,897 Series C OCCRPS will be converted into 1 ordinary share of INR 10 each resulting in an issue of 3,209 Equity shares.

(vi) Cumulative preference dividends on OCCRPS not recognized is as follows:	**31 March 2017**	**31 March 2016**	**1 April 2015**
Opening balance	201	0	0
Dividend for the year			
0.1% OCCRPS of INR 1 each fully paid up (series B)	0	0	0
0.1% OCCRPS of INR 1 each fully paid up (series C)	250	201	-
Closing balance*	451	201	0

* The company is liable to pay corporate dividend tax as applicable at the time of payment or declaration which ever is applicable.

(vii) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(viii) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

(B) Employee Stock options outstanding account (ESOOA)*	**31 March 2017**	**31 March 2016**	**1 April 2015**
Balance at the beginning of the year	55,921	31,798	9,983
Add: Employee stock option expense	27,088	27,102	21,815
Less: Transferred to general reserve on exercise of stock options	-	2,025	-
Less: Transferred to general reserve on forfeiture of stock options	-	954	-
	83,009	**55,921**	**31,798**

*ESOOA recognizes the fair value of options as at the grant date spread over the vesting period. (Refer note 30)

(C) Securities premium reserve (SPR)*	**31 March 2017**	**31 March 2016**	**1 April 2015**
Opening balance	7,09,123	7,09,123	7,09,123
Add : Securities premium credited on share issue	-	-	-
Closing balance	**7,09,123**	**7,09,123**	**7,09,123**

*SPR record premium on issue of shares to be utilised in accordance with the Act.

(D) General reserve (GR)*	**31 March 2017**	**31 March 2016**	**1 April 2015**
Opening balance	71,846	68,867	68,867
Add: Transfer from ESOOA	-	2,979	-
Closing balance	**71,846**	**71,846**	**68,867**

*Currently GR comprises the amount of options which has been exercised and forfeited.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

	31 March 2017		31 March 2016		1 April 2015	
(E) Treasury shares	**Number of shares**	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**
Opening balance	4,082	(11,576)	4,214	(11,577)	4,214	(11,577)
Less: Issued during the year on exercise of share options	-	-	(132)	1	-	-
Closing balance	**4,082**	**(11,576)**	**4,082**	**(11,576)**	**4,214**	**(11,577)**

(F) Surplus/(deficit) in the Statement of Profit and Loss	**31 March 2017**	**31 March 2016**	**1 April 2015**
Opening balance	(13,16,479)	(8,80,752)	(6,40,583)
Add: Net loss for the current year	(2,18,316)	(4,36,066)	(2,39,869)
Less: Transitional provision as per Schedule II to the Companies Act, 2013	-	-	300
Less: Re-measurement (gain)/loss on post employment benefit obligation (net of tax)	(268)	(339)	-
Closing balance	**(15,34,527)**	**(13,16,479)**	**(8,80,752)**
Total other equity	**(4,68,724)**	**(2,83,793)**	**(82,532)**

16A Non current financial liabilities

	31 March 2017	**31 March 2016**	**1 April 2015**
(a) Non-current borrowings			
Unsecured			
Liability component of convertible preference shares (Refer note 34)	58,906	52,263	12,738
	58,906	**52,263**	**12,738**

16B Non current financial liabilities

	31 March 2017	**31 March 2016**	**1 April 2015**
(a) Employee related payable	1,114	1,171	811
	1,114	**1,171**	**811**

17. Provisions

	Long term			Short term		
	31 March 2017	**31 March 2016**	**1 April 2015**	**31 March 2017**	**31 March 2016**	**1 April 2015**
(a) Provision for employee benefits (Refer note 29)						
Provision for gratuity (unfunded)	10,016	7,354	6,198	1,449	1,253	83
Provision for leave Encashment (unfunded)	1,189	1,205	808	640	724	138
Total Provisions	**11,205**	**8,559**	**7,006**	**2,089**	**1,977**	**221**

18. Other non-current liabilities

	31 March 2017	**31 March 2016**	**1 April 2015**
Revenue received in advance	25,923	30,016	18,876
Total other long term liabilities	**25,923**	**30,016**	**18,876**

19. Financial liabilities

(a) Short -term borrowings		**31 March 2017**	**31 March 2016**	**1 April 2015**
Unsecured				
Loans from related parties*		2,36,500	17,000	-
Total short-term borrowings	**(I)**	**2,36,500**	**17,000**	**-**

*Loan from Info Edge (India) Limited, the Ultimate Holding Company, is repayable in 12 months from the date of 1st disbursement (i.e. 29 February 2016) along with interest at 8% per annum. On 27 February 2017, loan repayment date has been extended by 3 months and therefore as on 31 March 2017 loan is repayable by not later than 31 May 2017 along with interest of 8% per annum.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

(b)	Trade payables		31 March 2017	31 March 2016	1 April 2015
	Total outstanding dues of micro enterprises and small enterprises		-	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises*		10,879	20,989	28,745
	Total trade payables	**(II)**	**10,879**	**20,989**	**28,745**

Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

(c)	Other financial liabilities		31 March 2017	31 March 2016	1 April 2015
	Interest accrued but not due on loan		10,252	107	-
	Capital creditor		-	431	1,413
	Employee related payable (Refer note 32)		51,009	58,458	22,352
	Embedded derivative liability (Refer note 34)		-	7,290	-
	Total other financial liabilities	**(III)**	**61,261**	**66,286**	**23,765**
	Total financial liability	(I+II+III)	3,08,640	1,04,275	52,510

20 Other current liabilities

		31 March 2017	31 March 2016	1 April 2015
(a)	Revenue received in advance	1,62,994	1,75,936	1,19,601
(b)	Statutory due payable	4,640	5,895	3,456
(c)	Advance from customer	389	358	742
	Total other current liabilities	**1,68,023**	**1,82,189**	**1,23,799**

21 Revenue from operations

	31 March 2017	31 March 2016
Sale of services	3,62,989	2,87,093
Total revenue from operations	**3,62,989**	**2,87,093**

22 Other income

	31 March 2017	31 March 2016
Interest income		
- on fixed deposits	363	9,450
- on income taxes	523	-
Miscellaneous income	1,714	781
Interest income on security deposits	1,180	385
Gain on sale/disposal of fixed assets	1,046	-
Liabilities written back	5,872	325
Total other income	**10,698**	**10,941**

23 Employee benefits expense

	31 March 2017	31 March 2016
Salaries, wages, bonus and other allowances	3,64,957	3,98,123
Contribution to Provident Fund and ESI	13,890	14,985
Gratuity and compensated absences expenses (Refer note 29)	5,842	6,086
Employee stock option scheme compensation (Refer note 30)	27,088	27,102
Staff welfare expenses	14,068	18,304
Total employee benefits expense	**4,25,845**	**4,64,600**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

24 Finance costs

	31 March 2017	31 March 2016
Interest on borrowing	16,855	4,332
Interest on delay in payment of taxes	11	92
Total finance costs	**16,866**	**4,424**

25 Depreciation and amortization expense

	31 March 2017	31 March 2016
Depreciation (Refer note 6)	13,301	27,478
Amortization (Refer note 7)	15	260
Total depreciation and amortization expense	**13,316**	**27,738**

26 Other expenses

	31 March 2017	31 March 2016
Electricity and water	12,145	13,816
Recruitment and training	2,927	14,531
Rent	29,892	29,345
Repairs and maintenance - others	4,834	8,171
Gateway transaction charges	4,085	4,702
Travel and conveyance	16,292	18,614
Postage and courier	3,272	5,188
Printed educational material	2,690	3,835
Printing & Stationery	1,556	1,831
Communication, broadband and internet expenses	19,274	21,984
Office expenses	6,035	7,019
Legal and professional charges*	8,441	11,896
Advertisement	24,850	56,659
Commission	7,610	14,720
Loss on sale/disposal of fixed assets	-	1,292
Foreign exchange fluctuation	39	23
Miscellaneous expenses	2,392	2,405
Server hire charges	13,438	21,337
Impairment of assets classified as held for sale (Refer note 6B)	2,990	-
Books and periodicals	218	121
Total other expenses	**162,980**	**237,489**

*Note : The following is the break-up of Auditors remuneration (exclusive of service tax)

	31 March 2017	31 March 2016
As auditor:		
Statutory audit	425	750
In other capacity:		
Tax audit	75	100
Other matters	100	-
Reimbursement of expenses	100	100
Total	**700**	**950**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

27 Income Tax

(A) Deferred tax relates to the following:	31 March 2017	31 March 2016
Deferred tax assets		
On property, plant and equipment	6,923	6,831
On provision for employee benefits	7,967	7,835
On disallowance u/s 40A of Income Tax Act, 1961	343	470
On unabsorbed depreciation and carry forward business losses		
Current year losses	67,058	1,20,329
Previous year losses	3,56,861	2,42,938
Unabsorbed depreciation	26,684	21,463
On convertible preference shares	-	14,466
On others	184	140
	4,66,020	4,14,472
Deferred tax liabilities		
On asset classified as held for sale	712	-
On convertible preference shares	200	-
On re-measurements gain/(losses) of post-employment benefit obligations	120	151
On others	187	156
	1,219	307
Deferred tax income	**4,64,801**	**4,14,165**
Less: Deferred tax asset not recognised	(4,38,117)	(4,14,165)
Deferred tax asset, net	26,684	-

In absence of reasonable certainity of taxable income in future years, during the year ended 31 March 2017, the Company has created deferred tax asset on unabsorbed depreciation and other items to the extent of deferred tax liability. During the year ended 31 March 2016, the Company had recognised deferred tax asset to the extent of deferred tax liability only.

(B) Recognition of deferred tax asset to the extent of deferred tax liability			
Balance sheet	**31 March 2017**	**31 March 2016**	**1 April 2015**
Deferred tax asset	27,903	307	1,249
Deferred tax liabilities	(1,219)	(307)	(1,249)
Deferred tax assets/ (liabilities), net	**26,684**	**-**	**-**

(C) Reconciliation of deferred tax assets/ (liabilities) (net):	31 March 2017	31 March 2016
Opening balance as of 1 April	-	-
Tax liability recognized in Statement of Profit and Loss	(899)	(156)
Tax liability recognized in OCI		
On re-measurements gain/(losses) of post-employment benefit obligations	(120)	(151)
Tax liability recognized directly in equity		
On convertible preference shares	(200)	-
Tax asset recognized in Statement of Profit and Loss	27,903	307
Closing balance as at 31 March	**26,684**	**-**

(D) Deferred tax assets/ (liabilities) to be recognised in Statement of Profit and Loss	31 March 2017	31 March 2016
Tax liability	(899)	(156)
Tax asset	27,903	307
	27,004	**151**

(E) Tax losses of INR 1,458,261 thousand (31 March 2016: INR 1,245,082 thousand, 1 April 2015: INR 834,050 thousand) are available for offsetting for a maximum period of eight years against future taxable profits of the Company.Deferred tax assets have not been recognized in respect of these losses as they may not be used to offset taxable profits and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Company were able to recognize all unrecognized deferred tax assets, the loss would decreased by INR 438,115 thousand (31 March 2016: INR 414,166 thousand).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

28 Loss per share

Basic loss per share amounts are calculated by dividing the loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted loss per share amounts are calculated by dividing the loss attributable to equity holders (after adjusting for interest on the OCCRPS) 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.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2017	31 March 2016
Loss attributable to equity holders	(2,45,320)	(4,36,217)
Less: preference dividend after-tax (Refer Note 14(f))	250	201
Loss attributable to equity holders after preference dividend	(2,45,570)	(4,36,418)
Add: Interest on convertible preference shares	5,583	4,213
Loss attributable to equity holders adjusted for the effect of dilution	(2,39,987)	(4,32,205)
Weighted average number of equity shares for basic EPS*	31,556	31,441
Effect of dilution:		
Share options	3,289	2,410
OCCRPS	4,543	1,334
Weighted average number of equity shares adjusted for the effect of dilution	**39,388**	**35,185**
Basic loss per share (INR)	(7.78)	(13.88)
Diluted loss per share (INR)	(7.78)	(13.88)

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year.

The Company is having following potential equity shares:

(A) Shares allotted to the Applect Employees Stock Option Plan Trust for issuance to employees in pursuance of the Employee Stock Option Plan.

(B) 10,000 0.1% OCCRPS equivalent to 1,334 Equity shares allotted to the parent on 5 December 2013 as per Fifth Investment Agreement and 24,99,64,932 0.1% OCCRPS equivalent to 3,209 Equity Shares allotted to the parent Company on 12 June 2015 as per Sixth Investment Agreement.

Since conversion of above mentioned potential equity shares (Shares allotted to ESOP trust and 0.1% OCCRPS) would decrease loss per share from continuing ordinary activities, these are anti-dilutive in nature and thus the effects of anti-dilutive potential equity shares are ignored in calculating diluted earning per share.

29 Employee benefits

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss –	31 March 2017	31 March 2016
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 23)	13,890	14,985

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

(B) Defined benefit plans

a) Gratuity payable to employees

b) Compensated absences for Employees

i) **Actuarial assumptions**	**31 March 2017**	**31 March 2016**
Discount rate (per annum)	7.36%	8.00%
Rate of increase in Salary	7.00%	7.00%
Expected average remaining working lives of employees (years)	29.73	30.94
Attrition rate	1 - 25%	1 - 25%

ii) **Changes in the present value of defined benefit obligation**		
	Employee's gratuity fund	
	31 March 2017	**31 March 2016**
Present value of obligation at the beginning of the year	**8,606**	**6,281**
Interest cost	689	487
Past service cost	-	-
Current service cost	2,888	2,603
Curtailments	-	-
Settlements	-	-
Benefits paid	(330)	(275)
Actuarial (gain)/ loss on obligations	(388)	(490)
Present value of obligation at the end of the year*	**11,465**	**8,606**

*Included in provision for employee benefits (Refer note 17)

iii) **Expense recognized in the Statement of Profit and Loss**	**Employee's gratuity fund**	
	31 March 2017	**31 March 2016**
Current service cost	2,888	2,603
Past service cost	-	-
Interest cost	689	487
Expected return on plan assets	-	-
Actuarial (gain) / loss on obligations	(388)	(490)
Settlements	-	-
Curtailments	-	-
Total expenses recognized in the Statement Profit and Loss*	**3,189**	**2,600**

*Included in Employee benefits expense (Refer Note 23). Actuarial (gain)/loss of INR 388 thousand (31 March 2016: INR 490 thousand) is included in other comprehensive income.

iv) **Assets and liabilities recognized in the Balance Sheet:**	**Employee's gratuity fund**	
	31 March 2017	**31 March 2016**
Present value of unfunded obligation as at the end of the year	11,465	8,606
Unrecognized actuarial (gains)/losses	-	-
Unfunded net asset / (liability) recognized in Balance Sheet*	**11,465**	**8,606**
*Included in provision for employee benefits (Refer note 17)		

v) **Amounts recognized in current year and previous four years**	**31 March 2017**	**31 March 2016**	**31 March 2015**	**31 March 2014**	**31 March 2013**
Gratuity					
Defined benefit obligation	11,465	8,606	6,281	3,227	1,978
Plan assets	-	-	-	-	-
Net assets / (liability)	(11,465)	(8,606)	(6,281)	(3,227)	(1,978)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

vi) **Expected contribution to the fund in the next year**	**31 March 2017**	**31 March 2016**
Gratuity	4,242	4,329
vii) A quantitative sensitivity analysis for significant assumption as at 31 March 2017 is as shown below:		
	Employee's gratuity fund	
Impact on defined benefit obligation	**31 March 2017**	**31 March 2016**
Discount rate		
0.5% increase	(353)	(306)
0.5% decrease	377	326
Rate of increase in salary		
0.5% increase	377	327
0.5% decrease	(356)	(310)
vii) Maturity profile of defined benefit obligation	**Employee's gratuity fund**	
Year	**31 March 2017**	**31 March 2016**
Apr 2017- Mar 2018	1,449	1,175
Apr 2018- Mar 2019	128	1,006
Apr 2019- Mar 2020	152	853
Apr 2020- Mar 2021	169	586
Apr 2021- Mar 2022	183	467
Apr 2022 onwards	9,384	3,266

30 Employee Stock Option Scheme 2009 (ESOP)

The board vide its resolution dated 29 December 2009 approved ESOP 2009 for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year				
	31 March 2017		**31 March 2016**	
Particulars	**Number**	**WAEP (INR)**	**Number**	**WAEP (INR)**
Options outstanding at beginning of year	2,410	10	2,419	10
Add:				
Options granted during the year	1,552	11,151	198	10
Less:				
Options exercised during the year	-	10	132	10
Options forfeited during the year*	673	10	75	10
Options outstanding at the end of year	3,289	578	2,410	10
Option exercisable at the end of year	1,346	10	1,148	10

In accordance with the above mentioned ESOP Scheme, INR 27,088 thousand (Previous Year INR 27,102 thousand) has been charged to the Statement of Profit and Loss in relation to the options granted during the year ended 31 March 2017 as Employee Stock Option Scheme Compensation. (Refer note 23)

The options outstanding at the year ending on 31 March 2017 with exercise price of INR 10 are 3,067 options (31 March 2016: 2,410 options) and with exercise price of INR 77,898 are 222 options (31 March 2016: Nil) and a weighted average remaining contractual life of all options are 3.77 years (31 March 2016: 3.76 years).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the Black Scholes model used for the years ended:

	31 March 2017	31 March 2016
Weighted average fair value of the options at the grant dates (INR)	52,952.39	40,818.12
Dividend yield (%)	0%	0%
Risk free interest rate (%)	6.74%	8.17%
Expected life of share options (years)	7.00	7.00
Expected volatility (%)	53.85%	65.98%
Weighted average share price (INR)	52,946.15	40,812.48

*During the year ended 31 March 2017, the Company has granted 673 options and has forfeited the same during the current year only. Therefore, no expenses in respect of these options has been recognised in the financial statement.

31 Leases

Operating leases where Company is a lessee:

The Company has entered into lease transactions mainly for leasing of office premise for a period between 1 to 6 years. The terms of lease include terms of renewal, increase in rents in future periods, which are in line with general inflation, and terms of cancellation. The operating lease payments recognized in the Statement of Profit and Loss amount to INR 29,892 thousand (31 March 2016: INR 29,345 thousand) included in Note 26.

Future minimum rentals payable under non-cancellable operating leases are, as follows:*

	31 March 2017	31 March 2016	1 April 2015
Within one year	-	648	-
After one year but not more than five years	-	-	-
More than five years	-	-	-
*As on 31 March 2017 and 1 April 2015 there were no non-cancellable operating leases.			

32 Related Party Disclosures: 31 March 2017

(A) Names of related parties and description of relationship as identified and certified by the Company:

Holding Company

Info Edge (India) Limited (IEIL) (Refer Note 3(c))

Entity under common control

Startup Investments (Holding) Limited

Key Management Personnel (KMP)

Mr. Ritesh Hemrajani (Director)

Mr. Pavan Chauhan (Director)

(B) **Details of transactions with related party in the ordinary course of business for the year ended:**

(i) **Holding Company**	31 March 2017	31 March 2016
Recruitment and training expenses	288	1,732
Loan received	2,19,500	17,000
Interest on borrowing	11,437	119
(i) **Entity under common control***		
Preference share capital	6,030	2,07,363
Borrowings	1,142	35,312
Embedded derivative liability	(7,290)	7,290
Interest expense on liability component of OCCRPS	5,501	4,213
Interest expense on derecognition of liability component of OCCRPS*	82	-

* The transactions are non financial transactions arising to comply with Ind AS. Also refer Note 34.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

(ii) **Key Management Personnel (KMP)**	**31 March 2017**	**31 March 2016**
Compensation of key management personnel		
Short term employee benefit		
Remuneration (including employer's contribution to EPF)		
Mr. Ritesh Hemrajani	3,000	-
Mr. Pavan Chauhan	6,000	-
No remuneration has been paid to KMP's in year ending 31 March 2016.		
Long term employee benefit		
Leave encashment		
Mr. Ritesh Hemrajani	22	-
Mr. Pavan Chauhan	44	-
Post-employment benefits		
Employer contribution to EPF		
Mr. Ritesh Hemrajani	22	-
Mr. Pavan Chauhan	22	-
Gratuity		
Mr. Ritesh Hemrajani	48	-
Mr. Pavan Chauhan	100	-
KMP's are not eligible for ESI.		

(C) **Amount due to/from related party as on:**

(i) **Holding Company**	**31 March 2017**	**31 March 2016**	**1 April 2015**
Short term borrowing	2,36,500	17,000	-
Interest accrued but not due on loan	10,252	107	-
Entity under common control			
Borrowings	58,906	52,263	12,738
Embedded derivative liability	-	7,290	-
(ii) **Key Management Personnel (KMP)**			
Employee related payables			
Mr. Pavan Chauhan	1,506	28	28
Mr. Ritesh Hemrajani	799	-	-

(D) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2017, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2016: Nil, 1 April 2015: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

33 Segment reporting

The Company's operations predominantly relate to providing online and offline educational services. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

An analysis of the Company's revenue from online and offline education is as follows:

	31 March 2017		**31 March 2016**	
	Amount	**%**	**Amount**	**%**
Online educational service (Refer A below)	3,45,686	95.23%	2,68,227	93.43%
Offline educational service (Refer B below)	17,303	4.77%	18,866	6.57%
	3,62,989	**100.00%**	**2,87,093**	**100.00%**

The Company categorizes its revenue based on delivery channel and further by geographical region, as summarized below, which as per management is most appropriate:

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

(A) **Online educational service**	**31 March 2017**		**31 March 2016**	
	Amount	**%**	**Amount**	**%**
India	2,51,464	72.74%	1,90,298	70.95%
Outside India	94,222	27.26%	77,929	29.05%
	3,45,686	**100.00%**	**2,68,227**	**100.00%**

(B) **Offline educational service**	**31 March 2017**		**31 March 2016**	
	Amount (INR)	**%**	**Amount (INR)**	**%**
Chandigarh	3,710	21.44%	3,322	17.61%
Gurugram	5,088	29.41%	4,923	26.10%
Jaipur	8,504	49.15%	10,621	56.30%
	17,303	**100.00%**	**18,866**	**100.01%**

There are no non-current assets located in foreign countries other than domicile country.

34 Convertible preference shares and embedded derivative

The Company allotted 249,964,932 Series C OCCRPS (0.1% Optionally Convertible Cumulative Redeemable Preference Shares) on 12 June 2015 vide 6th Investment Agreement dated 25 May 2015. As per the agreement, in the event the Company and/or the Promoters raise(s) additional funding of at least INR 250,000 thousand from any Person ("Additional Funding") within 18 months from the date of allotment of Series C OCCRPS issued during the year ended 31 March 2016, then holder has the right to convert Series C OCCRPS into such number of Ordinary Shares on the basis of the pre-money valuation of the Company at the rate of such additional funding raised by the Company. Provided however that, if the Company and/or the Promoters do not raise any additional funding within 18 months from the date of allotment of Series C OCCRPS, then the holder of such shares will not be entitled to convert the same into ordinary shares of the Company during this period.

If the holder of Series C OCCRPS proposes to convert all or any part of the Series C OCCRPS held by such holder after 18 months from the date of allotment of Series C OCCRPS, then every 77,897 Series C OCCRPS will be converted into 1 ordinary share of INR 10 each resulting in an issue of 3,209 Equity shares.

As on 31 March 2016, Series C OCCRPS had conversion feature as an embedded derivative which is required to be separated. This embedded derivative have been separated and are carried at fair value through profit or loss. The carrying values of the embedded derivatives at 31 March 2016 amounted to INR 7,290 thousand (1 April 2015: NIL) (Refer note 19).

As on 31 March 2017, Series C OCCRPS has been reassessed as compound instrument containing conversion feature as equity component. Therefore, the Company treats change in terms over a passage of time as an extinguishment of the existing financial liability. So the original debt instrument is derecognised, and the new instruments issued are recognized at fair value. The difference between the amount of embedded derivative liability and financial liability derecognised and the carrying amount of the newly recognized financial liability is recognized as a gain or loss in Statement of Profit and Loss.

35 Fair values of financial assets and financial liabilities

The fair value of other current financial assets, cash and cash equivalents, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortised cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

Non-current borrowing comprises liability portion on liability component of OCCRPS. The impact of fair value on such portion is not material and therefore not considered for above disclosure. Similarly, carrying values of non-current security deposits and non-current term deposits are not significant and therefore the impact of fair value is not considered for above disclosure.

36 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices 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).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 fair value measurements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

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

	31 March 2017	31 March 2016	1 April 2015
Level 2			
Financial liabilities measured at fair value through profit or loss			
Embedded derivative (Refer note 19)*	-	7,290	-

*Embedded Derivative instruments classified in Level 2, are valued based on inputs that are directly or indirectly observable in the market place.

Level 3			
Financial assets measured at amortised cost			
Security deposits	5,708	7,068	6,411
Financial liabilities measured at amortised cost			
Liability component of convertible preference shares	58,906	52,263	12,738

The carrying amount of cash and cash equivalents, fixed deposits, trade payables, other payables and short-term borrowings are considered to be the same as their fair values. The fair values of borrowings, liability component of convertible preference shares and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

37 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) 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 interest rate risk arises primarily due to borrowings at floating rate. The Company is not exposed to interest rate risk as the Company has availed inter-corporate deposits from the parent Company at a fixed interest rate.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).The Company is not exposed to exchange rate risk as all the Company invoicing and realization is in its functional currency i.e. Indian Rupee and hence the Company realizes the complete fee with no impact of exchange rate movement. The Company incurs some expenses in foreign currency, primarily on account of travel. However the spend on the same is minimal and doesn't have any material impact due to foreign exchange fluctuation.

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company collects its subscription fee upfront and hence is not exposed to non-realization of receivables. In case of part payment by any subscriber, the subscriber is allowed pro-rata access to the course and balance period access is provided only on receipt of balance outstanding fees. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the landlords before taking any property on lease and hasn't had a single instance of non-refund of security deposit on vacating the leased property. The Company also in some cases ensure that the notice period rentals are adjusted against the security deposits and only differential, if any, is paid out thereby further mitigating the non-realization risk. The Company does not foresee any credit risks on deposits with regulatory authorities.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2017, 31 March 2016 and 1 April 2015 is the carrying amounts as mentioned in Note 8 to 12.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The key liquidity risk the Company can face is the risk of subscription fee refund. As per the Company policy, no refunds are allowed once a subscription has been taken and it is only in exceptional cases that fee is refunded with proper approvals from senior Management. The Management believes that the probability of a liquidity risk arising due to fee refund is not there.

The table below summarizes the maturity profile of the Company's financial liabilities:

	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
31 March 2017					
Short term borrowings	2,36,500	-	-	-	2,36,500
Long-term borrowings	-	-	-	58,906	58,906
Trade payables	10,879	-	-	-	10,879
Other financial liability	61,261	-	-	-	61,261
	3,08,640	-	-	58,906	3,67,546
31 March 2016					
Short term borrowings	-	17,000	-	-	17,000
Long-term borrowings	-	-	-	52,263	52,263
Trade payables	20,989	-	-	-	20,989
Other financial liability	66,286	-	-	-	66,286
	87,275	17,000	-	52,263	1,56,538
1 April 2015					
Long-term borrowings	-	-	-	12,738	12,738
Trade payables	28,745	-	-	-	28,745
Other financial liability	23,765	-	-	-	23,765
	52,510	-	-	12,738	65,248

38 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability component of OCCRPS and current borrowing from ultimate holding company of the Company. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		31 March 2017	31 March 2016	1 April 2015
Total equity	(i)	(4,68,368)	(2,83,437)	(82,176)
Total debt	(ii)	2,95,406	69,263	12,738
Overall financing	(iii) = (i) + (ii)	(1,72,962)	(2,14,174)	(69,438)
Gearing ratio	(ii)/ (iii)	(1.71)	(0.32)	(0.18)

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2017, 31 March 2016 and 1 April 2015.

39 During the previous year the Company had received an assessment order under section 143(3) of the Income tax Act'1961 ('the Act') disallowing carry forward of loss amounting to INR 217,030 thousands on account of change in shareholding in FY 2012-13 being not in compliance with the requirements of Section 79 of the Act which is factually incorrect. Against the order, the Company filed an appeal to Commissioner of Income Tax (Appeals).

40 The Company's business activities, together with the factors likely to affect its future development and performance along with the financial position of the Company, its projected cash flows and letter of support provided by ultimate holding company, Info Edge (India) Limited. have been reviewed by the Board of Directors and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the Company has continued to adopt the going concern basis of accounting in preparing the financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR thousands, unless otherwise stated)

41 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

As per our report of even date
For MZSK & Associates
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Date: 18 May 2017
Place: New Delhi

For and on behalf of the Board of Directors of
Applect Learning Systems Private Limited
CIN: U99999DL2001PTC110324

Pavan Chauhan
Director
DIN: 00283074

Ritesh Hemrajani
Director
DIN: 00283248

Pankaj Mishra
Company Secretary
Membership No: A40550

Shwetank Patni
Chief Finance Officer

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS OF CANVERA DIGITAL TECHNOLOGIES PRIVATE LIMITED

To the Members,

Your Directors have pleasure in presenting their Tenth Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2017.

1. FINANCIAL SUMMARY

INR '000

Particulars	As at the end of current reporting period	As at the end of prior reporting period
Total Revenue	495,999	562,359
Total Expenses	785,168	929,062
Profit or Loss before Exceptional and Extraordinary items and Tax	(289,169)	(366,703)
Less: Exceptional Items	-	-
Less: Extraordinary Items	-	-
Profit or Loss before Tax	(289,169)	(366,703)
Less: Current Tax	-	-
Deferred Tax	(50,539)	25,083
Profit or Loss After Tax	(238,630)	(391,786)
Remeasurement losses on defined benefit plans (OCI)	1,649	(465)
Total comprehensive income for the year	(236,981)	(392,251)
Add: Balance as per last Balance Sheet	(1,525,814)	(1,133,563)
Less: Transfer to Reserves	-	-
Balance Transferred to Balance Sheet	(1,762,795)	(1,525,814)

2. DIVIDEND

No Dividend was declared for the current financial year.

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCTION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

Your Company continues to be one of the leading providers of mass customized printed products and e-commerce solutions to professional photographers. During the year the Company's revenue has decreased from INR 562,359 thousands to INR 495,999 thousands. Your Company's promoters' are hopeful of achieving better results in the forthcoming years.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

6. PARTICULARS OF EMPLOYEES

A statement containing the names of every employee employed throughout the financial year and in receipt of remuneration of Rs. 60 lakhs or more, or employed for part of the year and in receipt of Rs. 60 lakhs or more per month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as Annexure 1 to the Directors' Report.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

a. Conservation of energy

The manufacturing operations of the company are not power intensive. However, the Company makes every possible effort to conserve energy.

b. Technology absorption

The Company uses the latest technology and process available in the printing industry. Accordingly, the company has the latest equipment and its personnel are trained, from time to time, on the use, operation and maintenance of such sophisticated equipment.

c. Foreign Exchange Earnings and outgoing

INR in'000s

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Expenditure in Foreign Currency		
Raw Materials	1,909	2,859
Machinery Spares	109	-
Royalty	345	1,018
Technical Fee	-	-
Travelling and Conveyance	-	-
Repairs and Maintenance	1,801	1,783
Advertisement and marketing expenses	-	327
Earnings in Foreign Currency	-	184
Revenue from operations	-	-

8. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

9. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The Related Party Transactions that were entered into during the year under review the details of the related party transactions are summarised in Note No 31 of the Financial Statements.

Further the contracts entered into during the financial year, with related parties is detailed in AOC -2 attached as Annexure 2 to the Report as required under the provisions of Section 188(1).

12. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There are no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

13. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company

14. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure 3 and is attached to this Report.

15. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company has conducted 6 (Six) Board meetings on 28/06/2016, 05/07/2016, 30/08/2016, 27/09/2016, 07/12/2016 and 16/03/2017 during the financial year under review.

16. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the Company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture and Associate Companies.

18. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

19. DIRECTORS

Mr. Ashwani Gupta, Mr. Ambarish Raghuvanshi, Mr. Ranjit Singh Yadav, Ms. Kitty Agarwal, Mr. Sudhir Bhargava, Mr. Mohanjit Singh Jolly are the current Directors of the Company.

Mr. Dhiraj Kacker, Mr. Peeyush Rai, Directors resigned during the year and the board places on record its appreciation of services rendered by them during their tenure as directors in the Company.

20. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 for appointment of Independent Directors do not apply to the Company.

21. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements.

22. STATUTORY AUDITORS

M/s S.R.Batliboi & Associates LLP., Chartered Accountants were appointed as Statutory Auditors for a period of 5 (Five) years in the Annual General Meeting held in the year 2015 and are eligible for reappointment, subject to ratification of members at every Annual General Meeting of the company.

23. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

24. SHARES

During the year under review, the company has undertaken following transactions:

Increase in Share Capital:-

The Company has increased the authorized share capital from Rs. 35,00,000/- to Rs. 86,00,000/-

Rights Issue –

1. The Company has issued and allotted 9,967 Series A2 0.1% Optionally Convertible Cumulative Redeemable preference shares of INR. 1/- each to the Existing Equity Shareholders of the Company.

Private Placement:

2. The Company has issued and allotted 17,24,279 Series A2 0.1% Optionally Convertible Cumulative Redeemable preference shares of INR. 1/- each.
3. 59,801 Series A1 0.1% Compulsorily Convertible Cumulative preference shares of INR. 1/- each.

Buy Back of Securities – Nil

Sweat Equity– Nil

Bonus Shares – Nil

Employees Stock Option Plan:-

The Company has in place the ESOP plans for the benefit of employees of the Company.

25. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

26. SECRETARIAL STANDARDS

The SS-1 and SS-2 prescribed by the Institute of Company Secretaries of India (ICSI) as notified by the Ministry of Corporate Affairs being implemented by the Company for all its Board and General Meetings.

27. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

28. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board of Directors

Ranjit Singh Yadav	**Sudhir Bhargava**
Managing Director	**Director**
DIN: 05230923	**DIN: 02325281**

Date:27 May, 2017

Place: Bangalore

ANNEXURE 1

Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Amounts in INR

Employee Name	Ranjit Singh Yadav	Dhiraj Kacker
Designation	Chief Executive Officer upto 30 Aug 2016 and Managing Director from 30 August, 2016	Managing Director upto 30 August, 2016
Remuneration	1,20,00,000/- (from 1st April 2016 to 31st March, 2017)	4,696,445/- (from 1st April 2016 to 30th August, 2016. This amount includes gratuity paid as per the Gratuity Act)
Nature of Employment	Employment	Employment
Qualifications & Experience	B.A. (Hons), Economics IIM, Bangalore	PHD, Electrical Engineering
Date of commencement of Employment	01/06/2015	01/ 09/2007
Age	55 years	45 years
Previous Employment and Designation	Tata Motors President-International Business	Naehas, San Francisco Director of Product Development and Operations
Percentage of Equity Shares held (as on March 31, 2017, without considering ESOPs)	-	1.29%
Relative of any Director or Manager of the Company	Nil	Nil

For and on behalf of the Board of Directors

Ranjit Singh Yadav	**Sudhir Bhargava**
Managing Director	**Director**
DIN: 05230923	**DIN: 02325281**

CANVERA DIGITAL TECHNOLOGIES PRIVATE LIMITED

ANNEXURE 2

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. - **NIL**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
1. a)	Name (s) of the related party & nature of relationship	Info Edge (India) Limited
b)	Nature of contracts/arrangements/transaction	Placement Services
c)	Duration of the contracts/arrangements/transaction	1 year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Professional search fee for placement services
e)	Date of approval by the Board	7 December, 2016
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
2. a)	Name (s) of the related party & nature of relationship	Info Edge (India) Limited
b)	Nature of contracts/arrangements/transaction	e-hire short listing services
c)	Duration of the contracts/arrangements/transaction	6th January 2017 to 5th February 2017
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	e-hire short listing services
e)	Date of approval by the Board	7 December, 2016
f)	Amount paid as advances, if any	Nil

For and on behalf of the Board of Directors

Ranjit Singh Yadav	**Sudhir Bhargava**
Managing Director	**Director**
DIN: 05230923	**DIN: 02325281**

APPENDIX 1 TO ANNEXURE 3 OF DIRECTORS REPORT

LIST OF THE SHAREHOLDERS OF CANVERA DIGITAL TECHNOLOGIES PRIVATE LIMITED AS ON 31/03/2017

Equity Shares of Re 1/-

Sl. No.	NAME	FATHER'S/ HUSBAND'S NAME	ADDRESS	TYPES OF SHARES	NO OF SHARES	CLASS OF SHARES	% OF HOLDING
1	PEEYUSH RAI	PRABHAT KUMAR RAI	VILLA NO. 23, ADARSH PALM R, OUTER RING ROAD, DEVERABISANAHALLI, BANGALORE, 560103	EQUITY	50000	A	4.79
2	DHIRAJ KACKER	ASHOK KACKER	NO.2A, GLENMOOR APTS, 125, 3RD MAIN, DEFENCE COLONY, INDIRANAGAR, BANGALORE-560038	EQUITY	50000	A	4.79
3	PETER W KNAACK	CARL JOHAN KNAACK	EGESVINGET, 10, DK 4040, JYLLINGE, DENMARK	EQUITY	1207	A	0.12
4	STARTUP INVESTMENTS (HOLDING) LIMITED (a subsidiary of Info Edge (India) Limited)	NA	Ground Floor, GF-12A, 94, Meghdoot, Nehru Place, New Delhi- 110020	EQUITY	18100	A	1.73
5	ANUJ RATHI	RATHI	PINE A1-301, PRESTIGE GREEN WOODS, C.V. RAMAN NAGAR, OLD MADRAS ROAD, BANGALORE-560093.	EQUITY	70	A	0.01
6	FOOTPRINT VENTURES TRUSTEE COMPANY PRIVATE LIMITED	NA	#16, 2ND FLOOR, 7TH MAIN, 1ST BLOCK, KORAMANGALA, BANGALORE 560 034	EQUITY	40818	B	3.91
7	FOOTPRINT VENTURES (MAURITIUS), LTD.	NA	C/O INTER-CONTINENTAL TRUST LIMITED, LEVEL 3, ALEXANDER HOUSE, 35, CYBER CITY, EBENE, MAURITIUS	EQUITY	251192	B	24.07
8	DFJ MAURITIUS INC	NA	C/O INTERNATINAL FINANCIAL SERVICES, IFS COURT, 28, CYBER CITY, EBENE, MAURITIUS	EQUITY	266099	B	25.49
9	SASHA MIRCHANDANI	GULUL MICHANDANI	C/O MIRC ELECTRONICS LTD, ONIDA HOUSE, G1, MIDC, MAHAKALI CAVES ROAD, ANDHERI (EAST), MUMBAI-400 093	EQUITY	4442	B	0.43
10	STARTUP INVESTMENTS (HOLDING) LIMITED (a subsidiary of Info Edge (India) Limited)	NA	Ground Floor, GF-12A, 94, Meghdoot, Nehru Place, New Delhi- 110020	EQUITY	16611	B	1.59
11	JAVED TAPIA	FAIZULLAH TAPIA	#31, BENNET VILLA, 27, WODE HOUSE ROAD, MUMBAI-400001	EQUITY	2665	B	0.26
12	MANISH CHOKSI	MAHENDRA C CHOKSI	402,SHIRTIRTH-2, BHULABAI, DESAI ROAD,MUMBAI-400026	EQUITY	5330	B	0.51
13	POTRERO I MAURITIUS PRIVATE LIMITED	NA	443, CONNECTICUT STREET #5 SANFRANCISCO CA 94107	EQUITY	3228	B	0.31
14	CANVERA WELFARE TRUST	NA	531/144, 150 FEET RING ROAD, AGARA, HSR Layout, BANGALORE - 560102	EQUITY	333973	A	32.00
			TOTAL		**1043735**		**100.00**

0.1% Series A optionally convertible cumulative redeemable preference shares (OCCRPS)

SL.NO	NAME	FATHER'S/HUSBAND'S NAME	ADDRESS	TYPES OF SHARES	NO OF SHARES	AMOUNT PER SHARE
1	STARTUP INVESTMENTS (HOLDING) LIMITED (a subsidiary of Info Edge (India) Limited)	NA	Ground Floor, GF-12A, 94, Meghdoot, Nehru Place, New Delhi- 110020	Preference	299658	1
2	SHARAD MALIK	Mr. Satish Chander Malik	E-303 EAST OF KAILASH, NEW DELHI-110065	Preference	1284	1
3	VIVEK KHARE	Mr. Krishna Deo Prasad Khare	TOWER 1,PENT HOUSE1, ATS PARADISO SECTOR CHI-IV, GREATER NOIDA 201308	Preference	856	1
	TOTAL				**301798**	

Series A1 0.1% Optionally Convertible Cumulative Redeemable Preference Shares (Series A1 OCCRPS)

SL.NO	NAME	FATHER'S/ HUSBAND'S NAME	ADDRESS	TYPES OF SHARES	NO OF SHARES	AMOUNT PER SHARE
1	STARTUP INVESTMENTS (HOLDING) LIMITED (a subsidiary of Info Edge (India) Limited)	NA	Ground Floor, GF-12A, 94, Meghdoot, Nehru Place, New Delhi- 110020	Preference	348837	1
	TOTAL				348837	

Series B 0.1 % Optionally Convertible Cumulative Redeemable Preference Shares (Series B OCCRPS)

SL.NO	NAME	FATHER'S/ HUSBAND'S NAME	ADDRESS	TYPES OF SHARES	NO OF SHARES	AMOUNT PER SHARE
1	STARTUP INVESTMENTS (HOLDING) LIMITED (a subsidiary of Info Edge (India) Limited)	NA	Ground Floor, GF-12A, 94, Meghdoot, Nehru Place, New Delhi- 110020	Preference	149502	1
	TOTAL				149502	

Series C 0.1 % Optionally Convertible Cumulative Redeemable Preference Shares (Series C OCCRPS)

SL.NO	NAME	FATHER'S/ HUSBAND'S NAME	ADDRESS	TYPES OF SHARES	NO OF SHARES	AMOUNT PER SHARE
1	STARTUP INVESTMENTS (HOLDING) LIMITED (a subsidiary of Info Edge (India) Limited)	NA	Ground Floor, GF-12A, 94, Meghdoot, Nehru Place, New Delhi- 110020	Preference	83056	1
	TOTAL				83056	

Series A 2 0.1 % Optionally Convertible Cumulative Redeemable Preference Shares (Series A2 OCCRPS)

SL.NO	NAME	FATHER'S/ HUSBAND'S NAME	ADDRESS	TYPES OF SHARES	NO OF SHARES	AMOUNT PER SHARE
1	STARTUP INVESTMENTS (HOLDING) LIMITED (a subsidiary of Info Edge (India) Limited)	NA	Ground Floor, GF-12A, 94, Meghdoot, Nehru Place, New Delhi- 110020	Preference	1554841	1
2	Mr. Ambarish Raghuvanshi	NA	Flat B2, E 112 Malcha Marg, Chanakyapuri, New Delhi 110 021	Preference	119603	1
3	Mr. Vivek Khare	NA	Tower 1, Penthouse 1, ATS Paradiso, Sector CHI-IV, Greater Noida - 201308	Preference	29901	1
3	Mr. Ranjit Yadav	NA	C11-02/3, Central Park 1, Sector 42, DLF Golf Course Road, Gurgaon - 122009	Preference	29901	1
	TOTAL				1734246	

0.1% Series A compulsory convertible cumulative preference shares (Series A CCPS)

SL.NO	NAME	FATHER'S/ HUSBAND'S NAME	ADDRESS	TYPES OF SHARES	NO OF SHARES	AMOUNT PER SHARE
1	Footprint Ventures (Mauritius), Ltd	NA	C/o Inter-Continental Trust Limited, Level 3, Alexander House, 35, Cyber City, Ebene, Mauritius.	Preference	31566	1
2	DFJ Mauritius Inc	NA	C/o Inter-Continental Trust Limited, Level 3, Alexander House, 35, Cyber City, Ebene, Mauritius.	Preference	31566	1
3	STARTUP INVESTMENTS (HOLDING) LIMITED (a subsidiary of Info Edge (India) Limited)	NA	Ground Floor, GF-12A, 94, Meghdoot, Nehru Place, New Delhi- 110020	Preference	101010	1
	TOTAL				164142	

Series A1 0.1 % Compulsorily Convertible Cumulative Preference Shares (Series A1 CCPS)

CANVERA DIGITAL TECHNOLOGIES PRIVATE LIMITED

SL.NO	NAME	FATHER'S/ HUSBAND'S NAME	ADDRESS	TYPES OF SHARES	NO OF SHARES	AMOUNT PER SHARE
1	Footprint Ventures (Mauritius), Ltd	NA	C/o Inter-Continental Trust Limited, Level 3, Alexander House, 35, Cyber City, Ebene, Mauritius.	Preference	59801	1
	TOTAL				**59801**	

Ranjit Singh Yadav
Managing Director
DIN: 05230923

Sudhir Bhargava
Director
DIN: 02325281

ANNEXURE 3

Form No. MGT-9

EXTRACT OF ANNUAL RETURN 31/03/2017

As on the financial year ended on

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN:	U92111KA2007PTC041671
Registration Date:	05/02/2007
Category/Sub-Category of the Company:	Company Limited by Shares/Non-Govt Company
Address of the Registered Office and Contact details:	# 531/144, 150 Feet Ring Road, Agara, HSR Layout, Bangalore – 560102 Contact details : Ms. Mangala G. Rao Email id : mangala.rao@canvera.com
Whether the Listed Companies: Yes/No	No
Name, Address and contact details of Registrar and Transfer Agent, if any:	-

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Photo Books – Digital printing using inhouse developed software	74201	93.47

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name And Address Of The Company	CIN/GLN	Holding/ subsidiary/Associate	% of shares held *	Applicable Section
1.	Startup Investments (Holding) Ltd (a Subsidiary of Info Edge (India) Ltd)	U74140DL2015PLC277487	Holding	66.19%	2(46)

*Percentage of shares held as given above includes the cumulative issued and paid up equity and preference share capital.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF		100,000	100,000	9.58		100,000	100,000	9.58	Nil
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other£.									
Sub Total (A) (1)		100,000	100,000	9.58		100,000	100,000	9.58	Nil
(2) Foreign									
a) NRIs- Individual									
b) Other Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any other£.									
Sub Total (A) (2)									
Total Share holding of Promoter (A)=(A)(1)+(A)(2)		**100,000**	**100,000**	**9.58**		**100,000**	**100,000**	**9.58**	**Nil**
B. Public Shareholding									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1.Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds		40,818	40,818	3.91		40,818	40,818	3.91	Nil
f) Insurance Companies		251,192	251,192	24.07		251,192	251,192	24.07	Nil
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify_									
Sub Total (B) (1)		**292,010**	**292,010**	**27.98**		**292,010**	**292,010**	**27.98**	Nil
2. Non – Institutions									
a) Bodies Corp.									
i) Indian		34,711	34,711	3.33		34,711	34,711	3.33	Nil
ii) Overseas		269,327	269,327	25.80		269,327	269,327	25.80	Nil
b) Individuals									
i) Individual Shareholders holding nominal share capital Rs.1 lakh		13,714	13,714	1.31		13,714	13,714	1.31	Nil
ii) Individual Shareholders holding nominal share capital in excess of Rs.1 lakh									
c) Other specify – Canvera Welfare Trust		333,973	333,973	32.00		333,973	333,973	32.00	Nil
Sub Total (B) (2)		**651,725**	**651,725**	**62.44**		**651,725**	**651,725**	**62.44**	
Total Public Share holding (B)=(B)(1)+(B)(2)		943,735	943,735	90.42		943,735	943,735	90.42	
C. Shares Custodian for GDRs & ADRs									
Grand Total (A+B+C)		**1,043,735**	**1,043,735**	**100.00**		**1,043,735**	**1,043,735**	**100.00**	NIL

ii. Shareholding of Promoters (including only equity share capital)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year		%of Shares Pledged / encumbered to total shares	% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company		
1	Peeyush Rai	50,000	4.79	Nil	50,000	4.79	Nil	Nil
2	Dr. Dhiraj Kacker	50,000	4.79	Nil	50,000	4.79	Nil	Nil
	Total	**100,000**	**9.58**		**100,000**	**9.58**		

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No.of shares	% of total shares of the company
1.	**Peeyush Rai**				
	At the beginning of the year	50,000	4.79	50,000	4.79
	Datewise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	50,000	4.79	50,000	4.79
2.	**Dhiraj Kacker**				
	At the beginning of the year	50,000	4.79	50,000	4.79
	Datewise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	50,000	4.79	50,000	4.79

iv. Share holding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

As per Appendix 1

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No.of shares	% of total shares of the company
	At the beginning of the year				
	Datewise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):				
	At the End of the year(or on the date of separation, If separated during the year)				

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No.of shares	% of total shares of the company
1.	Peeyush Rai*	50,000	4.79	50,000	4.79
2.	Dr. Dhiraj Kacker*	50,000	4.79	50,000	4.79

* Peeyush Rai and Dr. Dhiraj Kacker were directors upto 30th August 2016 and resigned on that date. However, they continue to hold the shares as on 31 March 2016, although not in the capacity of director shareholding.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	69,86,398			69,86,398
Total(i +ii + iii)	69,86,398			69,86,398
Change in Indebtedness during the financial year • Addition • Reduction	(5,310,203)			(5,310,203)
Net Change	**(5,310,203)**			**(5,310,203)**
Indebtedness at the end of the financial year i)Principal Amount ii)Interest due but not paid iii)Interest accrued but not due	16,76,195			16,76,195
Total(i +ii + iii)	**1,676,195**			**1,676,195**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/ or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Dhiraj Kacker (1 Apr 2016 to 30 Aug 2016)	Peeyush Rai (1 April 2016 to 30 Aug 2016)	Ranjit Singh Yadav (30 Aug 2016 to 31 Mar 2017)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-taxAct,1961 (b) Value of perquisites u/s17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section17(3) Income- tax Act,1961 (d) (e) (f)	46,96,445		70,65,000	11,761,445
2.	Stock Option	101,667 options	96,667 options	271,000 options	469,334 options
3.	Sweat Equity				
4.	Commission - as % of profit - Others, specify£				
5.	Others, please specify – (professional fees)		11,45,000		11,45,000
	Total (A)	**46,96,445**	**11,45,000**	**70,65,000**	**1,29,06,445**
	Ceiling as per the Act *	NA	**NA**	**NA**	**NA**
	Total	**46,96,445**	**11,45,000**	**70,65,000**	**1,29,06,445**

* These amounts were paid for the period from 1 April 2016 to 30 Aug 2016 when ceiling limits did not apply to Canvera as it was not a subsidiary of a public / listed company.

The above amounts do not include actuarial values of employee benefits and fair values attributable to stock options which are partly or fully vested but not exercised.

B. Remuneration to other directors: NIL

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	1. Independent Directors • Fee for attending board committee meeting • Commission • Others, please specify					
	Total(1)					
	2. Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify					
	Total(2)					
	Total(B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to key managerial personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
		Ranjit Singh Yadav (from 1 April 2016 to 29 August 2016)			
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 (b) Value of perquisites u/s 17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section17(3)Income-tax Act,1961	49,35,000			49,35,000
2.	Stock Option	271,000 options			
3.	Sweat Equity				
4.	Commission • As % of profit • Others, specifye				
5.	Others, please specify				
	Total	**49,35,000**			**49,35,000**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Ranjit Singh Yadav
Managing Director
DIN: 05230923

Sudhir Bhargava
Director
DIN: 02325281

INDEPENDENT AUDITOR'S REPORT

To the Members of Canvera Digital Technologies Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Canvera Digital Technologies Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended . This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 30 (c) to the

Ind AS financial statements;

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.

iv. The Company has not provided certain requisite disclosures in the financial statements as to the holdings of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Consequently, we are unable to obtain sufficient and appropriate audit evidence to report whether the disclosures to the extent stated in the Note 28 to these Ind AS financial statements are in accordance with books of account maintained by the Company and as produced to us by the Management.

Other Matter

The comparative financial information of the Company for the transition date opening balance sheet as at April 01, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2015 dated April 25, 2015 expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala

Partner

Membership Number: 208382

Place of Signature: Bangalore

Date: May 27, 2017

ANNEXURE 1

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Canvera Digital Technologies Private Limited ("the Company")

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

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the Company does not hold any immovable property. Accordingly, the provisions of clause 3(i)(c) of the Order is not applicable to the Company and hence not commented upon.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

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

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it, except in few instances of deposit of equalisation levy and service tax dues where there have been significant delays.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, except as given in the table below:

Name of the Statute	Nature of Dues	Amount (Rs.) (including interest and penalty)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Equalisation Levy	54,957	June 2016 to August 2016	Various	May 12, 2017
Finance Act, 1994	Service Tax	131,867	April 2016 to August 2016	Various	May 12, 2017

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.

(viii) According to information and explanations given by the management, the Company does not have any dues to a financial institution, bank or debenture holders or government, hence, reporting under clause 3(viii) of the Order is not applicable to the Company and hence not commented upon.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer (including debt instruments) and term loans hence, reporting under clause 3(ix) of the Order is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Companies Act, 2013 is not applicable to the Company and hence not commented upon.

(xiv) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the private placement of preference shares. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised. The Company has not made any preferential allotment/private placement of equity shares or issued fully/ partly convertible debentures during the year and hence not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Companies Act, 2013.

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

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382

Place of Signature: Bangalore
Date: May 27, 2017

ANNEXURE 2

To the Independent Auditors' Report of even date on the Ind AS financial statements of Canvera Digital Technologies Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Canvera Digital Technologies Private Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS 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 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 the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382

Place of Signature: Bangalore
Date: May 27, 2017

BALANCE SHEET AS AT MARCH 31, 2017

(All amounts in Indian Rupees Thousands)

	Notes	March 31, 2017	March 31, 2016	April 01, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	3	12,541	24,863	39,007
Other intangible assets	4	2,637	4,579	5,291
Financial assets				
Loans	5	9,684	10,658	11,207
Others	5	-	30,000	-
Non current tax assets (net)	6	937	792	585
Other non-current assets	7	279	1,045	1,334
		26,078	**71,937**	**57,424**
Current assets				
Inventories	8	8,627	11,442	9,475
Financial assets				
Investments	5	-	-	74,551
Trade receivables	9	6,498	9,436	6,666
Cash and cash equivalents	10	42,011	38,019	13,688
Other bank balances	11	40,840	40,586	476
Loans	5	405	736	736
Others	5	1,941	1,478	1,394
Other current assets	7	7,952	12,741	10,504
		108,274	**114,438**	**117,490**
Total assets		**134,352**	**186,375**	**174,914**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	12	1,044	1,044	710
Instruments entirely equity in nature	12	224	164	-
Other equity				
Equity component of optionally convertible preference shares	12	656,748	526,632	425,680
Securities premium	13	509,286	502,679	372,843
Retained earnings	13	(1,762,795)	(1,525,814)	(1,133,563)
Treasury Shares	13	(334)	(334)	-
Other reserves	13	359,440	306,108	231,586
Total equity		**(236,387)**	**(189,521)**	**(102,744)**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	14	44,070	33,598	30,151
Provisions	15	13,773	14,114	11,917
Deferred tax liabilities (Net)	19	215,901	208,254	138,028
		273,744	**255,966**	**180,096**
Current liabilities				
Financial liabilities				
Trade payables	16	59,681	76,490	55,230
Other financial liabilities	17	4,833	8,509	6,120
Other current liabilities	18	30,264	32,353	34,276
Provisions	15	2,217	2,578	1,936
		96,995	**119,930**	**97,562**
Total liabilities		**370,739**	**375,896**	**277,658**
Total equity and liabilities		**134,352**	**186,375**	**174,914**

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W/E300004
Chartered Accountants

per Aditya Vikram Bhauwala
Partner
Membership No.: 208382

Place: Bangalore
Date: May 27, 2017

For and on behalf of the Board of Directors of
Canvera Digital Technologies Private Limited

Ranjit Singh Yadav
Managing Director
DIN No. 05230923
Place: Athens
Date: May 27, 2017

Sudhir Bhargava
Director
DIN No. 02325281
Place: Noida
Date: May 27, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

	Notes	Year ended March 31, 2017	Year ended March 31, 2016
Revenue from operations	20	488,909	557,268
Other income	21	530	1,693
Finance income	22	6,560	3,398
Total income		**495,999**	**562,359**
Expenses			
Cost of raw materials consumed	23	117,628	137,194
Employee benefits expense	24	351,777	423,283
Depreciation and amortisation expense	25	18,210	31,213
Finance costs	26	8,267	6,945
Other expenses	27	289,286	330,427
Total expense		**785,168**	**929,062**
Loss before tax		**(289,169)**	**(366,703)**
Tax expenses			
Current tax		-	-
Deferred tax	19	(50,539)	25,083
Total tax expenses		**(50,539)**	**25,083**
Loss for the year		**(238,630)**	**(391,786)**
Other comprehensive income/ (loss) (OCI)			
Other comprehensive income/ (loss) not be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans		1,649	(465)
Other comprehensive income/ (loss) for the year, net of tax		1,649	(465)
Total comprehensive income/ (loss) for the year		**(236,981)**	**(392,251)**
Earnings per equity share (EPS)- (Refer note 39)			
Earnings/ (Loss) per equity share [nominal value of share Re 1 (March 31, 2016: Re 1)]		(333.89)	(552.65)
Weighted average number of equity shares used in calculating basic/diluted EPS		709,762	709,762
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W/E300004
Chartered Accountants

per Aditya Vikram Bhauwala
Partner
Membership No.: 208382

Place: Bangalore
Date: May 27, 2017

For and on behalf of the Board of Directors of
Canvera Digital Technologies Private Limited

Ranjit Singh Yadav
Managing Director
DIN No. 05230923
Place: Athens
Date: May 27, 2017

Sudhir Bhargava
Director
DIN No. 02325281
Place: Noida
Date: May 27, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands)

		Year ended March 31, 2017	Year ended March 31, 2016
I	**Operating activities**		
	Loss before tax	(289,169)	(366,703)
	Non-cash adjustments to reconcile loss before tax to net cash flows:		
	Depreciation of property, plant and equipment	16,034	28,954
	Amortisation of intangible assets	2,176	2,259
	Employee stock compensation cost	53,332	74,522
	(Gain)/ Loss on disposal of property, plant and equipment, net	(517)	260
	Provision for doubtful trade receivables/advances	220	485
	Others	724	726
	Finance costs	8,165	6,758
	Finance income	(6,560)	(3,398)
	Gain from redemption of mutual funds	-	(1,617)
	Operating loss before working capital adjustments	**(215,595)**	**(257,754)**
	Working capital adjustments :		
	Movements in provisions, gratuity	639	2,088
	(Increase)/ Decrease in trade and other receivables and prepayments	9,563	(3,341)
	(Increase)/ Decrease in inventories	2,815	(1,967)
	Increase/ (Decrease) in trade and other payables	(17,389)	19,957
	Cash used in operations	**(219,967)**	**(241,017)**
	Income tax paid (net of refund)	(145)	(207)
	Net cash flows used in operating activities	**(220,112)**	**(241,224)**
II	**Investing activities**		
	Purchase of property, plant and equipment including capital advances	(5,002)	(15,663)
	Proceeds from sale of property, plant and equipment	567	128
	Interest received (finance income)	5,006	1,712
	Proceeds from sale of units in mutual funds	-	76,168
	Investment made in bank deposits (having original maturity of more than three months)	(254)	(40,110)
	(Investment made in)/ Withdrawal from bank deposits (having original maturity of more than twelve months)	30,000	(30,000)
	Net cash flows from/ (used in) investing activities	**30,317**	**(7,765)**
III	**Financing activities**		
	Proceeds from issue of 0.1% Series A1 optionally convertible cumulative redeemable preference shares	-	150,000
	Proceeds from issue of 0.1% Series A compulsorily convertible cumulative preference shares	-	130,000
	Proceeds from issue of Series A2, 0.1% convertible cumulative redeemable preference shares	6,667	-
	Proceeds from issue of Series A2, 0.1% compulsorily convertible cumulative preference shares	193,333	-
	Payment of finance lease liabilities	(5,311)	(5,061)
	Interest paid	(902)	(1,619)
	Net cash flows from financing activities	**193,787**	**273,320**
IV	**Net increase in cash and cash equivalents (I + II + III)**	3,992	24,331
	Cash and cash equivalents at the beginning of the year	38,019	13,688
V	**Cash and cash equivalents at the end of the year**	**42,011**	**38,019**
	Components of cash and cash equivalents as at the end of the year		
	Cash on hand	85	25
	Balances with banks		
	- in current accounts	28,870	36,445
	- deposits with original maturity of less than 3 months	10,000	-
	Remittances in transit	3,056	1,549
	Total cash and cash equivalents	**42,011**	**38,019**

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W/E300004
Chartered Accountants

per Aditya Vikram Bhauwala
Partner
Membership No.: 208382

Place: Bangalore
Date: May 27, 2017

For and on behalf of the Board of Directors of
Canvera Digital Technologies Private Limited

Ranjit Singh Yadav
Managing Director
DIN No. 05230923
Place: Athens
Date: May 27, 2017

Sudhir Bhargava
Director
DIN No. 02325281
Place: Noida
Date: May 27, 2017

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

Statement of changes in equity

a) Equity share capital **Equity shares of Re.1 each issued, subscribed and fully paid**	**Class A Equity Share**		**Class B Equity Share**	
	Numbers	**Rs.**	**Numbers**	**Rs.**
As at April 1, 2015	119,377	119	590,385	590
Issued during the year	333,973	334	-	-
As at March 31, 2016	453,350	453	590,385	590
Issued during the year	-	-	-	-
As at March 31, 2017	**453,350**	**453**	**590,385**	**590**
b) Instruments entirely equity in nature **Compulsorily convertible cumulative preference shares**				
	Series A		**Series A2**	
	Numbers	**Rs.**	**Numbers**	**Rs.**
As at April 1, 2015	-	-	-	-
Issued during the year	164,142	164	-	-
As at March 31, 2016	164,142	164	-	-
Issued during the year	-	-	59,801	60
As at March 31, 2017	**164,142**	**164**	**59,801**	**60**

c) Other equity **For the year ended March 31, 2017**	**Equity component of Compound financial instrument**	**Reserves and surplus**				**Total**
		Capital reserve	**Securities premium account**	**ESOP Reserve**	**Retained earnings**	
Balance as at April 1, 2015	425,680	35	372,843	231,551	(1,133,563)	(103,454)
Loss for the year	-	-	-	-	(391,786)	(391,786)
Other comprehensive income/ (loss)	-	-	-	-	(465)	(465)
Increase during the year	100,952		129,836	74,522	-	305,310
Balance as at March 31, 2016	**526,632**	**35**	**502,679**	**306,073**	**(1,525,814)**	**(190,395)**
Balance as at April 1, 2016	526,632	35	502,679	306,073	(1,525,814)	(190,395)
Loss for the year	-	-	-	-	(238,630)	(238,630)
Other comprehensive income/ (loss)	-	-	-	-	1,649	1,649
Increase during the year	130,116	-	6,607	53,332	-	190,055
Balance as at March 31, 2017	**656,748**	**35**	**509,286**	**359,405**	**(1,762,795)**	**(237,321)**

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W/E300004
Chartered Accountants

per Aditya Vikram Bhauwala
Partner
Membership No.: 208382

Place: Bangalore
Date: May 27, 2017

For and on behalf of the Board of Directors of
Canvera Digital Technologies Private Limited

Ranjit Singh Yadav
Managing Director
DIN No. 05230923
Place: Athens
Date: May 27, 2017

Sudhir Bhargava
Director
DIN No. 02325281
Place: Noida
Date: May 27, 2017

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

1. Corporate Information

Canvera Digital Technologies Private Limited ('the Company') was incorporated under the provisions of the Companies Act, 1956 ('the Act') on 5 February 2007. The Company is primarily engaged in technology enabled designing and printing of high quality photobooks and providing additional technology based value add to photographers. The Company commenced commercial operations from 1 March 2008.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 27, 2017.

Significant accounting policies

2.1 Basis of preparation

a) The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first the Company has prepared in accordance with Ind AS. Refer to Note 37 for information on how the Company adopted Ind AS.

These financial statements have been prepared on the historical cost basis as explained in the accounting policies below, except for the following assets and liabilities which have been measured at fair value:

Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees Thousands (INR).

b) Going concern

The Company has incurred losses of Rs. 236,981[comprehensive loss] for the year ended March 31, 2017 (March 31, 2016 - Rs. 392,251) and has accumulated losses of Rs. 1,762,795[Retained earnings] as on March 31, 2017 (March 31, 2016 - Rs. 1,525,814). During the previous year ended March 31, 2016, the Company had introduced new variants of Photobooks and invested in technological improvements such as mobile apps which have seen excellent traction. The Company has substantially improved on its core customer base and penetrated into several new markets in different cities within India. Consequently, the management is confident to generate positive cash flows and theCompany's ability to continue as a going concern in the subsequent years.

On August 1, 2016, Startup Investments (Holding) Limited, a wholly owned subsidiary of Info Edge (India) Ltd., Footprint Ventures (Mauritius) Limited, the Company and other individual shareholders entered into a Share Subscription Agreement to subscribe and invest a sum of Rs 200,000 towards First Tranche Investment Securities and Rs 100,000 towards Second Tranche Investment Securities. Pursuant to the aforesaid share subscription agreement, during the year ended March 31, 2017, the Company received Rs 198,333 against which the Company allotted the First Tranche Investment Securities. Also refer Note 12. As per the aforesaid shareholders' agreement, the shareholders would subscribe and invest the amounts towards Second Tranche Investment Securities as and when required by the Board of Directors of the Company at any time on or prior to the second anniversary of the First Tranche investment. As part of First Tranche Investment, Startup Investments (Holding) Limited has invested Rs. 173,333. Thereby, the Company has become a subsidiary of Info Edge (India) Ltd effective August 30, 2016.

In view of the aforesaid factors, management is confident of generating the required cash flows to run its operations. Accordingly, these financial statements are prepared by the Management on a going concern basis.

2.2 Significant accounting estimates and assumptions

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. In assessing the probability the Company considers whether the entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has recognised deferred tax assets on the unused tax losses. Refer Note 19 for further details.

b) Share based payment

The Company initially measures the cost of equity-settled transactions with employees using a Black–Scholes–Merton model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 12.

c) Defined benefit plans (gratuity benefit)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Further details about gratuity obligations are given in Note 32.

d) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 33and 34for further disclosures.

e) Provision for decommissioning obligations

The Company has recognised a provision for decommissioning obligations associated with a factory and offices taken on lease. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant and machinery, furniture, fixtures and fittings from factory and offices and the expected timing of those costs. The carrying amount of the provision as at March 31, 2017 was Rs.4,258 (March 31, 2016: Rs. 3,950, April 01, 2015: Rs. 3,664). The Company estimates that the costs would be realised in 3-6 years' time upon the expiration of the lease and calculates the provision using the DCF method based on the following assumptions:

- Discount rate – 9.4% - 10% per annum

f) Useful life of assets considered for depreciation of Property, Plant and Equipment

The charge in respect of periodic depreciation is derived after determining an estimate of anasset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset isacquired and reviewed ateach financial year end. The lives are based on technical advice, prior asset usage experienceand the risk of technological obsolescence.

2.3 Summary of significant accounting policies

a) Current versus non-current classification

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

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle

(ii) Held primarily for the purpose of trading

(iii) Expected to be realised within twelve months after the reporting period, or

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

(i) It is expected to be settled in normal operating cycle

(ii) It is held primarily for the purpose of trading

(iii) It is due to be settled within twelve months after the reporting period, or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

b) Fair Value Measurement

The Company measures financial instruments, such as current investments at fair value at each balance sheet date.

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

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

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

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the following notes:-

(i)	Disclosure for fair valuation methods, significant estimates and judgements	Note 33, 35, 2.2 (d)
(ii)	Financial Instruments (including at carrying cost)	Note 5,14,17,33,34,35
(iii)	Quantitative disclosure of fair value measurement hierarchy	Note 34

c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of government.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. Revenue is stated net of discounts, trade schemes and sales tax.

Rendering of services

The Company derives income from design services. Revenue is recognised on an accrual basis as the services are rendered as per the arrangement with the customer.

Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

d) Property, plant and equipment

Capital work in progress andproperty, plant and equipment arestated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates then separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to Note 2.2 (e) and 15 regarding provisions and significant accounting judgements, estimates and assumptions for further information about the recorded decommissioning provision.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and cost of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset	Useful lives (in years)
Plant & Machinery	3-5
Furniture and Fixtures	3
Computers and Servers	3
Office Equipment	3

Management's estimates of useful lives of certain fixed assets are lower than those stated in Schedule II to the Companies Act, 2013. Management has estimated these useful lives after taking into consideration technical advice, prior asset usage experience and the risk of technological obsolescence.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Leasehold improvements are depreciated over the primary period of lease, or useful life, whichever is lower, on a straight line basis.

e) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. The Company does not have intangible asset whose useful life is assumedas indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

A summary of the policies applied to the Company's intangible assets is, as follows:

Asset	Life in Years
Specialised Software license	10 years
Other Software	3 years

f) Leases

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

For arrangements entered into prior to April 01, 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a Lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. 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 finance costs in the statement of profit or loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

g) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials and packing materials: Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis. Customs duty on imported raw materials is treated as part of the cost of the inventories.

Work in progress & finished goods: Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

h) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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

For assets other than goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

i) Taxes

Current Income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax creditsand any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.In assessing the probability the Company considers whether the entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

j) Provisions and Contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

Decommissioning liability

The Company records a provision for decommissioning costs of a Company's manufacturing facility, corporate office and branch offices. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow ofresources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

The Company does not recognise a contingent liability but discloses its existence in the financial statements.

k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Leave Encashment / compensated absences

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gain/loss are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

l) Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity settled transaction

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

m) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or 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 recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 9.

Debt instrument at FVTPL

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

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

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) 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 recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises 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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b. Financial assets that are debt instruments and are measured as at FVTOCI
c. Lease receivables under Ind AS 17
d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
e. Loan commitments which are not measured as at FVTPL
f. Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

n) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 14.

Derecognition

A financial liability is derecognised 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 recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original Classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount
Amortised Cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments

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

o) Convertible preference shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

p) Treasury shares

The Company has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Company uses EBT as a vehicle for distributing shares to employees under the 2007 Canvera Stock Option Plan Scheme. The EBT buys shares of the Company, for giving shares to employees. The Companytreats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting period are satisfied with treasury shares.

q) Foreign currency transactions

The Company's financial statements are presented in INR which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

r) Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

s) Cash and cash equivalents

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

3. Property, plant and equipment

	Leasehold improvements	Plant and machinery	Computers	Office equipment	Furniture & fixtures	Total
Cost						
At April 1, 2015	**27,162**	**76,355**	**43,446**	**13,266**	**4,073**	**1,64,302**
Additions	2,124	907	10,703	1,434	30	**15,198**
Disposals	1,487	-	92	148	-	**1,727**
At March 31, 2016	**27,799**	**77,262**	**54,057**	**14,552**	**4,103**	**1,77,773**
Additions	1,539	-	800	1,299	124	**3,762**
Disposals	5,674	-	203	2,444	736	**9,057**
At March 31, 2017	**23,664**	**77,262**	**54,654**	**13,407**	**3,491**	**1,72,478**
Depreciation						
At April 1, 2015	**17,024**	**64,792**	**30,152**	**9,268**	**4,059**	**1,25,295**
Charge for the year	7,195	8,208	10,598	2,914	39	**28,954**
Disposals	1,204	-	4	131	-	**1,339**
At March 31, 2016	**23,015**	**73,000**	**40,746**	**12,051**	**4,098**	**1,52,910**
Charge for the year	3,528	3,260	7,096	2,132	18	**16,034**
Disposals	5,661	-	203	2,414	729	**9,007**
At March 31, 2017	**20,882**	**76,260**	**47,639**	**11,769**	**3,387**	**1,59,937**
Net book value						
At April 1, 2015	**10,138**	**11,563**	**13,294**	**3,998**	**14**	**39,007**
At March 31, 2016	**4,784**	**4,262**	**13,311**	**2,501**	**5**	**24,863**
At March 31, 2017	**2,782**	**1,002**	**7,015**	**1,638**	**104**	**12,541**

Note (i) :- Details of assets taken on finance lease included in:-

	Plant and equipment	Computers	Total
Net Block as at April 01, 2015	8,324	5,886	14,210
Net Block as at March 31, 2016	2,052	1,887	3,939
Net Block as at March 31, 2017	93	-	93

There are no additions of plant and equipment and computers under finance lease during the year ended March 31, 2016 and March 31, 2017. Leased assets are pledged as security for the related finance lease.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

4. Other intangible assests

	Specialised Software Licenses	Other Software	Total
Cost			
At April 1, 2015	**11,385**	**7,467**	**18,852**
Additions	-	1,547	1,547
Disposals	-	-	-
At March 31, 2016	**11,385**	**9,014**	**20,399**
Additions	-	234	234
Disposals	-	-	-
At March 31, 2017	**11,385**	**9,248**	**20,633**
Depreciation			
At April 1, 2015	**7,536**	**6,025**	**13,561**
Charge for the year	1,138	1,121	2,259
Disposals	-	-	-
At March 31, 2016	**8,674**	**7,146**	**15,820**
Charge for the year	1,045	1,131	2,176
Disposals	-	-	-
At March 31, 2017	**9,719**	**8,277**	**17,996**
Net book value			
At April 1, 2015	**3,849**	**1,442**	**5,291**
At March 31, 2016	**2,711**	**1,868**	**4,579**
At March 31, 2017	**1,666**	**971**	**2,637**

5 Financial assets

Loans	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Unsecured, considered good						
Security deposits	9,684	10,658	11,207	405	736	736
	9,684	**10,658**	**11,207**	**405**	**736**	**736**
Financial assets - Others						
Bank balance- fixed deposits*	-	30,000	-	-	-	-
Other receivables	-	-	-	-	308	1,197
Interest accrued on fixed deposit with bank	-	-	-	1,941	1,170	197
	-	**30,000**	**-**	**1,941**	**1,478**	**1,394**

* Pursuant to share subscription agreement dated 28th September, 2015 this amount is deposited in an escrow account

Investments						
Investments at fair value through profit or loss (FVTPL)						
Investment in mutual funds	-	-	-	-	-	74,551
	-	-	-	-	-	**74,551**
Refer note 33 for determination of their fair values.						
Total financial assets	**9,684**	**40,658**	**11,207**	**2,346**	**2,214**	**76,681**

Break up of financial assets carried at amortised cost			
	March 31, 2017	**March 31, 2016**	**April 01, 2015**
Loans	10,089	11,394	11,943
Financial assets - Others	1,941	31,478	1,394
Trade and other receivables (note 9)	6,498	9,436	6,666
Cash and cash equivalents and other bank balances (note 10 and note 11)	82,851	78,605	14,164
Total financial assets carried at amortised cost	**1,01,379**	**1,30,913**	**34,167**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

6. Tax Assets

	March 31, 2017	March 31, 2016	April 01, 2015
Advance income tax	937	792	585
	937	**792**	**585**

7. Other assets

	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Capital advances	56	438	-	-	-	-
Advances other than capital advances						
Advance to suppliers	-	-	-	1,185	268	533
Employees and other advances	-	-	-	354	516	372
Other advances						
Prepaid expenses	223	607	1,334	4,953	6,507	6,577
Balance with statutory/ government authorities	-	-	-	214	1,747	3,022
Other receivable	-	-	-	1,246	3,703	-
	279	**1,045**	**1,334**	**7,952**	**12,741**	**10,504**

8. Inventories

	March 31, 2017	March 31, 2016	April 01, 2015
Raw materials (at cost)	8,627	11,442	9,475
	8,627	**11,442**	**9,475**

9. Trade receivables

	March 31, 2017	March 31, 2016	April 01, 2015
Unsecured, considered good	6,498	9,436	6,666
Unsecured, considered doubtful	1,171	1,171	686
	7,669	**10,607**	**7,352**
Less: Allowance for doubtful debts	(1,171)	(1,171)	(686)
	6,498	**9,436**	**6,666**
Current	**6,498**	**9,436**	**6,666**
Non-current	**-**	**-**	**-**

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

10. Cash and cash equivalents

	March 31, 2017	March 31, 2016	April 01, 2015
Balances with banks:			
Current accounts	28,870	36,445	10,505
Deposits with original maturity of less than 3 months	10,000	-	-
Remittances in transit	3,056	1,549	3,108
Cash on hand	85	25	75
	42,011	**38,019**	**13,688**

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11. Other bank balances

	March 31, 2017	March 31, 2016	April 01, 2015
Bank deposits with original maturity of:			
Less than 12 months but more than 3 months	40,840	40,586	476
	40,840	**40,586**	**476**

12. Share capital

	March 31, 2017	March 31, 2016	April 01, 2015
Authorised share capital			
Equity share capital of Rs. 1 each			
1,163,670 [(March 31, 2016: 763,670) (April 01, 2015: 463,670)] Class A equity shares	1,164	764	464
636,330 [(March 31, 2016: 1,036,330) (April 01, 2015: 1,836,330)] Class B equity shares	636	1,036	1,836
2,800,000 [(March 31, 2016: Nil) (April 01, 2015: Nil)] Class C equity shares	2,800	-	-
	4,600	**1,800**	**2,300**
Optionally convertible cumulative redeemable preference shares (OCCRPS) of Rs. 1 each			
350,000 [(March 31, 2016: 700,000) (April 01, 2015: 700,000)] Series A, 0.1% OCCRPS	350	700	700
150,000 [(March 31, 2016: Nil) (April 01, 2015: Nil)] Series B, 0.1% OCCRPS	150	-	-
100,000 [(March 31, 2016: Nil) (April 01, 2015: Nil)] Series C, 0.1% OCCRPS	100	-	-
400,000 [(March 31, 2016: 500,000) (April 01, 2015: Nil)] Series A1, 0.1% OCCRPS	400	500	-
2,700,000 [(March 31, 2016: Nil) (April 01, 2015: Nil)] Series A2, 0.1% OCCRPS	2,700	-	-
	3,700	**1,200**	**700**
Compulsorily convertible cumulative preference shares (CCPS) of Rs. 1 each			
200,000 [(March 31, 2016: 500,000) (April 01, 2015: Nil)] Series A, 0.1% CCPS	200	500	-
100,000 [(March 31, 2016: Nil) (April 01, 2015: Nil)] Series A2, 0.1% CCPS	100	-	-
	300	**500**	**-**
Issued equity capital			
Equity share of Rs. 1 each issued, subscribed and fully paid			
453,350 [(March 31, 2016: 453,350) (April 01, 2015: 119,377)] Class A equity shares	453	453	119
590,385 [(March 31, 2016: 590,385) (April 01, 2015: 590,385)] Class B equity shares	591	591	591
	1,044	**1,044**	**710**
Instruments entirely equity in nature			
CCPS of Rs. 1 each			
164,142 [(March 31, 2016: 164,142) (April 01, 2015: Nil)] Series A, 0.1% CCPS	164	164	-
59,801 [(March 31, 2016: Nil) (April 01, 2015: Nil)] Series A2, 0.1% CCPS	60	-	-
	224	**164**	**-**
Equity component of convertible preference shares			
OCCRPS of Rs. 1 each			
301,798 [(March 31, 2016: 534,356) (April 01, 2015: 534,356)] Series A, 0.1% OCCRPS	2,37,237	4,25,680	4,25,680
149,502 [(March 31, 2016: Nil) (April 01, 2015: Nil)] Series B, 0.1% OCCRPS	1,21,142	-	-
83,056 [(March 31, 2016: Nil) (April 01, 2015: Nil)] Series C, 0.1% OCCRPS	67,301	-	-
348,837 [(March 31, 2016: 348,837) (April 01, 2015: Nil)] Series A1, 0.1% OCCRPS	1,00,952	1,00,952	-
1,734,246 [(March 31, 2016: Nil) (April 01, 2015: Nil)] Series A2, 0.1% OCCRPS	1,30,116	-	-
	6,56,748	**5,26,632**	**4,25,680**

During the year ended March 31, 2017, the Company increased its authorised share capital. The Company reclassified by creating new class of equity shares, Class C and also reclassified Series A OCCRPS into three series i.e. Series A, Series B and Series C OCCRPS without any changes in the rights of the shareholders. The authorised capital as at March 31, 2017, 2016 and April 01, 2015 is as disclosed above.

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

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Equity Shares	March 31, 2017		March 31, 2016	
	Number of shares	Amount	Number of shares	Amount
Class A equity shares				
At the commencement of the year	4,53,350	453	1,19,377	119
Add: shares issued (refer note (b) below)	-	-	3,33,973	334
At the end of the year	**4,53,350**	**453**	**4,53,350**	**453**
Class B equity shares				
At the commencement of the year	5,90,385	591	5,90,385	591
Add: shares issued	-	-	-	-
Outstanding at the end of the year	**5,90,385**	**591**	**5,90,385**	**591**
Instruments entirely equity in nature				
0.1% Series A CCPS				
At the commencement of the year	1,64,142	164	-	-
Add: shares issued	-	-	1,64,142	164
Outstanding at the end of the year	**1,64,142**	**164**	**1,64,142**	**164**
0.1% Series A2 CCPS				
At the commencement of the year	-	-	-	-
Add: shares issued	59,801	60	-	-
Outstanding at the end of the year	**59,801**	**60**	-	-
Equity component of convertible preference shares				
OCCRPS of Re. 1 each				
0.1% Series A OCCRPS				
At the commencement of the year	5,34,356	4,25,680	5,34,356	4,25,680
Add: shares issued	-	-	-	-
Reclassified to:-				
0.1% Series B OCCRPS	(1,49,502)	-	-	-
0.1% Series C OCCRPS	(83,056)	-	-	-
Outstanding at the end of the year	**3,01,798**	**4,25,680**	**5,34,356**	**4,25,680**
0.1% Series B OCCRPS				
At the commencement of the year	-	-	-	-
Add: shares issued	-	-	-	-
Arising out of reclassification of 0.1% Series A OCCRPS	1,49,502	-	-	-
Outstanding at the end of the year	**1,49,502**	-	-	-
0.1% Series C OCCRPS				
At the commencement of the year	-	-	-	-
Add: shares issued	-	-	-	-
Arising out of reclassification of 0.1% Series A OCCRPS	83,056	-	-	-
Outstanding at the end of the year	**83,056**	-	-	-
0.1% Series A1 OCCRPS				
At the commencement of the year	3,48,837	1,00,952	-	-
Add: shares issued	-	-	3,48,837	1,00,952
Outstanding at the end of the year	**3,48,837**	**1,00,952**	**3,48,837**	**1,00,952**
0.1% Series A2 OCCRPS				
At the commencement of the year	-	-	-	-
Add: shares issued	17,34,246	1,30,116	-	-
Outstanding at the end of the year	**17,34,246**	**1,30,116**	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

(b) Terms/ rights attached to equity shares

The Company has three classes of equity shares having a par value of Re 1 each, referred to as Class A equity shares, Class B equity shares and Class C equity shares. The voting rights on equity shares is restricted to only one vote per share. In the event of liquidation of the Company, the Class C equity share holders shall be entitled to receive, pro rata, in proportion to their respective equity capital investment in the Company, prior to any distribution to the other Shareholders (including holders of Class A and Class B equity shares), an amount equal to 1 (one) times of the investment amount plus all declared but unpaid dividends thereon (the "Preference Amount"). Further, the Class B equity share holders shall be entitled to receive, pro rata, in proportion to their respective equity capital investment in the Company, prior to any distribution to the other Shareholders (including holders of Class A equity shares), an amount equal to 1 (one) times of the investment amount plus all declared but unpaid dividends thereon (the "Preference Amount"). If the Company has insufficient assets to permit payment of the Preference Amount in full to the Investors, then the assets of the Company shall be distributed in such a manner as to permit payment of the entire Preference Amount to the Investors prior to all other Shareholders of the Company.

The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The dividend proposed by the Board of Directors is subject to shareholder's approval at the ensuing Annual General Meeting. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

The Company has not issued Class C equity shares as of March 31, 2017.

The Company has allocated 933,973 [(March 31, 2016- 733,973) (April 01, 2015- 333,973)] options for issue under the Canvera Stock Option Plan 2007. During the year ended March 31, 2016, the Company allotted 333,973 Class A equity shares out of the above mentioned allocated shares on March 15, 2016 at the rate of Re 1 per share (Face Value : Re 1 per share) to Canvera Welfare Trust ('Trust') under section 62(1)(a) of the Companies Act, 2013. Refer note (f) below.

Terms of conversion/ redemption of preference shares

The Company has below classes of preference shares having a par value of Rs 1 each, referred to as follows:-

i) Series A, 0.1% optionally convertible cumulative redeemable preference shares of Re 1 each

ii) Series B, 0.1% optionally convertible cumulative redeemable preference shares of Re 1 each

iii) Series C, 0.1% optionally convertible cumulative redeemable preference shares of Re 1 each

iv) Series A1, 0.1% optionally convertible cumulative redeemable preference shares of Re 1 each

v) Series A, 0.1% compulsorily convertible cumulative preference shares of Re 1 each together or collectively referred as 'Category 1 preference shares'.

    i) Series A2, 0.1% compulsorily convertible cumulative preference shares of Re 1 each

    ii) Series A2, 0.1% optionally convertible cumulative redeemable preference shares of Re 1 each together or collectively referred as 'Category 2 preference shares'.

The holders of Category 1 and Category 2 preference shares have the right to convert any of or all of the preference shares at their sole discretion and at any time within 20 years from the closing date in to equal number of Class B equity shares and Class C equity shares respectively, of the Company. The holder of these preference shares are entitled to a cumulative dividend of 0.1%. Preference shares carry a preferential right as to dividend over equity shareholders.

The holders of Category 1 and Category 2 preference shares are entitled to receive notice of and vote on all matters that are submitted to the vote of the shareholders of the Company. Each of Category 1 and Category 2 preference shares shall entitle the holder to the number of votes equal to the number of whole or fractional Class B equity shares and Class C equity shares respectively, into which such preference shares could then be converted. In the event of liquidation, the holders of the Category 1 and Category 2 preference shares shall have a preference over the other shareholders of the Company except for the holders of Class B equity shares and Class C equity shares to the extent of capital paid up and dividend in arrears on such shares.

All OCCRPS may be redeemed by the holders of these shares at any time after the end of 15 years upto the maximum period of 20 years from the closing date, any or all of these shares that have not been converted into Class B equity shares, at the stipulated redemption amount. These OCCRPS shares were split between equity component and the liability component based on the rate of borrowing considering the Company's financial position and terms of the instrument.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

(c) Details of shareholders holding more than 5% shares of each class of shares in the Company:

Particulars	March 31, 2017		March 31, 2016		April 01, 2015	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Equity shares						
Class A equity shares						
Canvera Welfare Trust	3,33,973	73.67%*	3,33,973	73.67%*	-	-
Dhiraj Kacker, Director	50,000	11.03%*	50,000	11.03%*	50,000	41.88%
Peeyush Rai, Director	50,000	11.03%*	50,000	11.03%*	50,000	41.88%
Info Edge (India) Ltd	-	-	18,100	3.99%*	18,100	15.00%
Startup Investments (Holding) Limited (a subsidiary of Info Edge (India) Limited) #	18,100	3.99%*	-	-	-	-
* Taking into considerations the equity shares allotted to Canvera Welfare Trust						
Class B equity shares						
Footprint Ventures Trustee Company Private Limited	40,818	6.91%	40,818	6.91%	40,818	6.91%
Footprint Ventures (Mauritius) Limited	2,51,192	42.55%	2,51,192	42.55%	2,51,192	42.55%
Draper Fisher Jurvetson Mauritius Inc	2,66,099	45.07%	2,66,099	45.07%	2,66,099	45.07%
Instruments entirely equity in nature						
Series A CCPS						
Smartweb Internet Services Ltd (a subsidiary of Info Edge (India) Limited)	-	-	1,01,010	61.54%	-	-
Footprint Ventures (Mauritius) Limited	31,566	19.23%	31,566	19.23%	-	-
Draper Fisher Jurvetson Mauritius Inc	31,566	19.23%	31,566	19.23%	-	-
Startup Investments (Holding) Limited (a subsidiary of Info Edge (India) Limited) #	1,01,010	61.54%				
Series A2 CCPS						
Footprint Ventures (Mauritius) Limited	59,801	100%	-	-	-	-
OCCRPS of Rs. 1 each						
Series A OCCRPS						
Info Edge (India) Ltd	-	-	2,99,658	99.29%	2,99,658	99.29%
Startup Investments (Holding) Limited (a subsidiary of Info Edge (India) Limited) #	2,99,658	99.29%	-	-	-	-
Series B OCCRPS						
Info Edge (India) Ltd	-	-	1,49,502	100.00%	1,49,502	100.00%
Startup Investments (Holding) Limited (a subsidiary of Info Edge (India) Limited) #	1,49,502	100.00%	-	-	-	-
Series C OCCRPS						
Info Edge (India) Ltd	-	-	83,056	100.00%	83,056	100.00%
Startup Investments (Holding) Limited (a subsidiary of Info Edge (India) Limited) #	83,056	100.00%	-	-	-	-
Series A1 OCCRPS						
Smartweb Internet Services Ltd (a subsidiary of Info Edge (India) Limited)	-	-	3,48,837	100.00%	-	-
Startup Investments (Holding) Limited (a subsidiary of Info Edge (India) Limited) #	3,48,837	100.00%	-	-	-	-
Series A2 OCCRPS						
Startup Investments (Holding) Limited- holding company	15,54,841	89.66%	-	-	-	-
Ambarish Raghuvanshi	1,19,603	6.90%	-	-	-	-

Info Edge (India) Ltd transferred its shareholding to its wholly owned subsidiary, Smartweb Internet Services Ltd and the transfer formalities were completed in May 2016. Further in July 2016, Smartweb Internet Services Ltd transferred its shareholding to Startup Investments (Holding) Limited, another wholly owned subsidiary of Info Edge (India) Ltd.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

(d) Shares held by ultimate holding company, holding company and subsidiaries of ultimate holding company

Particulars	March 31, 2017		March 31, 2016		April 01, 2015	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Startup Investments (Holding) Limited- holding company, holds the following shares:-						
Class A equity shares	18,100	0.47%	-	-	-	-
Class B equity shares	16,611	0.43%	-	-	-	-
Series A OCCRPS	2,99,658	7.71%	-	-	-	-
Series B OCCRPS	1,49,502	3.85%	-	-	-	-
Series C OCCRPS	83,056	2.14%	-	-	-	-
Series A1 OCCRPS	3,48,837	8.98%	-	-	-	-
Series A CCPS	1,01,010	2.60%	-	-	-	-
Series A2 OCCRPS	15,54,841	40.02%	-	-	-	-

Info Edge (India) Ltd transferred its shareholding to its wholly owned subsidiary, Smartweb Internet Services Ltd and the transfer formalities were completed in May 2016. Further in July 2016, Smartweb Internet Services Ltd transferred its shareholding to Startup Investments (Holding) Limited, another wholly owned subsidiary of Info Edge (India) Ltd.

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(e) There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

(f) Shares reserved for issue under options

	March 31, 2017			March 31, 2016			April 01, 2015	
	Number of shares	Amount		Number of shares	Amount		Number of shares	Amount
Under Employees Stock Option Plan, 2007 (To be read with note (h) below)	6,00,000	600	3,33,973	4,00,000	400	3,33,973	3,33,973	334

(g) For details of shares reserved for issue on conversion of Convertible Preference Shares, please refer note related to terms of conversion/ redemption of preference shares.

(h) Employees Stock Option Plan

The Company has implemented the 'Canvera Employee Stock Option Plan - 2007' ('the ESOP 2007') for the benefit of the employees.

The ESOP - 2007 provides for the issue of 933,973 (March 31, 2016: 733,973) options that would eventually convert into Class A equity shares of Rs 1 each in the hands of the Company's employees . The options are to be granted to the eligible employees at the discretion of and at the exercise price determined by the members of stock option committee. The options generally vest over 4 years and are exercisable during a maximum period of 10 years from the date of grant. (Also refer note (b) above.)

On February 25, 2016, Canvera Welfare Trust ('Trust') was created for the welfare and benefit of the employees and directors of the Company. The Board of Directors has approved the employee stock option plan of the Company. On March 15, 2016 the Trust purchased 333,973 Class A equity shares (Face value of Rs. 1 each) of the Company using the proceeds from interest free loan of Rs. 334 obtained from the Company. The Company treats trust as its extension and shares held by the trust are treated as treasury shares. Also refer note (a) above.

Pursuant to the ESOP 2007, the Company has granted 162,163 (March 31, 2016: 279,000) options during the year ended 31 March 2017, which are exercisable at weighted average price of Rs. 1 (March 31, 2016: Rs. 212 each). For the year ended March 31, 2017, the Company has recorded stock compensation cost of Rs. 53,332 (March 31, 2016: Rs 74,522) using fair value method.

Option activity during the period and weighted average exercise price of stock options under the ESOP-2007 is as given below:

Particulars	March 31, 2017		March 31, 2016	
	Number of shares	Weighted average exercise price	Number of shares	Weighted average exercise price
2007 Canvera Stock Option Plan				
Options outstanding, beginning of the year	5,66,088	198	3,04,670	175
Granted during the year	1,62,163	1	2,79,000	212
Exercised during the year	-	-	-	-
Forfeited during the year	22,879	269	17,582	21
Options outstanding as at balance sheet date	**7,05,372**	151	**5,66,088**	198
Options exercisable as at balance sheet date	3,45,622		2,70,265	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

Weighted average remaining contractual life of the options outstanding as at March 31, 2017 is 4.92 years (March 31, 2016: 5.55years).

The range of exercise prices for options outstanding as at March 31, 2017 and March 31, 2016 are as follows:-

Particulars	March 31, 2017		March 31, 2016	
2007 Canvera Stock Option Plan	Number of shares outstanding	Exercise price	Number of shares outstanding	Exercise price
	3,18,419	1	1,65,265	1
	54,200	108	54,200	108
	1,69,383	121	1,73,933	121
	54,200	215	54,200	215
	54,200	323	54,200	323
	54,200	430	54,200	430
	770	600	10,090	600
	7,05,372		**5,66,088**	

The weighted average fair value of each option granted during the year ended March 31, 2017 computed using Black-Scholes was Rs 110.78 (March 31, 2016: Rs. 646.89).

The following table list the inputs to the model used for the Stock option plan for the years ended March 31, 2017 and March 31, 2016 respectively:

Particulars	March 31, 2017	March 31, 2016
Dividend yield %	0%	0%
Expected volatility	40%	40%
Risk free interest rate	6.82%	7.82%
Expected life of options	8 years	10 years
Weighted average share price	111	769
Exercise price	1	214
Model used	Black- scholes	Black- scholes

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

13. Other equity

	March 31, 2017	March 31, 2016	April 01, 2015
Equity component of optionally convertible preference shares	6,56,748	5,26,632	4,25,680
Securities premium	5,09,286	5,02,679	3,72,843
Retained earnings	(17,62,795)	(15,25,814)	(11,33,563)
Treasury Shares	(334)	(334)	-
Other reserves			
Capital reserves	35	35	35
Employee Stock Options Outstanding reserve	3,59,405	3,06,073	2,31,551
	(2,37,655)	**(1,90,729)**	**(1,03,454)**

For movement of other equity, also refer statement of changes in equity. Also refer note 19 in respect of deferred taxes on the equity component of OCCRPS.

14. Borrowings

	March 31, 2017	March 31, 2016	April 01, 2015
Non Current Borrowing			
Secured borrowings			
Finance lease obligations (secured)*	122	1,638	6,948
Liability component of OCCRPS [refer note 12 (b)]	43,948	31,960	23,203
	44,070	**33,598**	**30,151**
Current Borrowings			
Current maturity of finance lease obligation	**1,554**	**5,349**	**5,100**
Total current borrowing	**1,554**	**5,349**	**5,100**
Less : Amount clubbed under other current financial liabilities	**(1,554)**	**(5,349)**	**(5,100)**
Net current borrowings	**-**	**-**	**-**

* (secured against underlying computers, plant and machinery obtained on finance lease basis)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

15. Provision

	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Provision for employee benefits						
Provision for gratuity (refer note 32)	9,515	10,164	8,252	1,316	1,434	1,060
Provision for leave benefits	-	-	-	901	1,144	876
Others						
Provision for decommissioning liability *	4,258	3,950	3,665	-	-	-
	13,773	**14,114**	**11,917**	**2,217**	**2,578**	**1,936**

* Additional provision made during the year ended March 31, 2017 is Rs. 308 (March 31, 2016:- Rs. 286).

16. Trade payables

	March 31, 2017	March 31, 2016	April 01, 2015
Trade payables	59,681	76,490	55,230
	59,681	**76,490**	**55,230**

Based on the information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2017, March 31, 2016 and April 01, 2015.

17. Other financial liabilities

	March 31, 2017	March 31, 2016	April 01, 2015
Current maturity of finance lease obligation	1,554	5,349	5,100
Payable for capital goods	165	1,553	33
Accrued salaries and benefits	3,114	1,607	987
	4,833	**8,509**	**6,120**
Break up of financial liabilities carried at amortised cost			
Trade payables (refer note 16)	59,681	76,490	55,230
Borrowings (refer note 14)	44,070	33,598	30,151
Other financial liabilities (refer note 17)	4,833	8,509	6,120
Total financial liabilities carried at amortised cost	**1,08,584**	**1,18,597**	**91,501**

18. Other current liabilities

	March 31, 2017	March 31, 2016	April 01, 2015
Advances from customers	16,490	18,742	18,775
Deferred revenue	6,476	5,175	9,161
Withholding and other taxes payable**	7,298	8,436	6,340
	30,264	**32,353**	**34,276**

** statutory dues include provident fund, employee state insurance, professional tax, service tax, withholding taxes payables and other indirect taxes payable.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

19. Income tax

Deferred tax

Deferred tax relates to the following:

	Balance sheet			Statement of profit and loss	
	March 31, 2017	**March 31, 2016**	**April 01, 2015**	**Year ended March 31, 2017**	**Year ended March 31, 2016**
Convertible preference shares- (refer note (a) below.	2,87,953	2,31,916	1,88,273	(2,149)	(1,500)
Losses available for offsetting against future taxable differences (refer note (b) below.	(72,052)	(23,662)	(50,245)	(48,390)	26,583
Net deferred tax liabilities, net	**2,15,901**	**2,08,254**	**1,38,028**		
Deferred tax charge/(credit)				**(50,539)**	**25,083**

Note:-

a) Deferred tax liability on OCCRPS adjusted with the equity component of OCCRPS are as follows:-

	As at		
	March 31, 2017	**March 31, 2016**	**April 01, 2015**
Adjusted with equity	2,93,683	2,35,498	1,90,355

b) As at April 1, 2015, the Company had unused tax losses (including unabsorbed depreciation) amounting to Rs 927,290. Accordingly, the Company recognised deferred tax assets of Rs 50,245 as at April 1, 2015 on such unused tax losses to the extent the Company had sufficient taxable temporary differences after taking into consideration the period of expiry of such losses under the Income tax Act, 1961. In August 2016, consequent to change in shareholding of the Company including equity and preference share capital and as per section 79 of the Income tax Act, 1961, business losses (excluding unabsorbed depreciation) upto financial year 2015-16 were considered as not likely to be available to be carried forward. Therefore, during the year ended March 31, 2016, as a matter of prudence, the Company reversed deferred tax asset on such business losses, amounting to Rs. 30,619 through the statement of profit and loss. Also refer note 12 (c). Business losses for the year ended March 31, 2017 which are available for carry forward and set off in future years amounted to Rs 229,175 in respect of which the Company created deferred tax asset of Rs 48,390. Below table summarises the details of creation/reversal of deferred tax assets:-

Particulars	Year ended		
Deferred tax assets relating to:	**March 31, 2017**	**March 31, 2016**	**April 01, 2015***
Business loss	44,816	(30,619)	30,619
Unabsorbed depreciation	3,574	4,036	19,626
	48,390	**(26,583)**	**50,245**

* Deferred tax asset created through retained earnings

c) The Company has unused tax losses (including unabsorbed depreciation) of Rs 305,753 (March 31, 2016: Rs 76,577 and April 01, 2015: Rs 927,290) that were available for carry forward and set off against future taxable profits. Deferred tax assets on these losses have been recognised only to the extent they are available for set off against future profits including available taxable temporary differences.

20. Revenue from operations (net)

	March 31, 2017	**March 31, 2016**
Sale of photo books	4,63,619	5,19,722
Sale of services -Designing charges	24,508	36,259
Others	782	1,287
	4,88,909	**5,57,268**

21. Other income

	March 31, 2017	**March 31, 2016**
Gain on sale of fixed assets(net)	517	-
Fair value gain on financial instruments at fair value through profit or loss	-	1,617
Miscellaneous income	13	76
	530	**1,693**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

22. Finance income

	March 31, 2017	March 31, 2016
Interest income on fixed deposits	5,777	2,685
Unwinding of discount on security deposit	783	713
	6,560	**3,398**

23. Cost of raw materials consumed

	March 31, 2017	March 31, 2016
Raw materials		
Inventory at the beginning of the year	11,442	9,475
Add: Purchases	1,14,813	1,39,161
Less: inventory at the end of the year	(8,627)	(11,442)
	1,17,628	**1,37,194**

24. Employee benefits expenses

	March 31, 2017	March 31, 2016
Salaries, wages and bonus	2,70,394	3,14,913
Contribution to provident and other funds	14,262	15,458
Gratuity expense (refer note 32)	3,787	3,810
Employee stock compensation cost	53,332	74,522
Staff welfare expenses	10,002	14,580
	3,51,777	**4,23,283**

25. Depreciation and amortisation expense

	March 31, 2017	March 31, 2016
Depreciation of property, plant and equipment	16,034	28,954
Amortisation of intangible assets	2,176	2,259
	18,210	**31,213**

26. Finance costs

	March 31, 2017	March 31, 2016
Interest expenses and finance charges payable under finance lease	902	1,619
Bank charges	103	188
Unwinding of discount on provision	308	286
Interest expense on liability component of compound financial instrument	6,954	4,852
	8,267	**6,945**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

27. Other expenses

	March 31, 2017	March 31, 2016
Photo printing charges	28,527	35,677
Contract/ outsourced manpower cost	34,068	61,957
Power and fuel	11,294	13,388
Rent	24,792	24,815
Rent expense on prepaid rent	724	726
Rates and taxes	1,400	635
Repairs and maintenance		
Buildings	15,389	18,821
Plant and machinery	6,396	5,845
Others	3,908	3,499
Insurance	609	622
Travelling and conveyance	12,611	15,892
Advertisement and marketing expenses	20,774	22,395
Legal and professional charges including software consultancy	58,092	50,919
Payments to auditors **	1,953	1,775
Printing and stationery	1,272	1,523
Communication	21,128	21,330
Postage and courier	35,865	39,097
Payment processor fees	5,473	5,980
Royalty expenses	345	1,019
Security charges	3,884	3,231
Provision for doubtful trade receivables/advances	220	485
Loss on sale of assets, net	-	260
Foreign exchange loss, net	7	101
Miscellaneous expenses	555	435
	2,89,286	**3,30,427**
** **Payments to auditors:**		
As auditor		
Audit fee	1,400	1,400
Tax audit fee	150	150
Service tax on above	233	225
Reimbursement of expenses (Including service tax)	170	-
	1,953	**1,775**

28. Disclosure on Specified Bank Notes (SBNs)

Vide notification G.S.R. 308(E) dated March 31, 2017 issued by the Ministry of Corporate Affairs the Company is required to disclose details of Specified Bank Notes (SBN) and other denomination held on November 8, 2016 and on December 30, 2016 and dealings between these dates. The Company had not maintained details of the SBNs and accordingly, the Company has disclosed the total cash reconciliation in the total column below.

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 08, 2016	-	-	1,680
(+) Permitted receipts	-	-	5,888
(-) Permitted payments	-	-	(144)
(-) Amounts deposited in Banks	-	-	(7,372)
Closing cash in hand as on December 30, 2016	-	-	52

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

29. Segment reporting

The Company is primarily engaged in a single business segment viz printing and designing of photobooks, which is governed by similar set of risks and returns. The operations of the Company primarily cater to the market in India, which the management views as a single segment. The management monitors the operating results of its single business unit for the purpose of making decisions about resource allocation and performance assessment.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

30. Commitments and contingencies

a) Finance lease: Company as lessee

The Company has finance leases for various items of plant and machinery and computers. These leases involves upfront lease payment. However, there is no escalation clause. Each renewal is at the option of lessee. Future minimum lease payments (MLP) under finance leases together with the present value of the net MLP are as follows:

Minimum lease payments (MLP):	March 31, 2017		March 31, 2016		April 01, 2015	
	Minimum payment	Present value of MLP	Minimum payment	Present value of MLP	Minimum payment	Present value of MLP
Within one year	1,792	1,554	6,035	5,349	6,681	5,100
Later than one year and not later than 5 years	127	122	1,722	1,638	7,757	6,948
Total minimum lease payments	**1,919**	**1,676**	**7,757**	**6,987**	**14,438**	**12,048**
Less: amount representing finance charges	243	**-**	770	**-**	2,389	**-**
Present value of MLP	**1,676**	**1,676**	**6,987**	**6,987**	**12,049**	**12,048**

b) Operating lease: Company as a lessee

The Company has entered into commercial property leases consisting of Company's corporate office, a manufacturing facility, branch offices and certain equipments. These leases are for a period of one to five years with renewal option included in the contracts. Rent expense for such operating lease recognised in the statement of profit & loss is Rs. 24,792 for the year ended March 31, 2017 (March 31, 2016 : Rs. 24,815).

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

	March 31, 2017	March 31, 2016	April 01, 2015
Not later than one year	190	1,422	13,557
Later than one year and not later than five years	-	-	1,163

c) Contingent liabilities

	March 31, 2017	March 31, 2016	April 01, 2015
Service tax disputed matter (Refer note below)	1,77,934	1,77,934	-

During the year ended March 31, 2016, the Company received a Show Cause Notice from the Office of the Additional Director General of Central Excise Intelligence (service tax authorities) seeking to levy service tax on printing of photobooks for the past five years (2010-11 to 2014-15) amounting to Rs. 177,934 [(March 31, 2016: Rs. 177,934) (April 01, 2015: Rs. Nil)]. The Company has filed a response with the Commissioner of Service Tax against the said show cause notice and is awaiting further response/order.

The management of the Company, based on the opinion received from their tax consultant and legal counsel, is of the view that the Company has a good case to defend its position. Pending final outcome in the matter, no adjustments have been made to the financial statements in this regard.

d) Commitments

	March 31, 2017	March 31, 2016	April 01, 2015
Arrears of dividend on cumulative preference shares	4	2	1

31. Related party disclosures

(i) Names of related parties and related party relationship

(a1) Related parties where control exist irrespective of whether transaction have occurred or not :	
Name of the entity	**Name of relationship**
Info Edge (India) Ltd	Ultimate holding company, since August 30, 2016
Smartweb Internet Services Limited (a subsidiary of Info Edge (India) Limited)	Fellow subsidiary
Startup Investments (Holding) Ltd (a Subsidiary of Info Edge (India) Ltd)	Holding company, since August 30, 2016

(a2) Other shareholders	
Name of the entity	**Name of relationship**
Draper Fisher Jurvetson Mauritius Inc	Shareholder
Footprint Ventures (Mauritius) Limited	Shareholder
Footprint Ventures Trustee Company Private Limited	Shareholder

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

b) Name of the Key management personnel	
Name of the entity	**Name of relationship**
Dhiraj Kacker	Managing Director [upto August 30, 2016]
Peeyush Rai	Director [upto August 30, 2016]
Ranjit Singh Yadav *	Chief executive officer (CEO) from June 01, 2015 to August 30, 2016 Managing director with effect from August 30, 2016
Susmita Bhattacharjee*	Chief financial officer (CFO) [upto March 31, 2016]
Ambarish Raghuvanshi	Director
(c) Others	
Canvera Welfare Trust	ESOP Trust

* The disclosure of remuneration to the CEO and CFO has been made pursuant to requirement under Companies Act, 2013.

(ii) Related Party disclosures

Particulars	**March 31, 2017**	**March 31, 2016**
Issue of class A equity shares		
Canvera Welfare Trust	-	334
Issue of OCCRPS **		
Smartweb Internet Services Limited	-	1,50,000
Ranjit Singh Yadav	3,333	-
Startup Investments (Holding) Ltd (a Subsidiary of Info Edge (India) Ltd)	1,73,333	-
Ambarish Raghuvanshi	13,333	-
** Also refer note 12 and 14.		
Issue of CCPS **		
Footprint Ventures (Mauritius) Limited	6,667	25,000
Draper Fisher Jurvetson Mauritius Inc	-	25,000
Smartweb Internet Services Limited	-	80,000
Professional charges		
Info Edge (India) Ltd	1,818	1,164
Peeyush Rai	1,145	687
Trade Payables		
Info Edge (India) Ltd	289	348
Peeyush Rai	1,832	687
Loan granted and outstanding		
Canvera Welfare Trust [Refer note 12(h)]	334	334
Compensation of key management personnel:	**March 31, 2017**	**March 31, 2016**
Salaries and allowances	16,696	27,055
Post-employment gratuity and medical benefits	665	314
Share-based payment transactions	60,991	76,877
Professional charges	1,145	687
Total compensation paid to key management personnel	**79,497**	**1,04,933**
The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.		

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

32. Gratuity

The Company has a defined benefit gratuity plan for retirement benefit of employees. Under the gratuity plan, every employee who has completed five years or more of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The plan is unfunded.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and amounts recognised in the balance sheet.

Particulars	**March 31, 2017**	**March 31, 2016**	**April 01, 2015**
Defined Benefit Plan	**10,831**	**11,598**	**9,312**
Non Current	9,515	10,164	8,252
Current	1,316	1,434	1,060
Post employment defined benefit plan			
Net benefit expense recognised in statement of profit and loss			
		March 31, 2017	**March 31, 2016**
Current service cost		3,034	3,192
Interest cost on benefit obligation		753	617
Net benefit expense		**3,787**	**3,809**
Post employment defined benefit plan			
Changes in benefit obligation			
Benefit obligation at the beginning of the year		11,597	9,312
Current service cost		3,034	3,192
Interest cost		753	617
Benefits paid		(2,904)	(1,989)
Actuarial (gain) / loss on obligation		(1,649)	465
Benefit obligation at the end of the year		**10,831**	**11,597**
Remeasurement (gain)/ loss in other comprehensive income (OCI)			
Actuarial (gain) / loss on obligation			
Actuarial changes arising from changes in financial assumptions		439	191
Experience adjustments		(2,088)	274
Included in OCI		**(1,649)**	**465**
Actual return on plan assets		**-**	**-**
The principal assumptions used in determining gratuity for the Company's plans are shown below:			
Retirement age		58	58
Discount rate		6.68%	7.42%
Future salary increases		10%	10%
Employee turnover		20.00%	20.00%
Mortality		Indian Assured lives(2006-08)	Indian Assured lives(2006-08)

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

A quantitative sensitivity analysis for significant assumption as at March 31, 2017 and March 31, 2016 are as shown below:

Assumptions	Sensitivity Level	March 31, 2017	March 31, 2016
Discount Rate	Increase by 1%	10,244	11,016
Discount Rate	Decrease by 1%	11,483	12,238
Further Salary Increase	Increase by 1%	11,293	12,053
Further Salary Increase	Decrease by 1%	10,399	11,167
Employee turnover	Increase by 1%	10,666	11,444
Employee turnover	Decrease by 1%	11,010	11,758
Mortality Rate	Increase by 10%	10,836	11,601

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 4.46 years (March 31, 2016: 4.46 years)

33. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Financial assets- Non-current	Carrying amount			Fair value/ Amortised cost		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Loans						
Security Deposit	9,684	10,658	11,207	9,684	10,658	11,207
Bank balance - Fixed deposits	-	30,000	-	-	30,000	-
	9,684	**40,658**	**11,207**	**9,684**	**40,658**	**11,207**
Financial liabilities- Non-current						
Liability component of preference shares	43,948	31,960	23,203	43,948	31,960	23,203
Finance lease obligation	122	1,638	6,948	122	1,638	6,948
	44,070	**33,598**	**30,151**	**44,070**	**33,598**	**30,151**

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

a) The fair values of the Company's loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

34. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2017:

Company's assets and liabilities which are measured at amortised cost for which fair value are disclosed at April 01, 2015.

Particulars	Carrying amount as at	Fair value		
	April 01, 2015	Level I	Level II	Level III
Financial assets at amortized cost:				
Loans (Non-current) (Note 5)	11,207	-	-	11,207
Total	**11,207**	**-**	**-**	**11,207**
Financial assets at fair value through profit or loss				
Mutual fund - growth plan	74,551	74,551	-	-
	74,551	**74,551**	**-**	**-**
Financial liabilities at amortized cost:				
Obligation under finance lease (Note 14)	6,948	-	-	6,948
Liability component of preference shares	23,203	-	-	23,203
	30,151	**-**	**-**	**30,151**

Company's assets and liabilities which are measured at amortised cost for which fair value are disclosed at March 31, 2016.

	Carrying amount as at			Fair value
	March 31, 2016	Level I	Level II	Level III
Financial assets at amortized cost:				
Loans (Non-current) (Note 5)	10,658	-	-	10,658
Total	**10,658**	**-**	**-**	**10,658**
Financial liabilities at amortized cost:				
Obligation under finance lease (Note 14)	1,638	-	-	1,638
Liability component of preference shares	31,960	-	-	31,960
	33,598	**-**	**-**	**33,598**

Company's assets and liabilities which are measured at amortised cost for which fair value are disclosed at March 31, 2017.

	Carrying amount as at			Fair value
	March 31, 2017	Level I	Level II	Level III
Financial assets at amortized cost:				
Loans (Non-current) (Note 5)	9,684	-	-	9,684
Total	**9,684**	**-**	**-**	**9,684**
Financial liabilities at amortized cost:				
Obligation under finance lease (Note 14)	122	-	-	122
Liability component of preference shares	43,948	-	-	43,948
	44,070	**-**	**-**	**44,070**

Notes :-

The carrying value of trade receivables, trade payables, short term deposits and cash and cash equivalents are considered to be the same as their fair value, due to their short term in nature.

The fair value of security deposits were calculated based on cash flow discounted using a current lending rate, they are classified as level 3 fair value hierarchy due to inclusion of unobservable inputs including counterparty credit risk.

The fair value of non current borrowing are based on discounted cash flow using a current borrowing rate, they are classified as level 3 fair value hierarchy due to inclusion of unobservable inputs including own operational risk.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

35. Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

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

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings. The sensitivity analyses in the following sections relate to the position as at March 31, 2017 and March 31, 2016. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt.

The analyses exclude the impact of movement in market variables on the carrying values of gratuity and other post retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2017 and March 31, 2016.

a. 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's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations.

b. Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's loss before tax is affected through the impact on borrowings, as follows:

	Increase/decrease in basis points	Effect on loss before tax (Decrease)/Increase
March 31, 2017		
INR	+200	(1,237)
INR	-200	1,465
March 31, 2016		
INR	+200	(898)
INR	-200	1,073

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently unobservable inputs.

ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables, including balances with banks.

a. Trade Receivable

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets . The Company does not hold collateral as security. The Company consider the credit risk with respect to trade receivables as low, as the Company mainly collects advances from customers.

b. Financial Instrument and Cash Deposit

Credit risk from balances with banks is managed by the Company in accordance with its policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Company's maximum exposure to credit risk for the component of balance sheet as at March 31, 2017 and March 31, 2016 is the carrying amounts as illustrated in Note 9.

iii. Liquidity risk

The company monitors its risk of a shortage of funds using a liquidity planning tool.

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of finance leases. Approximately XX% of

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

the company's debt will mature in less than one year at 31 March 2017 (31 March 2016: XX%, 1 April 2015: XX%) based on the carrying value of borrowings reflected in the financial statements. The company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Less than 1 year	1 to 3 years	More than 5 years	Total
March 31, 2017				
Borrowings (other than convertible preference shares)	1,554	122	-	1,676
Convertible preference shares	-	-	43,948	43,948
Other financial liabilities	4,833	-	-	4,833
Trade and other payables	59,681	-	-	59,681
	66,068	122	**43,948**	**1,10,138**
March 31, 2016				
Borrowings (other than convertible preference shares)	5,349	1,638	-	6,987
Convertible preference shares	-	-	31,960	31,960
Other financial liabilities	8,509	-	-	8,509
Trade and other payables	76,490	-	-	76,490
	90,348	**1,638**	**31,960**	**1,23,946**
April 01, 2015				
Borrowings (other than convertible preference shares)	5,100	6,948	-	12,048
Convertible preference shares	-	-	23,203	23,203
Other financial liabilities	6,120	-	-	6,120
Trade and other payables	55,230	-	-	55,230
	66,450	**6,948**	**23,203**	**96,601**

36. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents. The Company's gearing ratio, which is net debt divided by total capital plus net debt is as below:

	March 31, 2017	March 31, 2016	April 01, 2015
Borrowings other than convertible preference shares (Note 14)	1,676	6,987	12,048
Trade payables (Note 16)	59,681	76,490	55,230
Other payables (Note 17-18)	33,543	35,513	35,296
Less: Cash and cash equivalents and other bank balances (Note 10 and Note 11)	(82,851)	(78,605)	(14,164)
Net Debt	**12,049**	**40,385**	**88,410**
Liability component of OCCRPS (Note 14)	43,948	31,960	23,203
Equity	(2,36,387)	(1,89,521)	(1,02,744)
Total capital	**(1,92,439)**	**(1,57,561)**	**(79,541)**
Capital and net debt	**(1,80,390)**	**(1,17,176)**	**8,869**
Gearing ratio	**-7%**	**-34%**	**997%**

37. First time adoption of Ind AS

These financial statements, for the year ended March 31, 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with generally accepted accounting principle in India (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for period ending on March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening statement of financial position was prepared as at April 01, 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the statement of financial position as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

Exemptions applied

Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS:

The Company has applied the following exemptions:

1 The Company has elected to apply exemption related to classification of financial assets. Under Ind AS 109, all financial assets are classified into three principal categories for measurement purpose. There categories are:
Amortized cost.
Fair value through profit and loss account (FVTPL)
Fair value through Other Comprehensive Income (FVOCI)

Amortized cost measurement is applicable only for debt instruments. An entity may use FVTPL and FVOCI categories both for debt and equity instruments. The classification depends on the following two criteria:

The entity's business model for managing the financial assets, and
The contractual cash flow characteristics of the financial assets.
Ind AS 109 requires an entity to decide classification on initial recognition. The Company is allowed to designate a financial assets as at FVTPL on the basis of facts and circumstances existing on the date of transition to Ind AS.

2 An entity estimates in accordance with Ind AS at the date of transaction to Ind AS shall be consistent with estimate made for the same date in accordance with previous GAAP, unless there is objective evidence that those estimates were in error.

3 Ind AS 102 deals with the accounting and disclosure requirements related to share-based payment transactions. Ind AS 102 Share-based Payment has not been applied to equity instruments of share-based payment transactions that vested before April 01, 2015.

Reconciliation of equity as at April 1 2015 (date of transition to Ind AS)

	Footnotes	Indian -GAAP	Adjustment	Ind -AS
ASSETS				
Non-current assets				
Property, plant and equipment	h	37,059	1,948	39,007
Other intangible assets		5,291	-	5,291
Financial assets				
Loans	b	13,427	(2,220)	11,207
Non current tax assets (net)		585	-	585
Other non-current assets	b	-	1,334	1,334
		56,362	**1,062**	**57,424**
Current Assets				
Inventories		9,475	-	9,475
Financial assets				
Investments	i	71,706	2,845	74,551
Trade receivables		6,666	-	6,666
Cash and cash equivalents		13,688	-	13,688
Other bank balances		476		476
Loans		736	-	736
Others		1,394	-	1,394
Other current assets	b	9,780	724	10,504
		1,13,921	**3,569**	**1,17,490**
Total assets		**1,70,283**	**4,631**	**1,74,914**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	f	1,244	(534)	710
Other qquity				
Equity component of optionally convertible preference shares	f,g	-	4,25,680	4,25,680
Securities premium	f	10,04,809	(6,31,966)	3,72,843
Retained earnings	b,e,f,g,h	(11,78,838)	45,275	(11,33,563)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

	Footnotes	Indian -GAAP	Adjustment	Ind -AS
Other reserves	e	2,30,305	1,281	2,31,586
Total equity		**57,520**	**(1,60,264)**	**(1,02,744)**
Non-current liabilities				
Financial liabilities				
Borrowings	f	6,948	23,203	30,151
Provisions	h	8,253	3,664	11,917
Deferred tax liabilities (Net)	g	-	1,38,028	1,38,028
		15,201	**1,64,895**	**1,80,096**
Current liabilities				
Financial liabilities				
Trade payables		55,230	-	55,230
Other financial liabilities		6,120	-	6,120
Other current liabilities		34,276	-	34,276
Provisions		1,936	-	1,936
		97,562	**-**	**97,562**
Total liabilities		**1,12,763**	**1,64,895**	**2,77,658**
Total equity and liabilities		**1,70,283**	**4,631**	**1,74,914**

The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

Reconciliation of equity as at March 31, 2016

	Footnotes	Indian -GAAP	Adjustment	Ind -AS
ASSETS				
Non-current assets				
Property, plant and equipment	h	23,602	1,261	24,863
Other intangible assets		4,579	-	4,579
Financial assets				
Loans	b	12,164	(1,506)	10,658
Others		30,000	-	30,000
Non current tax assets (net)		792	-	792
Other non-current assets	b	437	608	1,045
		71,574	**363**	**71,937**
Current Assets				
Inventories		11,442	-	11,442
Financial assets				
Trade receivables		9,436	-	9,436
Cash and cash equivalents		38,019	-	38,019
Other bank balances		40,586		40,586
Loans		736	-	736
Others		1,478		1,478
Other current assets	b	12,017	724	12,741
		1,13,714	**724**	**1,14,438**
Total assets		**1,85,288**	**1,087**	**1,86,375**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	f	2,091	(1,047)	1,044
Instruments entirely equity in nature	f	-	164	164
Other equity				

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(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

	Footnotes	Indian -GAAP	Adjustment	Ind -AS
Equity component of optionally convertible preference shares	f,g	-	5,26,632	5,26,632
Securities premium	f	12,84,296	(7,81,617)	5,02,679
Retained earnings	a,c	(15,27,311)	1,497	(15,25,814)
Treasury Shares		(334)	-	(334)
Other reserves	e	2,94,814	11,294	3,06,108
Total equity		**53,556**	**(2,43,077)**	**(1,89,521)**
Non-current liabilities				
Financial liabilities				
Borrowings	f	1,638	31,960	33,598
Provisions	h	10,164	3,950	14,114
Deferred tax liabilities (Net)	g	-	2,08,254	2,08,254
		11,802	**2,44,164**	**2,55,966**
Current liabilities				
Financial liabilities				
Trade payables		76,490	-	76,490
Other financial liabilities		8,509	-	8,509
Other current liabilities		32,353	-	32,353
Provisions		2,578	-	2,578
		1,19,930	**-**	**1,19,930**
Total liabilities		**1,31,732**	**2,44,164**	**3,75,896**
Total equity and liabilities		**1,85,288**	**1,087**	**1,86,375**

The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

Reconciliation of profit and loss for the year ended March 31, 2016

	Footnotes	Indian -GAAP	Adjustment	Ind -AS
Revenues				
Revenue from operations		5,57,268	-	5,57,268
Other income	i	4,538	(2,845)	1,693
Finance income	b	2,685	713	3,398
Total income		**5,64,491**	**(2,132)**	**5,62,359**
Expenses				
Cost of raw and packing materials consumed		1,37,194	-	1,37,194
Employee benefits expense	e	4,13,735	9,548	4,23,283
Depreciation and amortisation expense	h	30,527	686	31,213
Finance costs	f,h	1,807	5,138	6,945
Other expenses	b	3,29,701	726	3,30,427
Total expenses		**9,12,964**	**16,098**	**9,29,062**
Loss before tax		**(3,48,473)**	**(18,230)**	**(3,66,703)**
Tax Expense:				
Current tax		-	-	-
Deferred tax	f	-	25,083	25,083
Total tax expenses		**(3,48,473)**	**(43,313)**	**(3,91,786)**
Profit (Loss) from discontinued operations				
Other comprehensive income (OCI)				
Items that will not be reclassified to profit or loss				
Re-measurement gains/(losses) on defined benefit plans		-	465	465
Other comprehensive income for the year, net of tax		**-**	**465**	**465**
Total comprehensive income for the year		**(3,48,473)**	**(43,778)**	**(3,92,251)**

The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

Footnotes to the reconciliation of equity as at April 01, 2015 and March 31, 2016 and profit and loss for the year ended March 31, 2016

a Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus the employee benefit cost is reduced by Rs. 465 and Remeasurement gains/ losses on defined benefit plans has been recognized in the OCI.

b Security deposits paid

Discounting of refundable Security deposits as per the requirement of Ind AS 109, consequent to this security deposit has been decreased by Rs. 1,506 at March 31, 2016 (April 01, 2015: Rs. 2,220) and prepaid rent has been increased by similar amount.

c Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

d Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

e Share-based payments

Under Indian GAAP, the Company recognised only the intrinsic value for the long-term incentive plan as an expense. Ind AS requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period. An additional expense of Rs. 10,013 has been recognised in profit or loss for the year ended March 31, 2016 and Rs. 1,282 pertaining to options which were granted before and still vesting at April 01, 2015, have been recognised as a separate component of equity in SBP reserve against retained earnings at April 01, 2015.

f Optionally convertible cumulative redeemable preference shares (OCCRPS)

The Company has issued convertible redeemable preference shares. The preference shares carry fixed cumulative dividend which is non-discretionary. Under Indian GAAP, the preference shares were classified as equity and dividend payable thereon was treated as distribution of profit.

Under Ind AS, convertible preference shares are separated into liability and equity components based on the terms of the contract. Interest on liability component is recognised using the effective interest method. Thus the preference share capital is reduced by Rs. 3,905 in March 31, 2016 (as at April 01, 2015: Rs. 16,465) with a corresponding increase in borrowings as liability component

For compulsorily convertible preference shares which met fixed to fixed criteria, it has been disclosed as preference shares entirely equity in nature.

g Deferred tax asset/ liability

Deferred tax liability has been recognised on the equity component of OCCRPS, which has been adjusted with equity. As at March 31,2016 :Rs, 231,916 (as at April 01, 2015 Rs. 188,273) of deferred tax liability has been recognised.

Further the Company has created deferred tax asset on the unused carry forward losses to the extent of taxable temporary differences considering the expiry period of losses. Accordingly, as at April 01, 2015, deferred tax asset of Rs. 50,245 has been recognised by adjusting Retained Earnings. As more fully discussed in note 19, net deferred tax asset amounting to Rs. 25,083 on unused business losses has been reversed to the Statement of profit and loss during the year ended March 31, 2016.

h Decommissioning liability

The Company has entered into several arrangements renting offices and factory. Company has also invested on such properties like additions of furniture and fixtures and other changes for their own use. Under Indian GAAP cost of dismantling of such furnitures and additional changes was incurred on the date of expiry of lease, as all the property needs to be returned back in the same peaceful condition as it was on the first day of lease. Under Ind AS the Company has recognised a provision for decommissioning obligations associated with a factory and offices taken on lease. The carrying amount of the provision as at March 31, 2016: Rs.3,950 (April 01, 2015: Rs.3,664). On the same grounds, property plant and equipment has been added with Rs. 1,948 . Depreciation on the same is being calculated based on the lease term.

i Investments

Under the previous GAAP, investments in mutual funds were classified as current investments based on the intended holding period and realisability. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value through profit or loss. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended March 31, 2016. Accordingly there is increase in retained earnings of previous GAAP by Rs. 2,845 as at April 01, 2015 and reduction of the other income of the year ended March 31, 2016.

38. Standards issued but not yet effective

The standards issued, but not yet effective up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards when they become effective.

i) Amendments to Ind AS 102 - Share-based Payment - Classification and Measurement of Share-based Payment Transactions

In estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions should follow the same approach as for equity-settled share-based payments. Further, where tax law or regulation requires an entity to withhold a specified number of equity instruments equal to employee's tax liability which is then remitted to the tax authority, i.e. the share-based payment arrangement has a 'net

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

settlement feature', such an arrangement should be classified as equity-settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature.

The amendments are effective for annual reporting periods beginning on or after 1 April 2017. The directors of the Company do not anticipate that the application of the amendments in the future will have a material impact on the Company's financial statements as the Company does not have any cash-settled share-based payment arrangements or any withholding tax arrangements with tax authorities in relation to share-based payments.

ii) Amendments to Ind AS 7 - Statement of Cash Flows - Disclosure Initiative

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments apply prospectively for annual periods beginning on or after April 01, 2017. The directors of the Company do not anticipate that the application of these amendments will have a material impact on the Company's financial statements.

39. The calculation of diluted earnings/ (loss) per share for the year ended March 31, 2017 and March 31, 2016 does not take into account the effect of convertible preference shares, shares alloted to trust and stock options as the effect of this is anti-dilutive.

40. Previous year figures

The comparative financial information of the Company for the transition date opening balance sheet as at April 01, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by a firm of Chartered Accountants, other than S.R. Batliboi & Associates LLP. The Company has reclassified previous year figures to conform to this year's classification.

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W/E300004
Chartered Accountants

per Aditya Vikram Bhauwala
Partner
Membership No.: 208382

Place: Bangalore
Date: May 27, 2017

For and on behalf of the Board of Directors of
Canvera Digital Technologies Private Limited

Ranjit Singh Yadav
Managing Director
DIN No. 05230923
Place: Athens
Date: May 27, 2017

Sudhir Bhargava
Director
DIN No. 02325281
Place: Noida
Date: May 27, 2017

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present the 18th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2017.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company made a loss of Rs. 44,566 thousand in the financial year 2016-17 as compared to loss of Rs. 50,994 thousand in the Financial Year 2015-16.

SHARE CAPITAL

There has been no change in the capital structure of the Company during the year under review.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There has been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control, commensurate with the size, scale and complexity of its operations.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ ASSOCIATE COMPANIES

Zomato Media Pvt. Ltd.

The Company holds 7.02% in Zomato Media Pvt. Ltd. on fully converted & dilute basis which owns and operates the website www.zomato.com. It generates revenue from advertisements of restaurants and lead sales.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting.

As provided under Section 139 of the Companies Act, 2013, M/s. Sharma Goel & Co. LLP has already served for more than 10 years as the Statutory Auditors of the Company and cannot be re-appointed as the Auditors of the Company.

SECRETARIAL AUDITORS

Pursuant to provisions of Section 204 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s RMG & Associates, Company Secretaries as the Secretarial Auditors of the Company to undertake Secretarial Audit of the Company for the FY 2017. The Secretarial Audit Report is attached herewith as Annexure A.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS AND SECRETARIAL AUDITORS IN THEIR RESPECTIVE REPORTS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

With respect to the observation contained in the Secretarial Auditors' Report, the Management's explanations are given below:

The Company has been searching suitable candidates for appointment as Independent Directors. The Committees under section 177 and 178 shall be constituted along with the aforesaid appointment as soon as possible.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Chintan Arvind Thakkar, Director (DIN: 00678173), retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 5 times during the year under review on May 20, 2016, June 15, 2016, July 22, 2016, October 28, 2016 and February 27, 2017.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Director has submitted his disclosure to the Board that he fulfils all the requirements as stipulated in Section 149(6) of the Companies Act, 2013.

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company did not make any Loans, guarantee or investments during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year Company did not enter into any transaction with related parties that could be considered material or requires disclosure in terms of prescribed Form AOC-2. Details of related party transactions are present under Note no. 18 of notes to Financial Statements.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirm that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for that year;
c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) the Directors have prepared the annual accounts on a going concern basis;
e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

Sanjeev Bikhchandani	Chintan Thakkar
(Director)	(Director)
DIN: 00065640	DIN: 00678173

Place: Noida
Date: May 26, 2017

ANNEXURE-A

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

Naukri Internet Services Limited

CIN : U74899DL1999PLC102748

GF-12 A, 94, Meghdoot Building,

Nehru Place, New Delhi – 110019

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Naukri Internet Services Limited** (hereinafter referred as 'the Company'), having its Registered Office at **GF-12 A, 94, Meghdoot Building, Nehru Place, New Delhi-110019**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2017**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

I. The Companies Act, 2013 ('the Act') and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The shares of the Company being in physical form, the Company was not required to comply with the Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable. Further, there were no compliances required relating to Foreign Direct Investment, Oversees Direct Investment, and External Commercial Borrowings during the period under review.

V. The Company being an unlisted Company was not required to comply with any of the regulations and/ or guidelines as prescribed by the Securities and Exchange Board of India;

VI. The Company has no identified principal business activity and accordingly no other laws are specifically applicable to the company.

As per the information provided to us, there are no employees on the payroll of the Company, therefore, the various Labour Laws and related enactments are not applicable to the Company for the period under review.

We have also examined compliances with the applicable clauses of Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and it was noted that the Company has complied with the same to the extent possible. However, the stricter applicability of the Secreterial standards is to be observed by the Company.

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

We further report that during the period under review, the Company had complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above subject to the following observations:

(a) ***The Composition of Board of Directors is not in compliance with Section 149 of the Companies Act, 2013 as there is only one Independent Director on the Board of the Company. As a result thereof, Company could not constitute the Audit Committee under Section 177 and the Nomination & Remuneration Committee under Section 178 of the Companies Act, 2013. The Company could also not hold the Meeting of Independent Directors required under Schedule IV to the said Act.***

(b) ***The Company is yet to appoint Internal Auditor in accordance with Section 138 of the Companies Act 2013.***

We further report that

- ***During the period under review, there is only one Independent director on the Board of the Company. Accordingly the Board of the directors of the company is not duly constituted due to lack of independent directors.***
- Adequate notice(s) and Agenda were given to all directors to schedule the Board Meetings at least seven days in advance.

- As per the minutes of the meetings of the Board duly signed by the Chairman, all the decisions of the Board were unanimously passed.
- As per the records, the Company filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For RMG & Associates
Company Seretaries

CS Manish Gupta
Partner
FCS: 5123; C.P. No. 4095

Place: New Delhi
Date: May 26, 2017

Note: This report is to be read with 'Annexure I' attached herewith and forms an integral part of this report.

Annexure - I

The Members
Naukri Internet Services Limited

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.

4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For RMG & Associates
Company Seretaries

CS Manish Gupta
Partner
FCS: 5123; C.P. No. 4095

Place: New Delhi
Date: May 26, 2017

ANNEXURE-B

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U74899DL1999PLC102748

ii. Registration Date:- December 9, 1999

iii. Name of the Company: - Naukri Internet Services Ltd.

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-
Ground Floor, GF-12A,
94, Meghdoot Building, Nehru Place,
New Delhi-110019
Tel. No. +91 120-3082000, Fax: 0120-3082095
Email: investors@naukri.com
Website: -N.A.

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	IT Services	63112	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	100	2(87)(ii)
2.	Zomato Media Pvt. Ltd.	U93030DL2010PTC198141	Associate	7.02	2(6)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
Indian Promoters -Bodies Corporate	-	10,000* (Equity Shares)	10,000 (Equity Shares)	100	-	10,000* (Equity Shares)	10,000 (Equity Shares)	100	-
	-	34,324,000 (Preference Shares)	34,324,000 (Preference Shares)	-	-	34,324,000 (Preference Shares)	34,324,000 (Preference Shares)	-	-
Total	-	**10,000* (Equity Shares)**	**10,000 (Equity Shares)**	**100**	**-**	**10,000* (Equity Shares)**	**10,000 (Equity Shares)**	**100**	-
		34,324,000 (Preference Shares)	**34,324,000 (Preference Shares)**	**100**	**-**	**34,324,000 (Preference Shares)**	**34,324,000 (Preference Shares)**	**100**	-

*6 (six) shares were held by six individuals as nominee of Info Edge (India) Ltd.

ii. **Shareholding of Promoters:**

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	10,000* (Equity Shares)	100	0.00	10,000* (Equity Shares)	100	0.00	-
		34,324,000** (Preference Shares)	100	0.00	34,324,000 (Preference Shares)	100	0.00	-

*No. of shares refers to equity shares of Rs. 10 each.

**No. of shares refers to 0.0001% Cumulative Redeemable Preference Shares (CRPS) of Rs. 100 each.

iii. **Change in Promoter's Shareholding**

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Info Edge (India) Ltd.	10,000 (Equity Shares)	100	-	-	-	10,000 (Equity Shares)	100
		34,324,000 Preference Shares	100	-	-	-	34,324,000 Preference Shares	100

iv. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil**

v. **Shareholding of Directors and Key Managerial Personnel**

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Sanjeev Bikhchandani	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00	-	-	-	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00
2.	Chintan Thakkar	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00	-	-	-	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00
3	Murlee Manohar Jain	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00	-	-	-	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: **Nil**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

INDEPENDENT AUDITOR'S REPORT

To the Members of **NAUKRI INTERNET SERVICES LIMITED**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Naukri Internet Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income) the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 and presentation of these Ind AS financial statements that give a true and fair view of the State of affairs (financial position), profit or loss (financial performance including other comprehensive income),and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act, of the state of affairs(financial position) of the Company as at March 31, 2017 and its Loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;

   e) on the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the

directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

f) with respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in '**Annexure B**'; and

g) With respect to the other matters to be included in 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.

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.

IV. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the company.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditor's Report to the members of **NAUKRI INTERNET SERVICES LIMITED** on the financial statement of the year ended March 31, 2017, we report that:

i) The company does not have any Fixed Assets. Accordingly, clause 3(i) of the order is not applicable.

ii) The company does not have any inventory. Accordingly, clause 3(ii) of the order is not applicable.

iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable.

iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provision of section 185 & 186 of the Act, with respect to loan and investment made.

v) The Company has not accepted any deposit from the public. Accordingly, Paragraph 3(v) of the order is not applicable.

vi) The Company is not required to maintain the cost records and accounts prescribed by the Central Government under Section 148(1) of the Companies Act 2013.

vii) a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2017 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2017 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.

viii) In our opinion, the Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), accordingly clause 3(ix) of the Order is not applicable.

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

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the company is has not paid managerial remuneration .Accordingly, clause 3(xi) of the Order is not applicable.

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

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

xiv) The Company has not made preferential allotment of equity shares. Accordingly, clause 3(xiv) of the Order is not applicable.

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

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

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **NAUKRI INTERNET SERVICES LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note No.	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)	As at April 1, 2015 (Rs.' 000)
ASSETS				
Non-current assets				
Financial assets				
(i) Investments	3	3,396,329	3,396,329	1,842,310
Current Assets				
Financial assets				
(i) Cash and cash equivalents	4(a)	149	3,110	2,734
(ii) Other financial assets	4(b)	3,595	546	506
Current tax assets (net)	5	-	8	-
Total Assets		**3,400,073**	**3,399,993**	**1,845,550**
EQUITY & LIABILITIES				
EQUITY				
Equity Share capital	6	100	100	100
Other equity	7	3,002,938	3,047,504	1,672,633
LIABILITIES				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	8	396,890	352,220	172,689
Current liabilities				
Financial liabilities				
(i) Trade payables	9	103	168	117
Other current liabilities	10	4	1	5
Current tax liability (Net)	11	38	-	6
TOTAL EQUITY AND LIABILITIES		**3,400,073**	**3,399,993**	**1,845,550**

The above balance sheet should be read in conjunction with the accompanying notes.

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

The Schedules referred to above form an integral part of these accounts

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors

Sanjeev Bikhchandani
Director

Chintan Thakkar
Director

Murlee Manohar Jain
Company Secretary

Place: New Delhi
Date: May 26, 2017

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017

Particulars	Note	Year ended March 31, 2017 (Rs. '000)	Year ended March 31, 2016 (Rs. '000)
Income			
Revenue from operations	12	100	100
Other income	13	186	45
Total Income		**286**	**145**
Expenditure			
Finance costs	14	44,670	35,397
Administration and other expenses	15	137	15,735
Total Expense		**44,807**	**51,132**
Loss before tax		**(44,521)**	**(50,987)**
Tax expense			
Current tax expense		45	7
Loss for the year		**(44,566)**	**(50,994)**
Earnings per share:			
Basic earnings per share (₹)	17	(4,456.60)	(5,099.40)
Diluted earnings per share (₹)	17	(4,456.60)	(5,099.40)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the Profit and Loss Account referred to in our report of even date

The Schedules referred to above form an integral part of these accounts

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 26, 2017

For and on behalf of Board of Directors

Sanjeev Bikhchandani
Director

Chintan Thakkar
Director

Murlee Manohar Jain
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

S.No.	Particulars	Year ended March 31, 2017 (Rs.' 000)	Year ended March 31, 2016 (Rs.' 000)
A.	**Cash flow from operating activities:**		
	Loss before tax	**(44,521)**	**(50,987)**
	Adjustments for:		
	Interest cost on financial liabilities	44,670	35,396
	Interest income	(186)	(45)
	Operating loss before working capital changes	**(37)**	**(15,636)**
	Adjustments for changes in working capital :		
	- (Increase)/ Decrease in Other Financial Assets	(3,048)	(40)
	- Increase / (Decerase) in Trade Payables	(62)	47
	Cash generated from operating activities	**(3,147)**	**(15,629)**
	- Taxes Paid (Net of TDS)	-	(21)
	Net cash from operating activities	**(3,147)**	**(15,650)**
B.	**Cash flow from Investing activities:**		
	Adjustments for changes in :		
	Purchase of investments	-	(1,554,019)
	Interest received	186	45
	Net cash used in investing activities	**186**	**(1,553,974)**
C.	**Cash flow from financing activities:**		
	Proceeds from fresh issue of share capital	-	1,570,000
	Net cash from/used in financing activities	**-**	**1,570,000**
	Net increase/decrease in cash & cash equivalents	**(2,961)**	**376**
	Opening balance of cash and cash equivalents	**3,110**	**2,734**
	Closing balance of cash and cash equivalents	**149**	**3,110**
	Cash and cash equivalents comprise		
	Cash in hand		
	Balance with scheduled banks		
	-in current accounts (Refer Note no 2 below)	149	3,110
	-in fixed deposits accounts with original maturity of less than 3 months	-	-
	Total cash and cash equivalents	**149**	**3,110**
	Total	**149**	**3,110**

Notes :

1 The above Cash Flow Statement has been prepared under the Indirect Method as set out in IND AS 7 on Cash Flow Statement notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provision of the Companies Act, 2013.

2 Figures in brackets indicate cash outflow.

3 The above statement of cash flows should be read in conjunction with the accompanying notes.

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 26, 2017

For and on behalf of Board of Directors

Sanjeev Bikhchandani
Director

Chintan Thakkar
Director

Murlee Manohar Jain
Company Secretary

STATEMENTS OF CHANGES IN EQUITY

a. Equity Share Capital

Particulars	Amount (Rs. '000)
As at April 01, 2015	**100**
Changes in equity share capital during the year	-
As at March 31, 2016	**100**
Changes in equity share capital during the year	-
As at March 31, 2017	**100**

b. Other Equity

Particulars	Reserves & Surplus		Total (Rs. '000)
	Equity component of Preference Shares (Rs. '000)	Retained Earnings (Rs. '000)	
Balance as at 01 April 2015	-	(18,788)	(18,788)
Loss for the year		(50,994)	(50,994)
Equity Component of Preference Shares	3,117,286	-	3,117,286
Balance as at 31 March 2016	**3,117,286**	**(69,782)**	**3,047,504**

Particulars	Equity component of Preference Shares (Rs. '000)	Retained Earnings (Rs. '000)	Total (Rs. '000)
Balance as at 31 March 2016	**3,117,286**	**(69,782)**	**3,047,504**
Loss for the year		(44,566)	(44,566)
Balance as at 31 Mar 2017	**3,117,286**	**(114,348)**	**3,002,938**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is Statement of Equity referred to in our report of even date.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 26, 2017

For and on behalf of the Board of Directors

Sanjeev Bikhchandani
Director

Chintan Thakkar
Director

Murlee Manohar Jain
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1. Reporting Entity

Naukri Internet Services Limited (the company) is a limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The company is a wholly owned subsidiary of Info Edge (India) Ltd.

2. Significant Accounting Policies

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

A. Basis of Preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

For all the periods upto and including the period ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules 2006 (as amended) and other relevant provisions of the Act.

These financial statements for the year ended March 31, 2017 are the first financial statement prepared in accordance with Ind AS. Refer Note 26 for an explanation of how the transition from previous accounting standards (GAAP) to Ind AS has affected the company's financial position, financial performance and cash flows.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value and

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. Foreign Currency Transactions

Functional and presentation currency

Items included in the financial statements of company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is Naukri Internet Services Limited's functional and presentation currency.

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss

C. Revenue Recognition

The company has entered into an agreement with Info Edge (India) Ltd. dated 13th September 2005 whereby the management and day to day operations of the company will be done by Info Edge (India) limited and in lieu of that the company will be paid an annual license fee of Rs 100,000/- as fee for usage of its domain name(s), trade mark(s) etc.

D. Other Income

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding at the rate applicable and where no significant uncertainty as to measurability or collectability exists.

E. Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

F. Provisions

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

G. Cash and cash equivalents

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

H. Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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

I. Investments and other financial assets

(i) Classification

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

- those to be measured subsequently at fair value through profit or loss), and

- those measured at amortised cost.

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

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

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

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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

J. Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

K. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

L. Rounding of Amounts

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

3. NON CURRENT INVESTMENTS

Particulars	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)	As at April 1, 2015 (Rs.' 000)
Shares in Allcheckdeals India Pvt Ltd	-	-	-
1 (Previous Year 1) Equity Share of Rs 10/- fully paid up)			
Shares in Makesense Technologies Pvt. Ltd.	-	-	-
1 (Previous Year 1) Equity Share of Rs 10/- fully paid up)			
Shares in Zomato Media Pvt. Ltd.	240,301	240,301	240,301
3,279 (Previous Year 3,279) Equity Share of Rs 1/- fully paid up)			
Shares in Zomato Media Pvt. Ltd.	3,156,028	3,156,028	1,602,009
30058 nos (March 31, 2016 - 30058 nos, April 1, 2015 - 16935 nos Preference Shares of Rs 10/- fully paid up). - During the year the Company has received 201,358,542 nos CCPS bonus shares.			
	3,396,329	**3,396,329**	**1,842,310**

4. FINANCIAL ASSETS

(a) CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)	As at April 1, 2015 (Rs.' 000)
(a) Cash in Hand	-	-	-
(b) Balance with Bank in Current Account	149	3,110	2,734
	149	**3,110**	**2,734**

(b) OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)	As at April 1, 2015 (Rs.' 000)
Interest Accrued On FD	148	22	24
Balance in fixed deposit accounts with original maturity more than 12 months	3,447	524	482
	3,595	**546**	**506**

5. CURRENT TAX ASSETS (NET)

Particulars	Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(Unsecured considered good)	(Rs.' 000)	(Rs.' 000)	(Rs.' 000)
Advance Tax (TDS Recoverable)	-	288	-
Less: Provision for Income Tax	-	(280)	-
	-	**8**	**-**

6. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)	As at April 1, 2015 (Rs.' 000)
AUTHORISED			
50,000 Equity Shares of Rs. 10/- each			
(Previous Year - 50,000 Equity Shares of Rs 10/- each)	**500**	**500**	**500**
3,50,00,000 Preference Shares of Rs. 100/- each			
(Previous Year - 3,50,00,000 Shares of Rs 100/- each)	**3,500,000**	**3,500,000**	**2,000,000**
ISSUED, SUBSCRIBED & PAID-UP			
10,000 Equity Shares of Rs 10/- each, fully paid up			
(Previous Year - 10,000 Equity Shares of Rs 10/- each)	100	100	100
	100	**100**	**100**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2017 No of Shares	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 No of Shares	As at March 31, 2016 (Rs.' 000)	As at April 1, 2015 No of Shares	As at April 1, 2015 (Rs.' 000)
Equity Shares						
At the beginning of the year	10,000	100	10,000	100	10,000	100
Add: Issued during the year	-	-	-	-	-	-
Outstanding at the end of the period	**10,000**	**100**	**10,000**	**100**	**10,000**	**100**

Particulars	As at March 31, 2017 No of Shares	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 No of Shares	As at March 31, 2016 (Rs.' 000)	As at April 1, 2015 No of Shares	As at April 1, 2015 (Rs.' 000)
Preference Shares						
At the beginning of the period	34,324,000	3,432,400	18,624,000	1,862,400	-	-
Add: Issued during the period	-	-	15,700,000	1,570,000	18,624,000	1,862
Outstanding at the end of the period	**34,324,000**	**3,432,400**	**34,324,000**	**3,432,400**	**18,624,000**	**1,862**

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company

Particulars	FY 2016-17		FY 2015-16		FY 2014-15	
	No of Shares	% Holding	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of Rs 10 each fully paid						
Info Edge (India) Ltd	9,994	99.94%	9,994	99.94%	9,994	99.94%
(excluding Six shares (previous year -Six) held by Nominee shareholders						
	9,994	**99.94%**	**9,994**	**99.94%**	**9,994**	**99.94%**

7. OTHER EQUITY

Particulars	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)
Profit & Loss Account		
Opening Balance	(69,782)	(18,788)
Add: Net Profit after tax transferred from statement of Profit and Loss	(44,566)	(50,994)
Add: Interest on reinstatement of Investments (Pref Shares)	-	-
Equity Component of Preference Shares	3,117,286	3,117,286
	3,002,938	**3,047,504**

8. BORROWINGS

Particulars	NON CURRENT			CURRENT		
	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)	As at April 1, 2015 (Rs.' 000)	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)	As at April 1, 2015 (Rs.' 000)
3,43,24,000 Preference Shares of Rs. 100/- each	3,432,400	3,432,400	1,862,400	-	-	-
(Previous Year - 3,43,24,000 Preference Shares of Rs 100/- each)						
Less : Equity component of preference shares	(3,117,286)	(3,117,286)	(1,691,421)			
Add : Interest expense on Present value	81,776	37,106	1,710			
				-	-	-
	396,890	**352,220**	**172,689**	**-**	**-**	**-**

9. TRADE PAYABLES

Particulars	NON CURRENT			CURRENT		
	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)	As at April 1, 2015 (Rs.' 000)	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)	As at April 1, 2015 (Rs.' 000)
Audit Fees Payable	-	-	-	99	134	117
Provision for Expense				4	34	-
	-	**-**	**-**	**103**	**168**	**117**

10. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)	As at April 1, 2015 (Rs.' 000)
TDS Payable	4	1	5
	4	**1**	**5**

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2017.

11. CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)	As at April 1, 2015 (Rs.' 000)
Provision for Income Tax	325	-	273
Advance Tax	(287)	-	(267)
	38	**-**	**6**

12. REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2017 (Rs.' 000)	For the year ended March 31, 2016 (Rs.' 000)
License Fees	100	100
	100	**100**

13. OTHER INCOME

Particulars	For the year ended March 31, 2017 (Rs.' 000)	For the year ended March 31, 2016 (Rs.' 000)
Interest Received on fixed deposits	186	44
Interest Others	-	1
	186	**45**

14. Finance Costs

Particulars	For the year ended March 31, 2017 (Rs.' 000)	For the year ended March 31, 2016 (Rs.' 000)
Bank Charges	-	1
Interest cost on financial liabilities at amortised cost	44,670	35,396
	44,670	**35,397**

15. ADMINISTRATION AND OTHER EXPENSES

Particulars	For the year ended March 31, 2017 (Rs.' 000)	For the year ended March 31, 2016 (Rs.' 000)
Auditor's Remuneration	46	17
Legal Expenses	-	6
Miscellaneous Exps	-	-
Out of Pocket Exps.	-	5
Professional Charges	60	122
Rent Expense	24	24
ROC Charges	7	15,561
	137	**15,735**

16. AUDITORS REMUNERATION

Particulars	For the year ended March 31, 2017 (Rs.' 000)	For the year ended March 31, 2016 (Rs.' 000)
Audit Fees	40	15
Service Tax	6	2
	46	**17**

17. BASIC & DILUTED EARNINGS PER SHARE (EPS)

Particulars	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)
Profit / (Loss) attributable to Equity Shareholders	(44,566)	(50,994)
Weighted average number of Equity Shares outstanding at the end of the year (Nos.)	10,000	10,000
Basic & Diluted Earnings Per Equity Share of Rs. 10 each (Rs.)	(4,456.60)	(5,999.40)

18 (1) Related Party Disclosures for the year ended March 31, 2017

A) Holding Company

Info Edge (India) Limited

B) Details of transactions with related party the ordinary course of business: **(Rs.' 000)**

Nature of relationship / transaction	Holding Company	Joint Control	Total
1. License Fees	100	-	100
2. Rent Expense	24	-	24

C) Amount due to/from related parties as at March 31, 2017 **(Rs.' 000)**

Nature of relationship / transaction	Holding Company	Joint Control	Total
Debit Balances			
Outstanding Advances	-	-	-
Maximum Amount outstanding during the year	-	-	-
Credit Balances			
Outstanding Payable	66	-	66
Maximum Amount outstanding during the year	66	-	66

18. (2) Related Party Disclosures for the year ended March 31, 2016

A) Holding Company

Info Edge (India) Limited

B) Details of transactions with related party the ordinary course of business: **(Rs.' 000)**

Nature of relationship / transaction	Holding Company	Joint Control	Total
1. License Fees	100	-	100
2. Issue of Preference Shares	1,570,000		1,570,000
3. Investment in Preference shares Zomato Media Pvt. Ltd.	-	1,554,019	1,554,019
4. Rent Expense	24		24

C) Amount due to/from related parties as at March 31, 2016 **(Rs.' 000)**

Nature of relationship / transaction	Holding Company	Joint Control	Total
Debit Balances			
Outstanding Advances	-	-	-
Maximum Amount outstanding during the year	50	-	50
Credit Balances			
Outstanding Payable	-	-	-
Maximum Amount outstanding during the year	-	-	-

19. The Company is not engaged in either manufacturing or trading of goods. Accordingly disclosures relating to Quantitative information as required under Part II of Schedule VI to the Act, with regard to finished goods / raw materials and components consumed are not applicable.

20. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

21. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable on the company since there was no employee employed by the company during the year.

22. Neither there was Cash in hand at close of business hours on November 8, 2016 nor there were any receipts, withdrawals and / or depoists between November 8, 2016 and December 30, 2016. Hence there is no requirement to disclose information pursuant to notification no. 244 dated 30.03.2017, issued by Ministry of Corporate affairs, details of the specified bank notes held & transacted during the said period.

23. Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates in relation to the Company's tax position.

a) Income Tax expense

Particulars	**Year ended March 31, 2017 (Rs. '000)**	**Year ended March 31, 2016 (Rs. '000)**
Current tax on profit for the year	45	7
Total	**45**	**7**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	**Year ended March 31, 2017 (Rs. '000)**	**Year ended March 31, 2016 (Rs. '000)**
Profit before tax	(44,521)	(50,987)
Tax @ 29.87% (Previous Year 30.9%)	**(13,298)**	**(15,755)**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Interest cost on financial liabilities at amortised cost	13,343	10,937
Other items	-	4,824
Total	**45**	**7**

24. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value Hierarchy

a) Financial instruments by category (Rs. '000)

	March 31, 2017		March 31, 2016		April 1, 2015	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets						
Loans						
Investments		3,396,329		3,396,329		1,842,310
Cash and cash Equivalents		149		3,110		2,734
Other financial assets		3,595		546		506
Total Financial Assets	**-**	**3,400,073**	**-**	**3,399,985**	**-**	**1,845,550**
Financial Liabilities						
Borrowings	396,890		352,220		172,689	
Trade payables		103		168		117
Total Financial Liabilities	**396,890**	**103**	**352,220**	**168**	**172,689**	**117**

b) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost (Rs. '000)

	March 31, 2017		March 31, 2016		April 1, 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets						
Investments	3,396,329	3,396,329	3,396,329	3,396,329	1,842,310	1,842,310
Cash and cash Equivalents	149	149	3,110	3,110	2,734	2,734
Other financial assets	3,447	3,447	524	524	482	482
-Interest accrued on fixed deposits	148	148	22	22	24	24
Total Financial Assets	**3,400,073**	**3,400,073**	**3,399,985**	**3,399,985**	**1,845,550**	**1,845,550**
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	103	103	168	168	117	117
Total Financial Liabilities	**103**	**103**	**168**	**168**	**117**	**117**

The carrying amounts of Other financial assets and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) and (iv) above.

25. FINANCIAL RISK AND CAPITAL MANAGEMENT

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors. Company treasury identifies, financial risks in close cooperation with the Company's operating units.

a) Credit risk

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company is primarily engaged in investments in technology companies; and borrows short term and long term funds from holding company to meet the fund requirements.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

		Contractual cash flows			Amount (Rs. '000)
March 31, 2017	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Borrowings	396,890	-	-	-	396,890
Trade and other payables	103	103	-	-	-

		Contractual cash flows			Amount (Rs. '000)
March 31, 2016	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Borrowings	352,220	-	-	-	352,220
Trade and other payables	168	168	-	-	-

		Contractual cash flows			Amount (Rs. '000)
April 1, 2015	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Borrowings	172,689	-	-	-	172,689
Trade and other payables	117	117	-	-	-

The amount disclosed in the above table represent the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not signficant

c) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings and finance lease obligations. Borrowings issued at fixed rates and finance lease obligations exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Amount in Rs.'000

	31 March 2017	31 March 2016	31 March 2015
Fixed-rate instruments			
Financial assets	3,447	524	482
Financial liabilities	396,890	352,220	172,689
Total	**400,337**	**352,744**	**173,171**

B) Capital management

a) Risk management

The Comapny's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, internal generation and borrowings for buying vehicles.

b) Dividend

There was no dividend declarared during the current and previous financial year.

26. FIRST TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

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

1 Ind AS optional exemptions

a) Business Combination

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for investment in associates and joint ventures.

b) 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 recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

c) Share-based payment transactions

Ind AS 101 provides the option to apply Ind AS 102 only on ESOP that are unvested on the transition date

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

2 Ind AS madatory exemptions

a) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Reconciliation of equity as on 01.04.2015

Particulars	Note	Indian GAAP (Rs.' 000)	Adjustment	Ind AS (Rs.' 000)
ASSETS				
Non-current assets				
Financial assets				
(i) Investments		1,842,310	-	1,842,310
Current Assets				
Financial assets				
(i) Cash and cash equivalents		2,734	-	2,734
(ii) Other financial assets		506	-	506
Total Assets		**1,845,550**		**1,845,550**
EQUITY & LIABILITIES				
EQUITY				
Equity Share capital		100	-	100
Other equity	7	(17,078)	(1,689,711)	1,672,633
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings / Preference Share Capital	8	1,862,400	1,689,711	172,689
Current liabilities				
Financial liabilities				
(i) Trade payables		117	-	117
Other current liabilities		5	-	5
Current tax liability (Net)		6	-	6
TOTAL EQUITY AND LIABILITIES		**1,845,550**		**1,845,550**

Reconciliation of equity as on 31.03.2016

Particulars	Note	Indian GAAP (Rs.' 000)	Adjustment	Ind AS (Rs.' 000)
ASSETS				
Non-current assets				
Financial assets			-	
(i) Investments		3,396,329	-	3,396,329
Current Assets				
Financial assets				
(i) Cash and cash equivalents		3,110	-	3,110
(ii) Other financial assets		546	-	546
Other current assets		8	-	8
Total Assets		**3,399,993**		**3,399,993**
EQUITY & LIABILITIES				
EQUITY				
Equity Share capital		100	-	100
Other equity	7	(32,676)	(3,080,180)	3,047,504
			-	
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	8	3,432,400	3,080,180	352,220
Current liabilities				
Financial liabilities				
(i) Trade payables		168	-	168
Other current liabilities		1	-	1
TOTAL EQUITY AND LIABILITIES		**3,399,993**		**3,399,993**

Reconciliation of profit / (loss) for the period ended 31.03.2016

Particulars	Note	Indian GAAP (Rs.' 000)	Adjustment	Ind AS (Rs.' 000)
Revenue				
I Revenue from operations		100	-	100
II Other income		45	-	45
III Total Revenue		**145**		**145**
Expenditure				
Finance costs	14	-	(35,397)	35,397
Administration and other expenses		15,735	-	15,735
IV Total Expense		**15,735**		**51,132**
V. Loss before tax (III-IV)		**(15,590)**	35,397	**(50,987)**
VI. Tax expense				
Current tax		7	-	7
VII. Loss for the year (V - VI)		**(15,597)**		**(50,994)**

Note

1) Difference between finance costs represent finance cost on amortised financial liability component of preference shares raised from the holding company

2) Finance cost on liability component of preference share as at April 1, 2015 of Rs 1710 thousands has been adjusted in Opening Retained earnings as IND AS transition adjustment

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 26, 2017

For and on behalf of Board of Directors

Sanjeev Bikhchandani
Director

Chintan Thakkar
Director

Murlee Manohar Jain
Company Secretary

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present the 2nd Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2017.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company is engaged in the business of being a holding and investment Company.

The Company made a loss of Rs. 184,743 thousand in the financial year 2016-17 as compared to profit of Rs. 168,277 thousand in the Financial Year 2015-16.

SHARE CAPITAL

The paid up capital of the Company increased to Rs. 24,37,34,600/- (Rupees Twenty Four Crore Thirty Seven Lakh Thirty Four Thousand Six Hundred) (consisting of 50,000 Equity shares of Rs. 10/- each and 24,32,346 - 0.0001% Cumulative Redeemable Preference Shares of Rs. 100/- each) pursuant to allotment of 12,00,000 – 0.0001% Cumulative Redeemable Preference Shares ("CRPS") of Rs. 100/- each, from time to time aggregating to Rs. 12,00,00,000/- (Rupees Twelve Crore).

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There has been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

Applect Learning Systems Pvt. Ltd. (Meritnation)

Applect owns & operates a website with the name www.meritnation.com which is delivering kindergarten to Class 12 (K-12) study material. The Company holds 44.73% in Meritnation on fully converted and diluted basis.

Happily Unmarried Marketing Pvt. Ltd. (HUM)

Happily unmarried generates revenues from design and sale of fun creative products and has a large addressable market.

The Company holds 48.31% in HUM on fully converted and diluted basis.

Kinobeo Software Pvt. Ltd. (Mydala)

This is a website offering discount offers and deals with a focus on the mobile application space. Revenues are generated from merchant commissions and fees from telecom Operators.

During the year under review, the Company acquired 73,150 preference shares of Mydala from Info Edge (India) Ltd., holding company at cost of acquisition of about Rs.135 million. The Company together with its existing holding in Mydala holds 42.18% on fully converted and diluted basis.

Mint Bird Technologies Pvt. Ltd. (Vacation Labs)

Vacation Labs is developing a software tool for tour & activity operators which apart from automating the online reservations & payment system also provides entire back office operations.

During the year, the Company acquired 6,000,000 Preference Shares of Mint Bird Technologies Pvt. Ltd. for a consideration of about Rs. 60 million from the holding company i.e. Info Edge (India) Ltd.

The Company holds 26.10% on fully converted and diluted basis.

Rare Media Company Pvt. Ltd. (Bluedolph)

It is a service offering secure location tracking and workflow management of mobile employees. The service is delivered by means of the 'Blue Dolphin' application, which is pre-installed on smartphones running the Android Operating System, and the Blue Dolphin Portal, which is an access controlled web portal.

During the year, the Company acquired 743,808 Preference Shares in Rare Media Company Pvt. Ltd. for a consideration of about Rs. 74.38 million from the holding company i.e. Info Edge (India) Ltd.

The Company holds 34.90% on fully converted and diluted basis.

Green Leaves Consumer Services Pvt. Ltd. (Bigstylist)

Bigstylist is an on-demand marketplace for beauty professionals, which gives access to the network of certified beauty professionals in one's neighbourhood.

During the year under review, the Company has invested an amount of Rs. 6,00,00,000/- (Rupees Six Crore). The Company together with existing holding, holds 39.24% on fully converted and diluted basis.

Vcare Technologies Pvt. Ltd. (DIRO)

It owns and operates a phone directory application that enables the users to create group phonebooks for family, friends and work.

During the year under review, Company has invested an amount of Rs. 4,00,00,000/- (Rupees Four Crore) for a stake of 14.77%.

Unnati Online Pvt. Ltd. (Unnati)

It provides Internet based hiring services. The Company offers platform in which option is given for household and business jobs.

During the year under review, Company has invested an amount of Rs. 39,998,395/-. The Company holds stake of 28.57% on fully converted and diluted basis.

Canvera Digital Technologies Pvt. Ltd. (Canvera)

Company has purchased investments in Canvera Digital Technologies Pvt. Ltd. from Smartweb Internet Services Pvt. Ltd. consisting of 9,82,063 Preference Shares and 34,711 equity shares for a consideration of Rs. 437.82 million.

During the year, the Company also acquired 1,554,841 preference shares of Canvera for a consideration of about Rs. 173.33 million.

The Company together with its existing holding in Canvera holds 57.46% on fully converted and diluted basis.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting.

In accordance with Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board, has recommended the re-appointment of M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants, as Statutory Auditors of Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2020-21 to the shareholders for approval in the ensuing AGM. Pursuant to first Proviso to Section 139, the said appointment, if approved by shareholders, shall be placed for ratification at every Annual General Meeting.

M/s. Sharma Goel & Co. LLP, Chartered Accountants, have furnished a certificate of their eligibility as per Section 141 of the Companies Act, 2013 and have provided their consent for appointment as Statutory Auditors of the Company.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Hitesh Oberoi (DIN: 01189953) is liable to retire by rotation and, being eligible, offers himself for reappointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 13 times during the year under review on April 28, 2016, May 20, 2016, June 6, 2016, June 15, 2016, July 22, 2016, August 23, 2016, September 26, 2016, October 28, 2016, December 2, 2016, December 28, 2016, January 18, 2017, February 27, 2017and March 29, 2017.

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of the investment made by Company is given in the Note No. 3 of notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed form AOC – 2 are given in Annexure A. Details of other related party transactions are present under Note no. 14 of the notes to Financial Statements.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

	Hitesh Oberoi	Chintan Thakkar
	(Director)	(Director)
Place: Noida	DIN: 01189953	DIN: 00678173
Date: May 26, 2017		

ANNEXURE A

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions at arm's length basis

(i). Kinobeo Software Pvt. Ltd.

(a)	Name of the related party and nature of relationship	Info Edge (India) Ltd., holding company (IEIL)
(b)	Nature of contracts/arrangements/transaction	Acquisition of Investment held in Kinobeo Software Pvt. Ltd. from IEIL.
(c)	Duration of the Contracts/Arrangements/Transactions	One-time transaction
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	Company has acquired about 28.62% of shareholding (73,150 preference shares) in Kinobeo Software Pvt. Ltd. at cost of acquisition of about Rs.135 million.
(e)	Justification for entering into such contracts or arrangements or transactions	The Board of Directors have approved the transaction based on the business rationale for this transaction which is in line with the decision of the holding company about creating a corporate structure where-under the holding Company's investments are to be transferred to & held by the different wholly owned subsidiaries.
(f)	Date(s) of approval by the Board	29.03.2017
(g)	Amount paid as advances, if any	N.A.
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	N.A.

(ii). Mint Bird Technologies Pvt. Ltd.

(a)	Name of the related party and nature of relationship	Info Edge (India) Ltd., holding company (IEIL)
(b)	Nature of contracts/arrangements/transaction	Acquisition of Investment held in Mint Bird Technologies Pvt. Ltd. from IEIL.
(c)	Duration of the Contracts/Arrangements/Transactions	One-time transaction
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	Company has acquired about 26.1% of shareholding (60,00,000 preference shares) in Mint Bird Technologies Pvt. Ltd. at cost of acquisition of about Rs.60 million.
(e)	Justification for entering into such contracts or arrangements or transactions	The Board of Directors have approved the transaction based on the business rationale for this transaction which is in line with the decision of the holding company about creating a corporate structure where-under the holding Company's investments are to be transferred to & held by the different wholly owned subsidiaries.
(f)	Date(s) of approval by the Board	29.03.2017
(g)	Amount paid as advances, if any	N.A.
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	N.A.

(iii). Rare Media Company Pvt. Ltd.

(a)	Name of the related party and nature of relationship	Info Edge (India) Ltd., a holding company (IEIL)
(b)	Nature of contracts/arrangements/transaction	Acquisition of Investment held in Rare Media Company Pvt. Ltd. from IEIL.
(c)	Duration of the Contracts/Arrangements/Transactions	One-time transaction
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	Company has acquired about 34.9% shareholding (743,808 preference shares) in Rare Media Company Pvt. Ltd. at the cost of acquisition of about Rs.74.4 million.
(e)	Justification for entering into such contracts or arrangements or transactions	The Board of Directors have approved the transaction based on the business rationale for this transaction which is in line with the decision of the holding company about creating a corporate structure where-under the holding Company's investments are to be transferred to & held by the different wholly owned subsidiaries.
(f)	Date(s) of approval by the Board	29.03.2017
(g)	Amount paid as advances, if any	N.A.
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	N.A.

(iv) Canvera Digital Technologies Pvt. Ltd.

(a)	Name of the related party and nature of relationship	Smartweb Internet Services Ltd., group Company of the Company (SISL)
(b)	Nature of contracts/arrangements/transaction	Acquisition of Investment held in Canvera Digital Technologies Pvt. Ltd. from SISL.
(c)	Duration of the Contracts/Arrangements/Transactions	One-time transaction
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	Company has acquired about 49% shareholding (982,063 Preference Shares and 34,711 Equity shares) in Canvera Digital Technologies Pvt. Ltd for a consideration of Rs. 437.82 million.
(e)	Justification for entering into such contracts or arrangements or transactions	The Board of Directors have approved the transaction based on the business rationale for this transaction which is in line with the decision of the holding Company about creating a corporate structure where-under the holding Company's investments are to be transferred to & held by the different wholly owned subsidiaries..
(f)	Date(s) of approval by the Board	15.06.2016
(g)	Amount paid as advances, if any	N.A.
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	N.A.

2. Details of material contracts or arrangement or transactions not at arm's length basis

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Date(s) of approval by the Board	
(f)	Amount paid as advances, if any	

Details of all other related party transactions i.e. transactions of the company, with its promoters, the Directors or the management, their relatives or with the subsidiaries of the Company etc. are present under Note no. 13 to Annual Accounts of the Annual Report.

For and on behalf of Board of Directors

	Hitesh Oberoi	Chintan Thakkar
	(Director)	(Director)
Place: Noida	DIN: 01189953	DIN: 00678173
Date: May 26, 2017		

ANNEXURE-B

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U74140DL2015PLC277487

ii. Registration Date:- March 4, 2015

iii. Name of the Company :- Startup Investments (Holding) Limited

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-

Ground Floor, GF-12A,

94, Meghdoot Building, Nehru Place,

New Delhi, 110019

Tel. No. +91 120-3082000, Fax No. 0120-3082095

Email: murlee.jain@naukri.com

Website: -N.A.

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any:- N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	To Carry on the business of Holding and Investment Company	64200	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	100	2(87)(ii)
2.	Happily Unmarried Marketing Pvt. Ltd.	U51909DL2007PTC167121	Associate	48.31	2(6)
3.	Applect Learning Systems Pvt. Ltd.	U99999DL2001PTC110324	Associate	44.73	2(6)
4.	Canvera Digital Technologies Private Limited	U92111KA2007PTC041671	Associate	57.46	2(6)
5.	Kinobeo Software Private Limited	U72900DL2007PTC157471	Associate	42.18	2(6)
6.	MintBird Technologies Private Limited	U72900DL2012PTC235129	Associate	26.1	2(6)
7.	Rare Media Company Private Limited	U72900DL2012PTC234028	Associate	34.90	2(6)
8.	Unnati Online Private Limited	U72900HR2015PTC054797	Associate	28.57	2(6)
9.	Green Leaves Consumer Services Private Limited	U74999MH2015PTC266415	Associate	39.24	2(6)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. **Category- wise Shareholding**

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
Promoter Shareholding- Bodies Corporate	-	50,000* (Equity Shares)	50,000 (Equity Shares)	100	-	50,000* (Equity Shares)	50,000 (Equity Shares)	100	-
	-	1,232,346 (Preference Shares)	1,232,346 (Preference Shares)	100	-	24,32,346** (Preference Shares)	24,32,346** (Preference Shares)	100	97.38
Grand Total	**-**	**50,000* (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**	**50,000* (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**
	-	**1,232,346 (Preference Shares)**	**1,232,346 (Preference Shares)**	**100**	**-**	**24,32,346****	**24,32,346****	**100**	**-**

*6 (six) shares were held by six individuals as nominee of Info Edge (India) Ltd.

** During the year under review 12,00,000, 0.0001% cumulative redeemable preference shares of Rs. 100 each were issued to Info Edge (India) Ltd.

ii. **Shareholding of Promoters**

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	50,000 (Equity Shares)	100	0.00	50,000 (Equity Shares)	100	0.00	-
		1,232,346 (Preference Shares)	100	0.00	24,32,346 (Preference Shares)	100	0.00	97.38

iii. **Change in Promoter's Shareholding :**

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Info Edge (India) Ltd.	50,000 (Equity Shares)	100	-	-	-	50,000	100
		1,232,346 (Preference Shares)	100	15/06/2016	Subscription of Preference Shares	7,00,000 Preference Shares	19,32,346 Preference Shares	56.80
				22/07/2016	Subscription of Preference Shares	5,00,000 Preference Shares	24,32,346 Preference Shares	25.87

iv. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil**

v. **Shareholding of Directors and Key managerial Personnel**

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1	Sanjeev Bikhchandani	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	-	-	-	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00
2.	Hitesh Oberoi	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	-	-	-	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00
3.	Chintan Thakkar	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	-	-	-	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment **in Rs.**

	Secured Loans excluding deposits	Unsecured Loans	Deposits/Debentures	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal amount	-	-	-	-
ii. Interest due but not paid		-	-	
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	-	-	1,695,143,900	1,695,143,900
Reduction	-	-	-	-
Net Change	-	-	1,695,143,900	1,695,143,900
Indebtedness at the end of the financial year				
(i) Principal Amount	-	-	1,695,143,900	1,695,143,900
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	1,695,143,900	1,695,143,900

Note: During the year under review, the Company allotted 16,951,439, 0.0001% Compulsory Convertible Debentures of Rs. 100 each to Info Edge (India) Ltd.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL- Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

INDEPENDENT AUDITOR'S REPORT

To the Members of **STARTUP INVESTMENTS (HOLDING) LIMITED**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Startup Investment (Holding) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income) the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 and presentation of these Ind AS financial statements that give a true and fair view of the State of affairs (financial position), profit or loss (financial performance including other comprehensive income),and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act, of the state of affairs(financial position) of the Company as at March 31, 2017 and its Loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;
   e) on the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
   f) with respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer

to our separate report in '**Annexure B**'; and

g) With respect to the other matters to be included in 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.

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.

IV. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the company.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditor's Report to the members of **STARTUP INVESTMENTS (HOLDING) LIMITED** on the financial statement of the year ended March 31, 2017, we report that:

i) The company does not have any Fixed Assets. Accordingly, clause 3(i) of the order is not applicable.

ii) The company does not have any inventory. Accordingly, clause 3(ii) of the order is not applicable.

iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable.

iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provision of section 185 & 186 of the Act, with respect to loan and investment made.

v) The Company has not accepted any deposit from the public. Accordingly, Paragraph 3(v) of the order is not applicable.

vi) The Company is not required to maintain the cost records and accounts prescribed by the Central Government under Section 148(1) of the Companies Act 2013.

vii) a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2017 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2017 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.

viii) In our opinion, the Company does not have any loans or borrowings from any financial institution, banks, government and no default of dues in case of debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), accordingly clause 3(ix) of the Order is not applicable.

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

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not paid managerial remuneration .Accordingly, clause 3(xi) of the Order is not applicable.

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

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

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential placement of preference shares and debentures.

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

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

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **STARTUP INVESTMENTS (HOLDING) LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)
ASSETS				
Non-current assets				
Financial assets				
(i) Investments	3(a)	2,352,570	1,456,139	-
Current Assets				
Financial assets				
(i) Other financial assets	3(b)	1,876	-	-
(ii) Cash and cash equivalents	3(c)	8	4,262	500
Current tax assets (net)	4	14	-	-
Total Assets		**2,354,468**	**1,460,401**	**500**
EQUITY & LIABILITIES				
EQUITY				
Equity share capital	5	500	500	500
Other equity	6	1,743,645	279,884	(29)
LIABILITIES				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	7(a)	186,839	11,967	29
Current liabilities				
Financial liabilities				
(i) Trade payables	7(b)	52	17	-
(ii) Other financial liabilities	7(c)	423,423	1,168,033	-
Other current liabilities	8	9	-	-
TOTAL EQUITY AND LIABILITIES		**2,354,468**	**1,460,401**	**500**

The above balance sheet should be read in conjunction with the accompanying notes.

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

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 26, 2017

The Schedules referred to above form an integral part of these accounts

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2017

Particulars	Note	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Revenue			
I Revenue from operations		-	-
II Other income	9	149,904	171,186
III Total Revenue		**149,904**	**171,186**
Expenditure			
Finance costs	10	8,232	653
Administration and other expenses	11	2,552	2,256
IV Total Expense		**10,784**	**2,909**
V. Profit before exceptional items and tax (III-IV)		**139,120**	**168,277**
VI. Exceptional items (Refer Note 15 (b))		323,863	-
VII Profit / (Loss) before tax (V-VI)		**(184,743)**	**168,277**
VIII Tax expense			
Current tax		-	-
IX Profit / (Loss) for the year (VII-VIII)		**(184,743)**	**168,277**
Earnings per share:	13		
Basic earnings per share (face value ₹ 10) (₹)		(3,695)	3,366
Diluted earnings per share (face value ₹ 10) (₹)		(3,695)	3,366

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the Profit and Loss Account referred to in our report of even date

The Schedules referred to above form an integral part of these accounts

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

Place: New Delhi
Date: May 26, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

S.No.	Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
A.	**Cash flow from operating activities:**		
	Profit / (Loss) before exceptional items and tax	**139,120**	**168,277**
	Adjustments for:		
	Interest income	(129)	-
	Net gain/(loss) on financial assets mandatorily measured at fair value through profit or loss	(149,775)	(171,186)
	Interest cost on financial liabilities	8,232	653
	Operating profit before working capital changes	**(2,552)**	**(2,256)**
	Adjustments for changes in working capital :		
	- (Increase)/Decrease in Other Current Financial Assets	(81)	-
	- (Increase)/Decrease in Current Tax assets	(14)	-
	- Increase/(Decrease) in Trade payables	35	17
	- Increase/(Decrease) in Other financial liabilities	(744,601)	(1)
	Cash generated from operating activities	**(747,213)**	**(2,240)**
	- Taxes Paid (Net of TDS)	-	-
	Net cash from operating activities	**(747,213)**	**(2,240)**
B.	**Cash flow from Investing activities:**		
	Adjustments for changes in :		
	Purchase of investments	(1,070,519)	(116,919)
	Maturity of/(Investment in) fixed deposits (net)	(1,795)	-
	Interest received	129	-
	Net cash used in investing activities	**(1,072,185)**	**(116,919)**
C.	**Cash flow from financing activities:**		
	Proceeds from fresh issue of Share Capital	120,000	110,983
	Proceeds from long term borrowings	1,695,144	11,938
	Net cash from/used in financing activities	**1,815,144**	**122,921**
	Net increase/decrease in cash & cash equivalents	**(4,254)**	**3,762**
	Opening balance of cash and cash equivalents (April 01, 2016/April 01, 2015)	**4,262**	**500**
	Closing balance of cash and cash equivalents	**8**	**4,262**
	Cash and cash equivalents comprise		
	Cash in hand	8	-
	Balance with scheduled banks		
	-in current accounts	-	4,262
	Total	**8**	**4,262**

Notes :

1 The above Cash Flow Statement has been prepared under the Indirect Method as set out in IND AS 7 on Cash Flow Statement notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 .

2 Figures in brackets indicate cash outflow.

3 The above statement of cash flows should be read in conjunction with the accompanying notes.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

Place: New Delhi
Date: May 26, 2017

STATEMENTS OF CHANGES IN EQUITY

a. Equity Share Capital

Particulars	(₹ '000)
As at April 01, 2015	**500**
Changes in equity share capital during the year	-
As at March 31, 2016	**500**
Changes in equity share capital during the year	-
As at March 31, 2017	**500**

b. Other Equity

Particulars	Equity component of compound financial instruments	Reserves & Surplus	Accumulated Other Comprehensive Income	Total
		General reserve		
Balance as at 01 April 2015		(314)		**(314)**
Profit for the year		168,277		**168,277**
Equity Component of Debt Instrument	111,921			**111,921**
Balance as at 31 March 2016	**111,921**	**167,963**	-	**279,884**

Particulars	Equity component of compound financial instruments	Reserves & Surplus	Accumulated Other Comprehensive Income	Total
		General reserve		
Balance as at 31 March 2016	**111,921**	**167,963**	**-**	**279,884**
Loss for the year		(184,743)		**(184,743)**
Equity Component of Debt Instrument	1,648,504			**1,648,504**
Balance as at 31 March 2017	**1,760,425**	**(16,780)**	**-**	**1,743,645**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is Statement of Equity referred to in our report of even date.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

Place: New Delhi
Date: May 26, 2017

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1. Reporting Entity

Startup Investments Holding Limited (the company) is a limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The company is a wholly owned subsidiary of Info Edge (India) Ltd.

2. Significant Accounting Policies

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

A. Basis of Preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

For all the periods upto and including the period ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules 2006 (as amended) and other relevant provisions of the Act.

These financial statements for the year ended March 31, 2017 are the first financial statement prepared in accordance with Ind AS. Refer Note 31 for an explanation of how the transition from previous accounting standards (GAAP) to Ind AS has affected the company's financial position, financial performance and cash flows.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value and

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

C. Provisions

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

D. Cash and cash equivalents

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

E. Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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

F. Investments and other financial assets

(i) Classification

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

- those to be measured subsequently at fair value through profit or loss and
- those measured at amortised cost.

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

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

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

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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

G. Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

H. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

I. Rounding of Amounts

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

3. FINANCIAL ASSETS

(a) NON CURRENT INVESTMENTS - Shares

Particulars	As at MARCH 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Share	Face Value per share (In ₹ *)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹ *)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹ *)	(₹ '000)	(₹ '000)
Other than trade investments (Unquoted) (valued at Fair value though P&L)												
Investments in Equity instruments of Subsidiary and Fellow Subsidiary Companies												
Applect Learning Systems Private Limited	13,429	10	570,998		13,429	10	570,998		-	-	-	
13,429 nos (March 31, 2016 - 13,429 nos, and April 1, 2015 - NIL) Equity Share of Rs 10/- fully paid up												
Smartweb Internet Services Limited	1,000	10	10		1,000	10	10		-	-	-	
1,000 nos. (March 31, 2016 - 1,000 nos and April 1, 2015 - NIL Equity Share of Rs 10/- fully paid up												
Canvera Digital Technologies Private Limited (Refer note 15)	34,711	1	14,963		-	-	-		-	-	-	
34,711 nos (March 31, 2016 - Nil and April 1, 2015 - Nil) Equity Share of Re. 1/- fully paid up)												
Add/(Less) : Diminution in value of investment (Refer note 15 (b))			(11,056)									
				574,915				571,008				-
Investments in Equity instruments of Jointly Controlled Company												
Happily Unmarried Marketing Private Limited	275	10	3,506		275	10	3,506		-	-	-	
275 nos (March 31, 2016 - 275 nos, and April 1, 2015 - NIL) Equity Share of Rs 10/- fully paid up)												
				3,506				3,506				-
Investments in Preference shares of Subsidiary and Fellow Subsidiary Companies												
Applect Learning Systems Private Limited	249,974,932	1	350,840		249,974,932	1	350,840		-	-	-	
24,99,74,932 nos (March 31, 2016 - 24,99,74,932 nos and April 1, 2015 - Nil) Preference Share of Re. 1/- & Rs 10/- fully paid up												

Particulars	As at MARCH 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Share	Face Value per share (In ₹ *)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹ *)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹ *)	(₹ '000)	(₹ '000)
Add/(Less) : Profit/ (Loss) on measurement at FVTPL			(61,776)				(38,274)					
Canvera Digital Technologies Private Limited (Refer note 15)	2,536,904	1	596,193		-	-	-		-	-	-	
–0.1% optionally convertible cumulative redeemable preference shares 25,36,904 nos (March 31, 2016 - Nil and April 1, 2015 - Nil) Preference Share of Re 1/- fully paid up												
Add/(Less) : Profit/ (Loss) on measurement at FVTPL			172,882								-	
Add/(Less) : Diminution in value of investment (Refer note 15 (b))			(312,807)									
				745,332				312,566				-
Investments in Preference shares of Jointly Controlled Companies												
Happily Unmarried Marketing Pvt. Ltd. (Refer note 16)	10,558	10	210,245		8,690	10	160,260		-	-	-	
-0.1% optionally convertible cumulative redeemable preference shares 10,558 nos. (March 31, 2016 - 8,690 nos and April 1, 2015 - Nil) Preference Share of Rs 10/- fully paid up												
Add/(Less) : Profit/ (Loss) on measurement at FVTPL			201,999				108,479				-	
Kinobeo Software Private Limited (Refer note 17)	107,801	10	270,338		34,651	10	135,339		-	-	-	
-0.1% optionally convertible cumulative redeemable preference shares 1,07,801 nos (March 31, 2016 - 34,651 nos and April 1, 2015 - Nil) Preference Share of Rs 10/- fully paid up												
Add/(Less) : Profit/ (Loss) on measurement at FVTPL			(128,520)				100,981				-	

Particulars	As at MARCH 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Share	Face Value per share (In ₹ *)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹ *)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹ *)	(₹ '000)	(₹ '000)
Mint Bird Technologies Private Limited (Refer note 18)	6,000,000	10	60,000		-	-	-		-	-	-	
- Optionally convertible cumulative redeemable preference shares 60,00,000 nos (March 31, 2016 - Nil and April 1, 2015 - Nil) Preference Share of Rs 10/- fully paid up												
Add/(Less) : Profit/ (Loss) on measurement at FVTPL			49,560									
Unnati Online Lrivate Limited (Refer note 19)	39,998,395	1	39,998		-	-	-		-	-	-	
39,998,395 nos (March 31, 2016 - Nil, and April 1, 2015 - Nil) Preference Share of Re 1/- fully paid up												
Add/(Less) : Profit/ (Loss) on measurement at FVTPL			18,799									
Vcare Technologies Private Limited (Refer note 20)	400,000	100	40,000		-	-	-		-	-	-	
-0.01% optionally convertible cumulative redeemable preference shares 4,00,000 nos (March 31,2016 - Nil and April 1, 2015 - Nil) Preference Share of Rs 100/- fully paid up												
Add/(Less) : Profit/ (Loss) on measurement at FVTPL			22,703									
Rare Media Company Private Limited (Refer note 21)	743,808	100	74,381		-	-	-		-	-	-	
-0.01% optionally convertible cumulative redeemable preference shares 7,43,808 nos (March 31, 2016 - Nil and April 1, 2015 - Nil) Preference Share of Rs 100/- fully paid up									-	-	-	
Add/(Less) : Profit/ (Loss) on measurement at FVTPL			38,834								-	
				898,337				505,059				-

Particulars	As at MARCH 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Share	Face Value per share (In ₹ *)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹ *)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹ *)	(₹ '000)	(₹ '000)
Investments in Debentures of Jointly Controlled Company												
Green Leaves Consumer Services Pvt. Ltd (Refer note 22)	1,240,000	100	124,000		640,000	100	64,000		-	-	-	
Compulsory convertible debentures 12,40,000 nos (March 31, 2016 - 6,40,000 nos and April 1, 2015 - Nil) Debentures of Rs 100/- fully paid up)												
Add/(Less) : Profit/ (Loss) on measurement at FVTPL			6,480	130,480				64,000				-
				2,352,570				**1,456,139**				**-**

* Unless otherwise stated

Aggregate amount of quoted investments & market value thereof	-		-		-
Aggregate amount of unquoted investments	2,352,570		1,456,139		-
Aggregate amount for impairment in value of investments	323,863		-		-

(b) OTHER FINANCIAL ASSETS

Particulars	Non-Current			Current		
(Unsecured, considered good unless otherwise stated)	**As at March 31,2017 (₹ '000)**	**As at March 31,2016 (₹ '000)**	**As at April 01,2015 (₹ '000)**	**As at March 31,2017 (₹ '000)**	**As at March 31,2016 (₹ '000)**	**As at April 01,2015 (₹ '000)**
Interest accrued on fixed deposits	-	-	-	81	-	-
Balance in fixed deposit accounts with original maturity more than 12 months	-	-	-	1,795	-	-
	-	**-**	**-**	**1,876**	**-**	**-**

(c) CASH & CASH EQUIVALENTS

Particulars	Non-Current			Current		
	As at March 31,2017 (₹ '000)	**As at March 31,2016 (₹ '000)**	**As at April 01,2015 (₹ '000)**	**As at March 31,2017 (₹ '000)**	**As at March 31,2016 (₹ '000)**	**As at April 01,2015 (₹ '000)**
Cash on hand	-	-	-	8	-	-
Balances with bank - current account	-	-	-	-	4,262	500
	-	**-**	**-**	**8**	**4,262**	**500**

4. CURRENT TAX ASSETS (NET)

Particulars	Non-Current			Current		
(Unsecured, considered good unless otherwise stated)	**As at March 31,2017 (₹ '000)**	**As at March 31,2016 (₹ '000)**	**As at April 01,2015 (₹ '000)**	**As at March 31,2017 (₹ '000)**	**As at March 31,2016 (₹ '000)**	**As at April 01,2015 (₹ '000)**
Advance tax	-	-	-	14	-	-
	-	**-**	**-**	**14**	**-**	**-**

5. SHARE CAPITAL

Particulars	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at April 1, 2015 (₹ '000)
AUTHORISED CAPITAL			
50,000 Equity Shares of Rs. 10/- each			
(Previous Year - 50,000 Equity Shares of Rs 10/- each)	500	500	500
24,95,000 0.0001% Cumulative Redeemable Preference Shares of Rs. 100/- each			
(Previous Year - 24,95,000 Preference Shares of Rs 100/- each)	249,500	249,500	19,500
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL			
50,000 Equity Shares of Rs 10/- each, fully paid up	500	500	500
(Previous Year - 50,000 Equity Shares of Rs 10/- each)			
	500	**500**	**500**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2017 No of Shares	As at March 31, 2017 (₹ '000)	As at March 31, 2016 No of Shares	As at March 31, 2016 (₹ '000)
Equity Shares				
At the beginning of the period	50,000	500.00	50,000	500.00
Add: Issued during the period	-	-	-	-
Outstanding at the end of the period	**50,000**	**500.00**	**50,000**	**500.00**

Particulars	As at March 31, 2017 No of Shares	As at March 31, 2017 (₹ '000)	As at March 31, 2016 No of Shares	As at March 31, 2016 (₹ '000)
Preference Shares				
At the beginning of the period	1,232,346	123,235	3,136	314
Add: Issued during the period	1,200,000	120,000	1,229,210	122,921
Outstanding at the end of the period	**2,432,346**	**243,235**	**1,232,346**	**123,235**

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Particulars	Period ended March 31, 2017	Period ended March 31, 2016	Period ended March 31, 2015	Period ended March 31, 2014	Period ended March 31, 2013
Equity Shares allotted as fully paid bonus shares by capitalisation of securities premium	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

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

Particulars	As at March 31, 2017		As at March 31, 2016	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of ₹ 10 each fully paid				
Info Edge (India) Ltd	49,994	99.99%	49,994	99.99%
	49,994	**99.99%**	**49,994**	**99.99%**

6. OTHER EQUITY

Particulars	As at March 31, 2017 (₹ '000)		As at March 31, 2016 (₹ '000)	
Retained Earnings				
Opening Balance	167,963		(314)	
Add: Transfer from Statement of Profit and Loss under Companies (Transfer of Profit to Reserves Rules), 1975	(184,743)		168,277	
Add: Loss for the year		(16,780)		167,963
Equity Component of financial liability - Preference shares		220,905		111,921
Equity Component of financial liability - Debentures		1,539,520		-
		1,743,645		**279,884**

7. FINANCIAL LIABILITIES

(a) BORROWINGS

Particulars	Non-Current			Current		
	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)
Debentures issued to Holding Company						
Info Edge India Ltd (Refer note 23)	1,695,144	-	-	-	-	-
(0.0001% compulsory convertible debentures into compulsorily convertible redeemable preference shares 16951439 nos , March 31, 2016 - Nil and April 1, 2015 - Nil of facevalue of Rs. 100/- each, maturity after 20 years from the date of issue						
Less : Equity component of debt instruments	(1,539,520)	-	-	-	-	-
Add: Interest Expense on present value	5,612	-	-	-	-	-
Liability component of Debentures	**161,236**	**-**	**-**	**-**	**-**	**-**
Preference Shares issued to Holding Company						
Info Edge India Ltd (Refer note 24)						
24,32,346 nos 0.0001% Cumulative Redeemable Preference Shares of Rs. 100 each, fully paid up , March 31, 2016 - 12,32,346 nos and April 1, 2015 - Nil Preference Shares of Rs 100/- each, maturity after 20 years from the date of issue	243,235	123,235	314	-	-	-
Less: Equity Component of Preference shares	(220,905)	(111,921)	(285)	-	-	-
Add: Interest Expense on present value	3,273	653	-	-	-	-
Liability component of preference shares	**25,603**	**11,967**	**29**	**-**	**-**	**-**
Total borrowings	**186,839**	**11,967**	**29**	**-**	**-**	**-**

(b) TRADE PAYABLES

Particulars	Non-Current			Current		
	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)
Trade Payables						
- total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	52	17	-
Non current portion transferred to non current liabilities						
	-	**-**	**-**	**52**	**17**	**-**

(c) Other Financial Liabilities

Particulars	Non-Current			Current		
	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)
Amount payable to holding/subsidiary companies	-	-	-	423,423	1,168,033	-
	-	-	-	423,423	1,168,033	-

8. OTHER CURRENT LIABILITIES

Particulars	Non-Current			Current		
	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)
Others						
- TDS payable	-	-	-	9	-	-
	-	**-**	**-**	**9**	**-**	**-**

9. OTHER INCOME

Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Interest income on fixed deposits with banks	129	-
Net gain/(loss) on financial assets mandatorily measured at FVTPL	149,775	171,186
	149,904	**171,186**

10. FINANCE COSTS

Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Interest expense on financial liabilities - preference shares	2,620	653
Interest expense on financial liabilities - debentures	5,612	-
	8,232	**653**

11. ADMINISTRATION AND OTHER EXPENSES

Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Auditors Remuneration	58	17
Legal and professional charges	2,294	121
Miscellaneous expenses	176	2,094
Rent	24	24
	2,552	**2,256**

12. AUDITORS REMUNERATION

Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Audit Fees	50	15
Service Tax	8	2
	58	**17**

13. BASIC & DILUTED EARNINGS PER SHARE (EPS)

Particulars	Year ended March 31,2017 (₹)	Year ended March 31,2016 (₹)
Profit / (Loss) attributable to Equity Shareholders (Rs.)	(184,743,000)	168,277,000
Weighted average number of Equity Shares outstanding during the year (Nos.)	50,000	50,000
Basic & Diluted Earnings Per Equity Share of Rs. 10 each (Rs.)	(3,695)	3,366

14. (1) Related Party Disclosures for the year ended March 31, 2017

A) List of related parties

Holding Company
Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives
Mr Sanjeev Bikhchandani
Mr Hitesh Oberoi
Mr Chintan Thakkar

Fellow Subsidiary Company
Smartweb Internet Services Limited

B) Details of transactions with related party for the year ended March 31, 2017 in the ordinary course of business: Amount (₹ '000)

Nature of relationship / transaction	Holding Company	Fellow Subsidiary Company	Jointly Controlled Entity	Total
1. Issue of Preference Shares	120,000	-	-	120,000
2. Issue of Debentures	1,695,144	-	-	1,695,144
3. Investment in Preference Shares of Happily Unmarried Marketing Pvt. Ltd.	-	-	49,985	49,985
4. Investment in Preference Shares of Kinobeo Software Private Limited	134,999	-	-	134,999
5. Investment in Equity Shares of Canvera Digital technologies Pvt. Ltd.	-	14,963	-	14,963
6. Investment in Preference Shares of Canvera Digital technologies Pvt. Ltd.	-	422,859	173,333	596,193
7. Investment in Debentures of Green Leaves Consumer Services Private Limited	-	-	60,000	60,000
8. Investment in Preference Shares of Vcare Technologies Pvt. Ltd.	-	-	40,000	40,000
9. Investment in Preference Shares of Unnati Online Private Limited	-	-	39,998	39,998
10. Investment in Preference Shares of Mint Bird Technologies Private Limite	60,000	-	-	60,000
11. Investment in Preference Shares of Rare Media Company Private Limited	74,381	-	-	74,381
12. Rent Expense	24	-	-	24

C) Amount due to/from related parties as at March 31, 2017 Amount (₹ '000)

Nature of relationship / transaction	Holding Company	Fellow Subsidiary Company	Jointly Controlled Entity	Total
Debit Balances				
Outstanding Advances	-	-	-	-
Maximum Amount outstanding during the year	-	-	213,333	213,333
Credit Balances				
Outstanding Payable	269,379	154,044	-	423,424
Maximum Amount outstanding during the year	1,168,035	437,822	40,000	1,645,857

(2) Related Party Disclosures for the year ended March 31, 2016

A) List of related parties

Holding Company

Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives

Mr Sanjeev Bikhchandani

Mr Hitesh Oberoi

Mr Chintan Thakkar

B) Details of transactions with related party for the year ended March 31, 2016 in the ordinary course of business: Amount (₹ '000)

Nature of relationship / transaction	Holding Company	Fellow Subsidiary Company	Jointly Controlled Entity	Total
1. Issue of Preference Shares	122,921	-	-	122,921
2. Investment in Equity Shares of Happily Unmarried Mktg Pvt. Ltd	3,506	-	-	3,506
3. Investment in Preference Shares of Happily Unmarried Mktg Pvt. Ltd	110,271	-	49,989	160,260
4. Investment in Equity Shares of Applect Learning Systems Pvt. Ltd.	570,998	-	-	570,998
5. Investment in Preference Shares of Applect Learning Systems Pvt. Ltd.	350,840	-	-	350,840
6. Investment in Preference Shares of Kinobeo Software Private Limited	135,339	-	-	135,339
7. Investment in Equity Shares of Smartweb Internet Services Ltd	10	-	-	10
8. Rent Expense	24	-	-	24

C) Amount due to/from related parties as at March 31, 2016 Amount (₹ '000)

Nature of relationship / transaction	Holding Company	Fellow Subsidiary Company	Jointly Controlled Entity	Total
Debit Balances				
Outstanding Advances	-	-	-	-
Maximum Amount outstanding during the year	-	-	-	-
Credit Balances				
Outstanding Payable	1,168,033	-	-	1,168,033
Maximum Amount outstanding during the year	35	-	-	35

15 **(a)** During the year the Company has invested in 34,711 nos equity shares of face value of Re. 1 at premium of Rs. 430 per share; and 25,36,904 nos optionally convertible cumulative redeemable preference shares of face value of Re.1 at premium of Rs. 234 per share in Canvera Digital Technologies Private Limited amounting to Rs. 14,963.04 thousands & Rs. 596,192.62 thousands respectively.

(b) Exceptional item includes write down in value of investments in subsidiary company, Canvera Digital Technologies Pvt Ltd, that is considered to be part of ordinary activities, refer note 3 (a).

16. During the year the Company has invested in 1,868 nos optionally convertible cumulative redeemable preference shares of face value of Rs. 10 at premium of Rs. 26,748.78 per share in Happily Unmarried Mktg Pvt. Ltd. aggregating to Rs. 49,985.40 thousands.

17. During the year the Company has invested in 73,150 nos optionally convertible cumulative redeemable preference shares of face value of Rs. 10 at premium of Rs. 1835.50 per share in Kinobeo Software Private Limited (MYDALA) aggregating to Rs. 1,34,998.66 thousands.

18. During the year the company has invested in 60,00,000 nos optionally convertible cumulative redeemable preference shares of face value Rs. 10 per share in Mint Bird Technologies Private Limited amounting to Rs. 60,000 thousands.

19. During the year the company has invested in 39,998,395 nos optionally convertible cumulative redeemable preference shares of face value of Re. 1 per share in Unnati Online Private Limited amounting to Rs. 39,998.40 thousands.

20. During the year the company has invested in 4,00,000 optionally convertible cumulative redeemable preference shares of face value of Rs. 100 per share in VCare Technologies Private Limited amounting to Rs. 40,000 thousands.

21. During the year the Company has invested in 7,43,808 nos optionally convertible cumulative redeemable preference shares of face value Rs. 100 per share in Rare Media Company Private Limited amounting to Rs. 74,380.80 thousands.

22. During the year the Company has invested in 6,00,000 nos debentures of face value of Rs. 100 per debenture in Green Leaves Consumer Services Pvt. Ltd amounting to Rs. 60,000 thousands.

23. During the year ended March 31st, 2017 , the Company has made issue of 1,69,51,439 nos debentures of face value of Rs. 100/- each to holding Company - Info Edge India Limited. Original amount of these instruments have to be compulsorily segregated into Debt and Equity component as per IND AS 109 using a cash flow discounted at market lending rate prevailing as on March 31, 2017. The resultant equity and debt components have been classified under 'Note 6 - Other equity ' Rs. 15,39,520 thousands and ' Note 7(a) - Borrowings' Rs.161,236 thousands (including finance cost of Rs. 5,612 thousands debt component) respectively.

24. During the year ended March 31st, 2017 , the Company has made issue of 12,00,000 nos preference shares of face value of Rs. 100/- each to holding Company - Info Edge India Limited. Issue amount of these instruments have to be compulsorily segregated into Debt and Equity component as per IND AS 109 using a cash flow discounted at market lending rate prevailing as on March 31, 2017. The resultant equity and debt components have been classified under 'Note 6 - Other equity ' Rs. 2,20,905 thousands and 'Note 7(a) - Borrowings' Rs. 25,603 thousands (including finance cost of Rs. 3,273 thousands debt component) respectively.

25. Neither there was Cash in hand at close of business hours on November 8, 2016 nor there were any receipts, withdrawals and / or depoists between November 8, 2016 and December 30, 2016. Hence there is no requirement to disclose information pursuant to notification no. 244 dated 30.03.2017, issued by Ministry of Corporate affairs, details of the specified bank notes held & transacted during the said period.

26. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

27. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable on the company since there was no employee employed by the company during the year.

28. Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

a) Income Tax expense

Particulars	Year ended March 31, 2017 (₹ '000)	Year ended March 31, 2016 (₹ '000)
Current tax on profit for the year	-	-
Total current tax expenses	**-**	**-**
Deferred Tax	-	-
Total (a)	**-**	**-**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Year ended March 31, 2017 (₹ '000)	Year ended March 31, 2016 (₹ '000)
Loss before tax	(184,743)	(2,256)
Tax @ 29.87% (Previous Year @ 30.9%)	**-**	**-**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	-	-
Total (b)	-	-

Difference (a-b)	-	-

Note: There is no taxable income for the year ended 31st March 2017 and corrosponding previous year.

29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

FAIR VALUE HIERARCHY

a) Financial instruments by category

(₹ '000)

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets						
Investments	1,643,669	708,901	817,625	638,514	-	-
Cash and cash Equivalents	-	8	-	4,262	-	500
Other financial assets	-	1,876	-	-	-	-
Total Financial Assets	**1,643,669**	**710,785**	**817,625**	**642,776**	-	**500**
Financial Liabilities						
Borrowings	-	186,839	-	11,967	-	-
Trade payables	-	52	-	17	-	-
Other financial liabilities	-	423,423	-	1,168,033	-	-
Total Financial Liabilities	**-**	**610,314**	**-**	**1,180,017**	**-**	**-**

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit or loss.To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table

b) Fair value hierarchy for assets and liabilities

Financial assets measured at fair value at March 31, 2017

(₹ '000)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	-	-	1,643,669	1,643,669

Financial assets measured at fair value at March 31, 2016 (₹ '000)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	-	-	817,625	817,625

Financial assets measured at fair value at April 1, 2015 (₹ '000)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	-	-	-	-

Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 hierarchy includes the fair value of financial instruments that are not traded in an active market is determined using valuation obtained from the respective mutual fund houses.

Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for compound instruments

There are no transfers between levels 1 and 2 during the year.The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

c) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or mutual fund houses quotes for similar instruments.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

d) Financial assets and liabilities measured at amortised cost

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables are considered to be the same as their fair values, due to their short-term nature. The fair values for security deposits , Investment in preference shares & investment in debentures and borrowings are calculated based on cash flows discounted using a current lending rate, however the change in current rate does not have any significiant impact on fair values as at the current year end. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including counter party credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Fair value of financial assets and liabilities measured at amortised cost (₹ '000)

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets						
Investments	708,901	708,901	638,514	638,514	-	-
Cash and cash Equivalents	8	8	4,262	4,262	500	500
Other financial assets						
-Interest accrued on fixed deposits	1,876	1,876		-		-
Total Financial Assets	**710,785**	**710,785**	**642,776**	**642,776**	**500**	**500**
Financial Liabilities						
Borrowings	186,839	186,839	11,967	11,967	-	-
Trade payables	52	52	17	17	-	-
Other financial liabilities	423,423	423,423	1,168,033	1,168,033	-	-
Total Financial Liabilities	**610,314**	**610,314**	**1,180,017**	**1,180,017**	**-**	**-**

The carrying amounts of trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. They are classified as level 3

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(e) Fair value measurements using significant unobservable inputs (level 3)

Particulars	Unlisted equity securities
As at 1 April 2015	-
Acquisitions	646,439
Unrealised gain/loss recognised in profit/loss	171,186
As at March 31, 2016	817,625
Acquisitions	682,749
Unrealised gain/loss recognised in profit/loss	143,295
As at March 31, 2017	1,643,669

(f) Valuation inputs and relationships to fair value

Particulars	Fair value as at			Significant unobservable inputs*	Probability-weighted range			Sensitivity
	31-Mar 2017	31-Mar 2016	1-Apr 2015		31-Mar 2017	31-Mar 2016	1-Apr 2015	
				Weighted Average Cost of Capital (WACC)	15% to 35%	15% to 35%	-	Increased WACC (+20 basis points (bps)) and keeping other key inputs constant would change FV by ₹ (25940) thousand in FY 2017 and by ₹ (1,196,862) in FY 2016 ; Decreased WACC (-20 bps) and keeping other key inputs constant would change FV by ₹ 207,085 thousand in FY 2017 and ₹ (1,093,537) thousand in FY 2016
Unquoted preference shares	1,643,669	817,625	-	EBITDA Margin in Perpetuity	-170% to 60%	-170% to 60%	-	Increased WACC (+20 basis points (bps)) and keeping other key inputs constant would change FV by ₹ 19,600 thousand in FY 2017 and ₹ (1,186,558) thousand in FY 2016; Decreased WACC (-20 bps) and keeping other key inputs constant would change FV by ₹ 103,687 thousand in FY 2017 and ₹ (1,136,324) thousand in FY 2016.
				Earnings growth rate	40% to 80%	40% to 80%	-	Increased WACC (+20 basis points (bps)) and keeping other key inputs constant would change FV by ₹ (2,732) thousand in FY 2017 and ₹ (1,187,998) thousand in FY 2016; Decreased WACC (-20 bps) and keeping other key inputs constant would change FV by ₹ 60,393 thousand in FY 2017 and ₹ (1,149,667) thousand in FY 2016.

* There were no significant inter-relationships between unobservable inputs that materially affect their values

(g) Valuation processess

The Company uses third party valuers to perform the valuations of the unquoted equity shares, preference shares and debentures required for financial reporting purposes for Level 3 purposes other than investment in compulsorily redeemable preference shares and debentures (Debt instruments) which are done by Finance department of the company.

The main Level 3 inputs for these unlisted securities are derived and evaluated as below.

- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies to the extent available.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (c) and (f) above.

30. FINANCIAL RISK AND CAPITAL MANAGEMENT

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with option of taking Forward foreign exchange contracts if deemed necessary.
Price Risk	Investments in mutual funds	Sensitivity analysis	Portfolio diversification and regular monitoring

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company is primarily engaged in investments in technology companies; and borrows short term and long term funds from holding & group companies to meet the fund requirements.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

		Contractual cash flows			Amount (₹ '000)
March 31, 2017	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Borrowings	186,839	-	-	-	186,839
Trade and other payables	52	52	-	-	-
Other financial liabilities	423,423	423,423	-	-	-

		Contractual cash flows			Amount (₹ '000)
March 31, 2016	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Borrowings	11,967	-	-	-	11,967
Trade and other payables	17	17	-	-	-
Other financial liabilities	1,168,033	1,168,033	-	-	-

		Contractual cash flows			Amount (₹ '000)
April 1, 2015	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Borrowings	-	-	-	-	-
Trade and other payables	-	-	-	-	-
Other financial liabilities	-	-	-	-	-

The amount disclosed in the above table represent the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant

(c) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Amount in ₹ '000

Particulars	31 March 2017	31 March 2016	31 March 2015
Fixed-rate instruments			
Financial assets	1,795	-	-
Financial liabilities	186,839	11,967	-
Total	**188,634**	**11,967**	**-**

B) Capital management

a) Risk management

The Comapny's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, preference and debenture capital.

b) Dividend

No dividend was paid out during the year

31. First time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes

Exemptions and exceptions availed

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

1 Ind AS optional exemptions

a) Business Combination

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for investment in associates and joint ventures.

b) 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 recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

c) Share-based payment transactions

Ind AS 101 provides the option to apply Ind AS 102 only on ESOP that are unvested on the transition date

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

d) Investments in subsidiaries, jointly controlled entities and associates

IND AS 101 provides the option to the first-time adopter to account for its investments in subsidiaries, jointly controlled entities and associates at either cost determined in accordance with IND AS 27 or in accordance with IND AS 109. The Company has elected to measure such investments at cost in accordance with Ind AS 27.

2 Ind AS madatory exemptions

a) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

c) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (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, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL; and
- Impairment of financial assets based on expected credit loss model.

3 Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as on 01.04.2015

Particulars	Note	Indian GAAP (₹ '000)	Adjustment	Ind AS (₹ '000)
ASSETS				
Non-current assets				
Current Assets				
Financial assets				
(i) Investments		-	-	-
(ii) Trade receivables		-	-	-
(iii) Cash and cash equivalents		500	-	500
(iv) Bank balances other than (iii) above		-	-	-
Total Assets		**500.00**		**500.00**
EQUITY & LIABILITIES				
EQUITY				
Equity Share capital		814	(314)	500
Other equity		(314)	285	(29)
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings		-	29	29
Other financial liabilities		-	-	-
Provisions		-	-	-
Other non-current liabilities		-	-	-
TOTAL EQUITY AND LIABILITIES		**500**		**500**

Reconciliation of equity as on 31.03.2016

Particulars	Note	Indian GAAP (₹ '000)	Adjustment	Ind AS (₹ '000)
ASSETS				
Non-current assets				
Financial assets				
(i) Investments	1	1,284,953	171,186	1,456,139
(ii) Others		-	-	-
Current Assets				
Financial assets				
(i) Investments		-	-	-
(ii) Trade receivables		-	-	-
(iii) Cash and cash equivalents		4,262	-	4,262
(iv) Bank balances other than (iii) above		-	-	-
Total Assets		**1,289,215**		**1,460,401**
EQUITY & LIABILITIES				
EQUITY				
Equity Share capital	2	123,735	(123,235)	500
Other equity		(2,570)	282,454	279,884
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings		-	11,967	11,967
Other financial liabilities		-	-	-
Current liabilities				
Financial liabilities				
(i) Trade payables		17	-	17
(ii) Other financial liabilities		1,168,033	-	1,168,033
TOTAL EQUITY AND LIABILITIES		**1,289,215**		**1,460,401**

Reconciliation of total equity as at March 31, 2016 and April 01, 2015 **(Amount in ₹ '000)**

Particulars	Note	March 31, 2016	April 1, 2015
Total equity (shareholder's funds) as per previous GAAP		121,165	500
Adjustments :			
Interest income on redeemable instruments		-	-
Net gain/(loss) on financial assets mandatorily measured at FVTPL		171,186	-
Debt portion of Preference share capital		(11,967)	(29)
Total adjustments		**159,219**	**(29)**
Total equity as per Ind AS		**280,384**	**471**

Reconciliation of profit for the period 31.03.2016

Particulars	Note	Indian GAAP (₹ '000)	Adjustment	Ind AS (₹ '000)
Revenue				
I Revenue from operations		-	-	-
II Other income		-	171,186	171,186
III. Total Revenue		**-**		**171,186**
Expenditure				
Finance costs		-	653	653
Administration and other expenses		2,256	-	2,256
Network, internet and other direct charges		-	-	-
IV. Total Expense		**2,256**		**2,909**
V. Profit before tax (III-IV)		**(2,256)**		**168,277**
VI. Tax expense				
(1) Current tax- (Current period)		-	-	-
VII. Profit for the year from continuing operations (V-VI)		**(2,256)**	**170,533**	**168,277**
VIII. Profit for the year (VII)		**(2,256)**		**168,277**
Other comprehensive income				
Other comprehensive income for the year, net of income tax		**-**	**-**	**-**
Total comprehensive income for the year		**(2,256)**		**168,277**

1. **Fair valuation of Investments**

   Under the previous GAAP, investments in preference instruments and debentures were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value / amortised cost. The resulting fair value changes/amortisation of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended March 31, 2016. This increased/(decreased) the retained earnings by ₹ 1,71,186 thousands as at March 31, 2016 (April 01, 2015 - ₹ Nil).

2. **Fair valuation of Debt instruments**

   Under the previous GAAP, Compulsorily convertible Preference share Capital & debentures were carried at Face Value. Under Ind AS, these instruments are to be compulsorily segregated into Debt and equity portion and the value of debt portion is calculated using a cash flow discounted at current landing rate . The resulting valuation of the debt portion have been recognized in Borrowings as at the date of transition. This increased/(decreased) in the preference share capital by ₹ (1,23,235) thousand as at 31 March 2016 and increases the borrowings by ₹ 11,967 thousand

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 26, 2017

For and on behalf of the Board of Directors

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present the 7th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2017.

FINANCIAL RESULTS & STATE OF AFFAIRS

During the year under review, the company had income of Rs. 494 thousands as compared to income of Rs. NIL in the financial year of 2015-16.

SHARE CAPITAL

During the year under review the Authorised Capital of the Company was reclassified from Rs. 55,50,00,000/- (Rupees Fifty Five Crore Fifty Lakh) divided into 5,00,000 (Five Lakh) equity shares of Rs. 10/- (Rupees Ten) each and 55,00,000 (Fifty Five Lakh) Preference Shares of Rs. 100/- (Rupees One Hundred) each to Rs. 55,50,00,000/- (Rupees Fifty Five Crore Fifty Lakh) divided into 2,55,00,000 (Two Crore Fifty Five Lakh) equity shares of Rs. 10/- (Rupees Ten) each and 30,00,000 (Thirty Lakh) Preference Shares of Rs. 100/- (Rupees One Hundred) each.

During the year under review, 4,99,900 (Four Lakh Ninety Nine Thousand Nine Hundred) fully paid-up 0.0001% Compulsory Convertible Preference Shares of Rs. 100/- (Rupees One Hundred) each held by M/s MacRitchie Investments Pte. Ltd., were converted into into 4,99,900 (Four Lakh Ninety Nine Thousand Nine Hundred) equity shares of Rs. 10/- (Rupees Ten) each.

Pursuant to the aforesaid conversion the paid-up capital of the company stood revised to Rs. 99,99,000/- (Rupees Ninety Nine Lakh Ninety Nine Thousand) consisting of 9,99,900 (Nine Lakh Ninety Nine Thousand Nine Hundred) equity shares of Rs. 10/- (Rupees Ten).

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There has been no material change affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

Etechaces Marketing & Consulting Pvt. Ltd.

Etechaces operates through website, www.policybazaar.com which helps customers understand their need for insurance and other financial products to select products/schemes accordingly, that best suit their requirements. The Company on fully converted and diluted basis holds 19.65% on fully converted and diluted basis.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting.

In accordance with Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board, has recommended the appointment of M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants, as Statutory Auditors of Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 to the shareholders for approval in the ensuing AGM. Pursuant to first Proviso to Section 139, the said appointment, if approved by shareholders, shall be placed for ratification at every Annual General Meeting.

M/s. Sharma Goel & Co. LLP, Chartered Accountants, have furnished a certificate of their eligibility as per Section 141 of the Companies Act, 2013 and have provided their consent for appointment as Statutory Auditors of the Company.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013. Mr. Chintan Thakkar, Director (DIN: 00678173), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 6 times during the year under review on May 20, 2016, July 22, 2016, October 28, 2016, February 27, 2017, March 25, 2017 and March 28, 2017.

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company did not make any Loans, guarantee or investments during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year Company did not enter into any transaction with related parties that could be considered material. Details of other related party transactions are present under Note No. 15 of notes to financial statement.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure A and is attached to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

	Sanjeev Bikhchandani	Chintan Thakkar
	(Director)	(Director)
Place: Noida	DIN: 00065640	DIN: 00678173
Date: May 26, 2017		

ANNEXURE-A

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U74999DL2010PLC270018

ii. Registration Date:- September 21, 2010

iii. Name of the Company: - MakeSense Technologies Ltd.

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-

Ground Floor, GF-12A,

94, Meghdoot Building, Nehru Place,

New Delhi, 110019

Tel. No. +91 120-3082000, Fax: 0120-3082095

Email: investors@naukri.com

Website: --N.A.

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	IT Services	78100	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	50.01	2(87)(ii)
2.	Etechaces Marketing & Consulting Pvt. Ltd.	U51909HR2008PTC037998	-	19.65	-

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
Promoter Shareholding – Bodies Corporate	-	500,000* (Equity Shares)	500,000 (Equity Shares)	100	-	500,000* (Equity Shares)	500,000 (Equity Shares)	50.01	-
Foreign Body Corporate	-	499,900 (Preference Shares)	499,900 (Preference Shares)-	100	-	499,900** (Equity Shares)	499,900 (Equity Shares)	49.99	100
Total	**-**	**500,000* (Equity Shares)**	**500,000 (Equity Shares)**	**100**	**-**	**500,000* (Equity Shares)**	**500,000 (Equity Shares)**	**50.01**	**-**
	-	**499,900 (Preference Shares)**	**499,900 (Preference Shares)**	**100**		**499,900** (Equity Shares)**	**499,900 (Equity Shares)**	**49.99**	**-**

**6 (six) shares were held by one body corporate and five individuals as nominee of Info Edge (India) Ltd.*

*** During the year under review, 499,900 0.0001% CCPS held by MacRitchie Investments Pte. Ltd. were converted into 499,900 Equity Shares of the Company. Pursuant to said conversion, the holding of Promoter diluted and stood at 50.01% at the end of the year.*

ii. **Shareholding of Promoters:**

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	500,000 (Equity Shares)	100	0.00	500,000 (Equity Shares)	100	0.00	-

iii. **Change in Promoter's Shareholding:** During the year under review, the promoter's holding did not change per-se, but the holding of promoter diluted and stood at 50.01% on conversion of preference shares held by MacRitche Investments Pte. Ltd. to equity shares.

iv. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil, except that of MacRitchie Investments Pte. Ltd.**

v. **Shareholding of Directors and Key managerial Personnel**

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Chintan Thakkar	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00	-	-	-	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

INDEPENDENT AUDITOR'S REPORT

To the Members of MAKESENSE TECHNOLOGIES LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Makesense Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income) the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 and presentation of these Ind AS financial statements that give a true and fair view of the State of affairs (financial position), profit or loss (financial performance including other comprehensive income),and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act, of the state of affairs(financial position) of the Company as at March 31, 2017 and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;

   e) on the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the

directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

f) with respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in '**Annexure B**'; and

g) With respect to the other matters to be included in 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.

   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.

   IV. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the company.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: MAY 26, 2017

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditor's Report to the members of **MAKESENSE TECHNOLOGIES LIMITED** on the financial statement of the year ended March 31, 2017, we report that:

i) The Company does not have any fixed Assets. Accordingly, clause 3(i) of the order is not applicable.

ii) The company does not have any inventory. Accordingly, clause 3(ii) of the order is not applicable.

iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable.

iv) In our opinion and according to the information and explanation given to us, the Company has complied with provision of section 185 & 186 of the Act, with respect to loan and investment made.

v) The Company has not accepted any deposit from the public. Accordingly, Paragraph 3(v) of the order is not applicable.

vi) The Company is not required to maintain the cost records and accounts prescribed by the Central Government under Section 148(1) of the Companies Act 2013.

vii) a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2017 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2017 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.

viii) In our opinion, the Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), accordingly clause 3(ix) of the Order is not applicable.

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

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not paid managerial remuneration .Accordingly, clause 3(xi) of the Order is not applicable.

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

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

xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made private placement of equity shares during the year.

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

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

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: MAY 26, 2017

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **MAKESENSE TECHNOLOGIES LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: MAY 26, 2017

BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)
ASSETS				
Non-current assets				
Property, plant and equipment		-	-	9
Intangible assets under development		-	-	3,350
Financial assets				
(i) Investments	3(a)	1,325,138	1,325,138	500,000
Current Assets				
Financial assets				
(ii) Other financial assets	3(b)	10,443	-	-
(ii) Cash and cash equivalents	3(c)	200	10,335	10
Total Assets		**1,335,781**	**1,335,473**	**503,369**
EQUITY & LIABILITIES				
EQUITY				
Equity Share capital	4	9,999	54,990	5,000
Other equity	5	1,325,688	1,280,403	(9,493)
LIABILITIES				
Current liabilities				
Financial liabilities				
(i) Other financial liabilities	6(a)	-	-	507,737
(ii) Trade payables	6(b)	35	51	119
Other current liabilities	7	-	29	6
Current tax liability (Net)	8	59	-	-
TOTAL EQUITY AND LIABILITIES		**1,335,781**	**1,335,473**	**503,369**

The above balance sheet should be read in conjunction with the accompanying notes.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

Place: New Delhi
Date: May 26, 2017

Jaya Bhatia
(Company Secretary)

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2017

Particulars	Note	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Revenue			
I Revenue from operations		-	-
II Other income	9	494	-
III Total Revenue		**494**	**-**
Expenditure			
Finance costs	10	1	261
Depreciation and amortisation expense	11	-	3
Administration and other expenses	12	91	1,500
IV Total Expense		**92**	**1,764**
V Profit /(Loss) before tax (III-IV)		**402**	**(1,764)**
VI Tax expense			
Current tax		108	-
VII Profit / (Loss) for the year (V-VI)		**294**	**(1,764)**
Earnings per share:	14		
Basic earnings per share (face value INR 10) (₹)		0.58	(3.53)
Diluted earnings per share (face value INR 10) (₹)		0.58	(3.53)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

Place: New Delhi
Date: May 26, 2017

Jaya Bhatia
(Company Secretary)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

S.No.	Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
A.	**Cash flow from operating activities:**		
	Net profit / (loss) before exceptional items and tax	**294**	**(1,764)**
	Adjustments for:		
	Depreciation and amortisation expense	-	3
	Interest income	(494)	-
	Loss on Sale Disposal of Fixed Asset	-	(6)
	Operating profit before working capital changes	**(200)**	**(1,767)**
	Adjustments for changes in working capital :		
	- Increase in Other Current Financial Assets	(10,443)	-
	- Increase in Current Tax assets	-	-
	- Increase/(Decrease) in Trade payables	(16)	(68)
	- Increase in Other current liabilities	(29)	(7,702)
	Cash generated from operating activities	**(10,688)**	**(9,537)**
	- Taxes Paid (Net of TDS)	59	-
	Net cash from operating activities	**(10,629)**	**(9,537)**
B.	**Cash flow from Investing activities:**		
	Interest received	494	-
	Net cash used in investing activities	**494**	**(1,321,788)**
C.	**Cash flow from financing activities:**		
	Proceeds form fresh issue of Share Capital (including Share Premium)	-	1,341,650
	Net cash from/used in financing activities	**-**	**1,341,650**
	Net increase/decrease in cash & cash equivalents	**(10,135)**	**10,325**
	Opening balance of cash and cash equivalents (April 01, 2016/April 01, 2015)	**10,335**	**10**
	Closing balance of cash and cash equivalents	**200**	**10,335**
	Cash and cash equivalents comprise		
	Cash in hand	1	1
	Balance with scheduled banks		
	-in current accounts	199	10,334
	Total cash and cash equivalents	**200**	**10,335**

Notes :

1 The above Cash Flow Statement has been prepared under the Indirect Method as set out in IND AS 7 on Cash Flow Statement notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 .

2 Figures in brackets indicate cash outflow.

3 The above statement of cash flows should be read in conjunction with the accompanying notes.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

Place: New Delhi
Date: May 26, 2017

Jaya Bhatia
(Company Secretary)

STATEMENTS OF CHANGES IN EQUITY

a. Equity Share Capital

Particulars	(₹ '000)
As at April 01, 2015	**5,000**
Changes in equity share capital during the year	-
As at March 31, 2016	**5,000**
Changes in equity share capital during the year	4,999
As at March 31, 2017	**9,999**

b. Other Equity **(Rs. '000)**

	Reserve And Surplus		
Particulars	**Share premium account**	**Retained Earnings**	**Total**
Balance as at 01 April 2015	0	(9,493)	**(9,493)**
Amount received on issue of shares	1,291,660		**1,291,660**
Loss for the year		(1,764)	**(1,764)**
Balance as at 31 March 2016	**1,291,660**	**(11,257)**	**1,280,403**

(Rs. '000)

Particulars	Share premium account	Retained Earnings	Total
Balance as at 31 March 2016	**1,291,660**	**(11,257)**	**1,280,403**
Amount received on issue of shares	44,991	-	**44,991**
Profit for the year	-	294	**294**
Balance as at 31 March 2017	**1,336,651**	**(10,963)**	**1,325,688**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is Statement of Equity referred to in our report of even date.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 26, 2017

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

Jaya Bhatia
(Company Secretary)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1. Reporting Entity

Makesense Technologies Limited (the company) is a limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The company is a subsidiary of Info Edge (India) Ltd and The registered office of the Company is located at GF-12A, 94 Meghdoot Building, Nehru Place, New Delhi – 110019.

2. Significant Accounting Policies

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

A. Basis of Preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

For all the periods upto and including the period ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules 2006 (as amended) and other relevant provisions of the Act.

These financial statements for the year ended March 31, 2017 are the first financial statement prepared in accordance with Ind AS. Refer Note 24 for an explanation of how the transition from previous accounting standards (GAAP) to Ind AS has affected the company's financial position, financial performance and cash flows.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value and

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

C. Provisions

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

D. Cash and cash equivalents

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

E. Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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

F. Investments and other financial assets

(i) Classification

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

- those to be measured subsequently at fair value through profit or loss), and
- those measured at amortised cost.

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

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

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

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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

G. Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

H. **Critical estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

I. **Rounding of Amounts**

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

3. FINANCIAL ASSETS

(a) NON CURRENT INVESTMENTS - SHARES

Particulars	As at MARCH 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Share	Face Value per share (In ₹ **)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹ **)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹ **)	(₹ '000)	(₹ '000)
Other than trade investments (Unquoted) (valued at Fair value though P&L)												
Investments in Equity instruments of Associate Companies												
eTechAces Marketing and Consulting Private Limited	11,950	10.00	700,200		11,950	10.00	700,200		5,975	10.00	345,496	
-Share premium of ₹ 16726.40/-/- per share (Previous Year- ₹ 16726.40/-) computed on average basis												
				700,200				700,200				345,496
Investments in Preference shares of Associate Companies												
eTechAces Marketing and Consulting Private Limited	7,740	100.00	624,938		7,740	100.00	624,938		2,672	100.00	154,504	
-0.1% compulsorily convertible preference shares with share premium of ₹ 26,755.94/- (Previous Year- ₹ 26,755.94/-)per share computed on average basis												
				624,938				624,938				154,504
				1,325,138				**1,325,138**				**500,000**

** Unless otherwise stated

Aggregate amount of quoted investments & market value thereof	-	-	-
Aggregate amount of unquoted investments	**1,325,138**	**1,325,138**	**500,000**
Aggregate amount for impairment in value of investments	-	-	-

(b) OTHER FINANCIAL ASSETS

Particulars (Unsecured, considered good unless otherwise stated)	Non-Current			Current		
	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)
In fixed deposit accounts with original maturity of more than 12 months				9,999	-	-
Interest accrued on fixed deposits	-	-	-	444	-	-
	-	**-**	**-**	**10,443**	**-**	**-**

(c) CASH & BANK BALANCES

Particulars	Non-Current			Current		
	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)
Cash & cash equivalents						
Cash on hand	-	-	-	1	1	1
Balances with bank - current account	-	-	-	199	10,334	9
	-	**-**	**-**	**200**	**10,335**	**10**

4. SHARE CAPITAL

Particulars	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at April 1, 2015 (₹ '000)
AUTHORISED CAPITAL			
2,55,00,000 Equity Shares of Rs. 10/- each (Previous Year - 5,00,000 Equity Shares of Rs 10/- each)	255,000	5,000	5,000
30,00,000 0.0001% Cumulative Redeemable Preference Shares of Rs. 100 each (Previous Year - 55,00,000 Preference Shares of Rs 100/- each)	300,000	550,000	550,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL			
9,99,900 Equity Shares of Rs 10/- each, fully paid up (Previous Year - 5,00,000 Equity Shares of Rs 10/- each)	9,999	5,000	5,000
Nil 0.0001% Cumulative Redeemable Preference Shares of Rs. 100 each, fully paid up (Previous Year - 4,99,900 Preference Shares of Rs 100/- each)	-	49,990	-
	9,999	**54,990**	**5,000**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2017 No of Shares	As at March 31, 2017 (₹ '000)	As at March 31, 2016 No of Shares	As at March 31, 2016 (₹ '000)
Equity Shares				
At the beginning of the period	500,000	5,000	500,000	5,000
Add: Issued during the period	499,900	4,999	-	-
Outstanding at the end of the period	**999,900**	**9,999**	**500,000**	**5,000**

Particulars	As at March 31, 2017 No of Shares	As at March 31, 2017 (₹ '000)	As at March 31, 2016 No of Shares	As at March 31, 2016 (₹ '000)
Preference Shares				
At the beginning of the period	499,900	49,990	-	-
Add: Issued during the period	-	-	499,900	49,990
Less: Converted during the period	(499,900)	(49,990)	-	-
Outstanding at the end of the period	**-**	**-**	**499,900**	**49,990**

b. **Terms/Rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

c. **Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.**

Particulars	Period ended March 31, 2017	Period ended March 31, 2016	Period ended march 31, 2015	Period ended march 31, 2014	Period ended march 31, 2013
Equity Shares allotted as fully paid bonus shares by capitalisation of securities premium	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

d. **Details of shareholders holding more than 5% shares in the Company**

Particulars	As at March 31, 2017		As at March 31, 2016	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of ₹ 10 each fully paid				
Info Edge (India) Ltd	499,994	50.00%	499,994	99.99%
MacRitchie Investments Pte. Ltd.	499,900	49.99%	-	0.00%
	999,894	**99.99%**	**499,994**	**99.99%**

5. **Other Equity**

Particulars	As at March 31, 2017 (₹ '000)		As at March 31, 2016 (₹ '000)	
Securities Premium Account				
Opening Balance	1,291,660		-	
Add : Addition during the year	44,991		1,291,660	
		1,336,651	-	1,291,660
Statement of Profit & Loss				
Opening Balance	(11,257)		(9,493)	
Add: Profit / (Loss) for the year	294		(1,764)	
		(10,963)		(11,257)
		1,325,688		**1,280,403**

6. FINANCIAL LIABILITIES

a. OTHER FINANCIAL LIABILITIES

Particulars	Non-Current			Current		
	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)
Amount payable to holding/subsidiary companies	-	-	-	-	-	507,730
Interest accrued but not due on loans	-	-	-	-	-	7
	-	-	-	-	-	507,737

b. TRADE PAYABLES

Particulars	Non-Current			Current		
	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)
Trade Payables						
- total outstanding dues of micro enterprises and small enterprises						
- total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	35	51	119
Non current portion transferred to non current liabilities						
	-	**-**	**-**	**35**	**51**	**119**

7. OTHER LIABILITIES

Particulars	Non-Current			Current		
	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)
TDS payable	-	-	-	-	29	6
Other statutory dues						
	-	**-**	**-**	**-**	**29**	**6**

8. Current tax liability (net)

Particulars	Non-Current			Current		
(Unsecured, considered good unless otherwise stated)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at April 01,2015 (₹ '000)
Provision for tax				108		
Less: Advance tax (TDS recoverable)	-	-	-	(49)	-	-
	-	**-**	**-**	**59**	**-**	**-**

* Amount is below the rounding off norm adopted by the company

9. OTHER INCOME

Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Interest income on fixed deposits with banks	494	-
	494	-

10. FINANCE COSTS

Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Interest on fixed loans	-	254
Bank charges	1	7
	1	**261**

11. DEPRECIATION AND AMORTISATION

Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Depreciation of tangible assets	-	3
	-	3

12. ADMINISTRATION AND OTHER EXPENSES

Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Auditor's Remuneration	35	17
Legal and professional charges	26	1,434
Loss on sale of fixed assets (net)	-	6
Miscellaneous expenses	6	19
Rent	24	24
	91	**1,500**

13. AUDITORS REMUNERATION

Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Audit Fees	30	15
Service Tax	5	2
	35	**17**

14. BASIC & DILUTED EARNINGS PER SHARE (EPS)

Particulars	Year ended March 31,2017 (₹)	Year ended March 31,2016 (₹)
Profit / (Loss) attributable to Equity Shareholders (Rs.)	294,000	(1,764,000)
Weighted average number of Equity Shares outstanding during the year (Nos.)	504,109	500,000
Basic & Diluted Earnings Per Equity Share of Rs. 10 each (Rs.)	0.58	(3.53)

15 (1) Related Party Disclosures for the year ended March 31, 2017

A) List of related parties:

Holding Company

Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives

Sanjeev Bikhchandani

Chintan Thakkar

Mohit Naresh Bhandari
(Nominee director MacRitchie Investments Pte. Ltd.)

B) Details of transactions with related party for the year ended March 31, 2017 in the ordinary course of business: **Amount (₹ '000)**

Nature of relationship / transaction	Holding Company	Associate Company	Total
1. Rent Expenses	24	-	24

C) Amount due to/from related parties as at March 31, 2017 **Amount (₹ '000)**

Nature of relationship / transaction	Holding Company	Associate Company	Total
Debit Balances			
Outstanding Advances	-	-	-
Maximum Amount outstanding during the year	-	-	-
Credit Balances			
Outstanding Payable	-	-	-
Maximum Amount outstanding during the year	24	-	24

15 (2) Related Party Disclosures for the year ended March 31, 2016

A) List of related parties:

Holding Company

Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives

Mr Sanjeev Bikhchandani

Mr Hitesh Oberoi (till 30/03/2016)

Mr Chintan Thakkar

Mr Mohit Bhandari (nominee director Macritchie Investments Pte. Ltd)
(since 27/01/2016)

B) Details of transactions with related party for the year ended March 31, 2016 in the ordinary course of business: **Amount (₹ '000)**

Nature of relationship / transaction	Holding Company	Associate Company	Total
1. Advances received for business purposes	110	-	110
2. Investment in Equity Shares of eTechAces Marketing & Consulting Pvt. Ltd.	354,704	-	354,704
3. Investment in Preference shares of eTechAces Marketing & Consulting Pvt. Ltd.	158,682	-	158,682
4. Rent Expenses	24		24
5. Interest expense against advance taken	254	-	254
6. Miscellaneous Income	0	-	0
7. Transfer of CWIP	3,350	-	3,350

C) Amount due to/from related parties as at March 31, 2016 **Amount (₹ '000)**

Nature of relationship / transaction	Holding Company	Associate Company	Total
Debit Balances			
Outstanding Advances	-	-	-
Maximum Amount outstanding during the year	-	-	-
Credit Balances			
Outstanding Payable	-	-	-
Maximum Amount outstanding during the year	1,017,897	-	1,017,897

16. During the year the Company has converted 4,99,900 nos preference shares of Rs 100/- each into 4,99,900 equity shares of face value Rs 10/- at security premium of Rs. 90 per share aggregating to Rs. 44991 thousands which has been transferred to Security Premium Accoount, Note 6 - Other equity.

17. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

18. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable on the company since there was no employee employed by the company during the year.

19. Neither there was Cash in hand at close of business hours on November 8, 2016 nor there were any receipts, withdrawals and / or depoists between November 8, 2016 and December 30, 2016. Hence there is no requirement to disclose information pursuant to notification no. 244 dated 30.03.2017, issued by Ministry of Corporate affairs, details of the specified bank notes held & transacted during the said period.

20. Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

a) Income Tax expense

Particulars	**Year ended March 31, 2017 (₹ '000)**	**Year ended March 31, 2016 (₹ '000)**
Current tax on profit for the year	108	-
Total current tax expenses	**108**	**-**
Deferred Tax	-	-
Total (a)	**108**	**-**

b) **Reconciliation of tax expense and the accounting profit multiplied by tax rate:**

Particulars	Year ended March 31, 2017 (₹ '000)	Year ended March 31, 2016 (₹ '000)
Profit before tax	403	(1,764)
Tax @ 29.87% (Previous year 30.9%)	**120**	**-**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Unabsorbed Depreciation	(12)	-
Total (b)	108	-
Difference (a-b)	**-**	**-**

21. Financial instruments and risk management

Fair value Hierarchy

a) Financial instruments by category (₹ '000)

	March 31, 2017		March 31, 2016		April 1, 2015	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets						
Investments		1,325,138		1,325,138		500,000
Cash and cash Equivalents		200		10,335		10
Other financial assets		10,443		-		-
Total Financial Assets	**-**	**1,335,781**	**-**	**1,335,473**	**-**	**500,010**
Financial Liabilities						
Trade payables		35		51		119
Other financial liabilities		-		-		507,737
Total Financial Liabilities	**-**	**35**	**-**	**51**	**-**	**507,856**

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit or loss.To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table

b) Fair value hierarchy for assets and liabilities

There are no financial assets and financial liabilities which are restated at fair value

c) Valuation techniques used to determine fair value

Not applicable

d) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost

(Rs. '000)

	March 31, 2017		March 31, 2016		April 1, 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets						
Investments	1,325,138	1,325,138	1,325,138	1,325,138	500,000	500,000
Cash and cash Equivalents	200	200	10,335	10,335	10	10
Other financial assets						
	10,443	10,443		-		-
Total Financial Assets	**1,335,781**	**1,335,781**	**1,335,473**	**1,335,473**	**500,010**	**500,010**
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	35	35	51	51	119	119
Other financial liabilities	-	-	-	-	507,737	507,737
Total Financial Liabilities	**35**	**35**	**51**	**51**	**507,856**	**507,856**

22. Financial risk management

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company is primarily engaged in investments in technology companies; and borrows short term and long term funds from holding & group companies to meet the fund requirements.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

		Contractual cash flows			
March 31, 2017	**Total ₹ '000**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**
Non-derivative financial liabilities					
Trade and other payables	35	35	-	-	-
Other financial liabilities	-	-	-	-	-

		Contractual cash flows			
March 31, 2016	**Total ₹ '000**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**
Non-derivative financial liabilities					
Trade and other payables	51	51	-	-	-
Other financial liabilities	-	-	-	-	-

		Contractual cash flows			
April 1, 2015	**Total ₹ '000**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**
Non-derivative financial liabilities					
Trade and other payables	119	119	-	-	-
Non-derivative financial liabilities	507,737	507,737	-	-	-

The amount disclosed in the above table represent the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not signficant

23. Financial risk and Capital management

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors. Company treasury identifies, financial risks in close cooperation with the Company's operating units.

Credit risk

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings . Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Amount in ₹ '000

	31 March 2017	31 March 2016	31 March 2015
Fixed-rate instruments			
Financial assets	9,999	-	-
Financial liabilities	-	-	-
Total	**9,999**	**-**	**-**

B) Capital management

a) Risk management

The Comapny's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, and borrowings.

b) Dividend

The Company did not pay any dividend during the year

24. First time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

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

1 Ind AS optional exemptions

a) Business Combination

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for investment in associates and joint ventures.

b) 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 recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

c) Share-based payment transactions

Ind AS 101 provides the option to apply Ind AS 102 only on ESOP that are unvested on the transition date

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

d) Investments in subsidiaries, jointly controlled entities and associates

IND AS 101 provides the option to the first-time adopter to account for its investments in subsidiaries, jointly controlled entities and associates at either cost determined in accordance with IND AS 27 or in accordance with IND AS 109. The Company has elected to measure such investments at cost in accordance with Ind AS 27.

2 Ind AS madatory exemptions

a) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

c) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (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, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL; and
- Impairment of financial assets based on expected credit loss model.

3 Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as on 31.03.2016

Particulars	Note	Indian GAAP (₹ '000)	Adjustment	Ind AS (₹ '000)
ASSETS				
Non-current assets				
Financial assets				
(i) Investments		1,325,138.00	-	1,325,138.00
Current Assets				
Financial assets				
(i) Investments		-	-	-
(ii) Trade receivables		-	-	-
(iii) Cash and cash equivalents		10,335.00	-	10,335.00
(iv) Bank balances other than (iii) above		-	-	-
Total Assets		**1,335,473.00**		**1,335,473.00**
EQUITY & LIABILITIES				
EQUITY				
Equity Share capital		54,990.00	-	54,990.00
Other equity		1,280,403.00	-	1,280,403.00
LIABILITIES				
Current liabilities				
Financial liabilities				
(i) Trade payables		51.00	-	51.00
(ii) Other financial liabilities		-	-	-
Provisions		-	-	-
Other current liabilities		29.00	-	29.00
Current tax liability (Net)				-
TOTAL EQUITY AND LIABILITIES		**1,335,473.00**		**1,335,473.00**

Reconciliation of equity as on 01.04.2015

Particulars	Note	Indian GAAP	Adjustment	Ind AS
		(₹ '000)		(₹ '000)
ASSETS				
Non-current assets				
Property, plant and equipment		9.00	-	9.00
Capital work in progress		-	-	-
Intangible assets		-	-	-
Intangible assets under development		3,350.00	-	3,350.00
Financial assets				
(i) Investments		500,000.00	-	500,000.00
Current Assets				
Financial assets				
(i) Investments		-	-	-
(ii) Trade receivables		-	-	-
(iii) Cash and cash equivalents		10.00	-	10.00
Total Assets		**503,369.00**		**503,369.00**
EQUITY & LIABILITIES				
EQUITY				
Equity Share capital		5,000.00	-	5,000.00
Other equity		(9,493.00)	-	(9,493.00)
LIABILITIES				
Current liabilities				
Financial liabilities				
(i) Trade payables		119.00	-	119.00
(ii) Other financial liabilities		507,737.00	-	507,737.00
Provisions		-	-	-
Other current liabilities		6.00	-	6.00
Current tax liability (Net)				-
TOTAL EQUITY AND LIABILITIES		**503,369.00**		**503,369.00**

Reconciliation of profit for the period 31.03.2016

Particulars	Note	Indian GAAP (₹ '000)	Adjustment	Ind AS (₹ '000)
Revenue				
I Revenue from operations		-	-	-
II Other income		-	-	-
III Total Revenue		**-**		**-**
Expenditure				
Employee benefits expense		-	-	-
Finance costs		261.00	-	261.00
Depreciation and amortisation expense		3.00	-	3.00
Advertising and promotion cost		-	-	-
Administration and other expenses		1,500.00	-	1,500.00
Network, internet and other direct charges		-	-	-
IV Total Expense		**1,764.00**		**1,764.00**
V. Profit before tax (III-IV)		**(1,764.00)**		**(1,764.00)**
VI. Tax expense				
(1) Current tax- (Current period)		-	-	-
VII. Profit for the year from continuing operations (V-VI)		**(1,764.00)**	**-**	**(1,764.00)**
VIII. Profit for the year (VII)		**(1,764.00)**		**(1,764.00)**
Other comprehensive income				
Other comprehensive income for the year, net of income tax		**-**	**-**	**-**
Total comprehensive income for the year		**(1,764.00)**		**(1,764.00)**

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 26, 2017

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

Jaya Bhatia
(Company Secretary)

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present the 9th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2017.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company is engaged in providing brokerage services in the real estate sector in India.

During the year under review, the Company achieved net revenue of Rs. 5.22 million as against Rs.13.48 million during the previous financial year. The company made a profit of Rs. 1.99 million in FY 2017 as compared to Rs.20.67 million in FY 2016.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There has been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control, commensurate with the size, scale and complexity of its operations.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has two wholly owned subsidiaries, namely –

1. **Interactive Visual Solutions Private Limited**

   It owns a proprietary software which enables a high quality virtual video /3D image of a proposed or existing real estate development to be viewed online by customers.

   Interactive Visual Solutions Private Limited had total income of Rs. 38 thousands only as compared to Rs. 1 thousand in FY 2016.

2. **NewInc Internet Services Private Limited**

   The Company during the year acquired NewInc Internet Services Pvt. Ltd. as its wholly-owned subsidiary by acquiring its entire equity share capital at face value.

   The Company further invested in NewInc by subscribing to 2,48,000, 0.0001% Compulsory Convertible Debentures (CCDs) of Rs.100 each aggregating to Rs.24.80 million.

3. **3. Ideaclicks Infolabs Private Limited**

   The Company has invested an aggregate amount of Rs. 24 million in www.zippserv.com for 28.90% stake. Zippserv is an online platform which provides risk assessment for safeguarding real estate investments, including legal & civil engineering due-diligence, fraud & forgery detection and technology to ascertain encroachments & city planning violations.

STATUTORY AUDITORS

M/s. Price Waterhouse & Co Bangalore LLP (FRN-007567S/S-200012), Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting.

In accordance with the Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board of Directors of the Company, has recommended the appointment of M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants, as Statutory Auditors of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 to the shareholders for approval in the ensuing AGM. Pursuant to first Proviso to Section 139, the said appointment, if approved by shareholders, shall be placed for ratification at every Annual General Meeting.

M/s. Sharma Goel & Co. LLP, Chartered Accountants, have furnished a certificate of their eligibility as per Section 141 of the Companies Act, 2013 and have provided their consent for appointment as Statutory Auditors of the Company.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Chintan Arvind Thakkar, Director (DIN: 00678173) retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Ms. Renu Mittal resigned from the office of Company Secretary of the Company w.e.f. June 21, 2016 and Ms. Tanisha Sharma was appointed as a Company Secretary of the Company w.e.f. October 28, 2016.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 11 times during the year under review on April 27, 2016, May 20, 2016, July 22, 2016, October 28, 2016, January 2, 2017, January 5, 2017, January 9, 2017, February 3, 2017, February 27, 2017, March 23, 2017 and March 30, 2017.

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of investments made by Company is given in the note no. 11 of notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, Company did not enter into any transaction with related parties that could be considered material. During the year, an employee of the holding company of the Company was appointed to the post of whole-time Company Secretary, to meet the requirements of Section 203 of the Companies Act, 2013. No remuneration is paid to such appointee. Details of all other related party transactions are present under Note No. 21 of notes to financial statement.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure A and is attached to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

Hitesh Oberoi	Chintan Thakkar
(Director)	(Director)
DIN: 01189953	DIN: 00678173

Place: Noida
Date: May 29, 2017

ANNEXURE-A

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U72400DL2008PTC181632

ii. Registration Date:- August 1, 2008

iii. Name of the Company: - Allcheckdeals India Pvt. Ltd.

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-
Ground Floor, GF-12A,
94, Meghdoot Building, Nehru Place,
New Delhi, 110019
Tel. No. +91 120-3082000, Fax: 0120-3082095
Email: investors@naukri.com
Website: http://www.allcheckdeals.com/

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	IT Services	63121	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	100	2(87)(ii)
2.	Interactive Visual Solutions Pvt. Ltd.	U72200PN2009PTC134950	Subsidiary	100	2(87)(ii)
3.	NewInc Internet Services Pvt. Ltd.	U74999DL2016PTC309795	Subsidiary	100	2(87)(ii)
4.	Ideaclicks Infolabs Private Limited	U74900KA2015PTC078536	Associate	28.90	2(6)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. **Category- wise Shareholding**

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
Promoter Shareholding	-	9,847,500*	9,847,500	100	-	9,847,500*	9,847,500	100	-
Grand Total	**-**	**9,847,500***	**9,847,500**	**100**	**-**	**9,847,500***	**9,847,500**	**100**	-

* 1 (One) Share of the Company is held by Naukri Internet Services Ltd. as a nominee of Info Edge (India) Ltd.

ii. **Shareholding of Promoters**

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	9,847,500	100	0.00	9,847,500	100	0.00	-

iii. **Change in Promoter's Shareholding: No change**

iv. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs): NIL**

v. **Shareholding of Directors and Key Managerial Personnel: NIL**

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment **in Rs.**

	Secured Loans excluding deposits	Unsecured Loans	Deposits/Debentures	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal amount	-	1,56,34,211	-	1,56,34,211
ii. Interest due but not paid		1,52,035	-	1,52,035
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	1,57,86,246	-	1,57,86,246
Change in Indebtedness during the financial year				
Addition	-	2,54,24,304	7,08,55,000*	9,62,79,304
Reduction	-	(4,12,10,550)*	-	(4,12,10,550)
Net Change	-	(1,57,86,246)	7,08,55,000	5,50,68,754
Indebtedness at the end of the financial year				
(i) Principal Amount	-	-	7,08,55,000	7,08,55,000
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	7,08,55,000	7,08,55,000

*Note: *During the year under review, the loan amount (including interest) of Rs. 2,53,55,000 was converted into 2,53,550, 0.0001% Compulsory Convertible Debentures of Rs. 100 each (CCDs). Also, the Company allotted 4,55,000 CCDs to Info Edge (India) Ltd.*

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

There was no payment of remuneration to any directors/Key Managerial Personnel.

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ALLCHECKDEALS INDIA PRIVATE LIMITED

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying financial statements of **Allcheckdeals India Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 25, 2016 and May 29, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

   Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:

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

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

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

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

   i The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its Ind AS financial statements – Refer Note 30;

   ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2017.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

   iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 35.

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Abhishek Rara
Partner
Membership Number: 077779

Place: Noida
Date: May 29, 2017

ANNEXURE A to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Allcheckdeals India Private Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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

6. 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

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Abhishek Rara
Partner
Membership Number: 077779

Place: Noida
Date: May 29, 2017

ANNEXURE B to the Independent Auditor's Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Allcheckdeals India Private Limited on the financial statements as of and for the year ended March 31, 2017.

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

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 2 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of following immovable properties held for sale, as disclosed in Note 7 on other financial assets to the financial statements, are not registered in the name of the Company.

Amount in Rs'000

Particulars	Gross Block	Net Assets
Building	8,879	8,879

ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

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 the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Income Tax and Service Tax, though there has been a slight delay in a few cases and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax which have not been deposited on account of any dispute.

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (IND AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Abhishek Rara
Partner
Membership Number: 077779

Place: Noida
Date: May 29, 2017

BALANCE SHEET AS AT MARCH 31, 2017

Particulrs	Notes	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at April 1, 2015 (₹ '000)
Assets				
Non-current assets				
Property, plant and equipment	3	1	1	584
Financial assets				
i. Investments	4(a)	95,158	28,276	28,276
ii. Loans	4(b)	-	10,724	10,724
iii. Other financial assets	4(c)	-	-	1,755
Deferred tax assets (net)	5	21,384	20,302	24,716
Total non-current assets		**1,16,543**	**59,303**	**66,055**
Current assets				
Financial assets				
i. Trade receivables	4(d)	3,387	4,334	10,828
ii. Cash and cash equivalents	4(e)	700	1,034	4,004
iii. Loans	4(b)	-	1,654	828
iv. Other financial assets	4(c)	2,970	9,809	7,490
Current tax assets (net)	6	51,645	51,827	53,326
Other current assets	7	66	161	398
Assets classified as held for sale	8	8,879	8,879	-
Total current assets		**67,647**	**77,698**	**76,874**
Total assets		**1,84,190**	**1,37,001**	**1,42,929**
Equity & Liabilities				
Equity				
Equity share capital	9	98,475	98,475	98,475
Other equity	10	36,198	(30,139)	(50,815)
Total equity		**1,34,673**	**68,336**	**47,660**
Liabilities				
Non-current liabilities				
Financial liabilities				
i. Borrowings	11(a)	6,655	-	-
Other non-current liabilities	13	-	4,000	7,500
Total non-current liabilities		**6,655**	**4,000**	**7,500**
Current liabilities				
Financial liabilities				
i. Borrowings	11(a)	-	15,634	15,634
ii. Trade payables	11(b)	35,767	35,824	42,127
iii. Other financial liabilities	11(c)	-	163	55
Provisions	12	574	1,520	20,348
Other current liabilities	13	6,521	11,524	9,605
Total current liabilities		**42,862**	**64,665**	**87,769**
Total liabilities		**49,517**	**68,665**	**95,269**
Total equity and liabilities		**1,84,190**	**1,37,001**	**1,42,929**

The above balance sheet should be read in conjunction with the accompanying notes.

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

For Price Waterhouse & Co.
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Abhishek Rara
Partner
Membership Number 077779

Place : Noida
Date : May 29, 2017

For and on behalf of the Board of Directors

Hitesh Oberoi
Director

Chintan Thakkar
Director

Tanisha Sharma
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2017

Particulars	Notes	Year ended March 31, 2017 (₹ '000)	Year ended March 31, 2016 (₹ '000)
Income			
Revenue from operations	14	5,221	13,482
Other income	15	6,319	24,293
I Total income		**11,540**	**37,775**
Expenditure			
Employee benefits expense	16	3,867	4,197
Finance costs	17	621	108
Depreciation and amortisation expense	18	*	583
Administration and other expenses	19	5,895	3,051
Network, internet and other direct charges	20	5	36
II Total expense		**10,388**	**7,975**
III. Profit before exceptional items and tax (I-II)		**1,152**	**29,800**
IV. Exceptional items	24	-	318
V. Profit before tax (III-IV)		**1,152**	**29,482**
VI. Income tax expense			
(1) Current tax- (current year)	32	247	3,346
(1) Current tax- (previous years)		-	1,046
(2) Deferred tax		(1,082)	4,414
Total tax expense		**(835)**	**8,806**
VII. Profit for the year (V-VI)		**1,987**	**20,676**
Other comprehensive income (OCI)			
(A) Items that will be reclassified to profit or loss		-	-
(B) Items that will not be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of income tax		**-**	**-**
Total comprehensive income for the year		**1987**	**20,676**
Earnings per share:	26		
Basic earnings per share		0.20	2.10
Diluted earnings per share		0.20	2.10

*Amount is below rounding off norm adopted by the Company.

The above statement of profit and loss should be read in conjunction with the accompanying notes.

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

For Price Waterhouse & Co.
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Abhishek Rara
Partner
Membership Number 077779

Place : Noida
Date : May 29, 2017

For and on behalf of the Board of Directors

Hitesh Oberoi
Director

Chintan Thakkar
Director

Tanisha Sharma
Company Secretary

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2017

S.No.	Particulars	Year ended March 31, 2017 (₹ '000)	Year ended March 31, 2016 (₹ '000)
A.	**Cash flow from operating activities:**		
	Profit before tax	**1,152**	**29,482**
	Adjustments for:		
	Depreciation	*	583
	Interest income from financial assets measured at amortised cost		
	- on fixed deposits with banks	(279)	(627)
	- on other financial assets	(997)	(918)
	Finance cost	621	108
	Gain on measurement at FVTPL	(3,957)	-
	Interest cost on financial liabilities	150	-
	Profit on sale of fixed assets (net)	(15)	(29)
	Liabilities written back to the extent no longer required	(1,071)	(19,286)
	Provision for doubtful debts made / (written back)	4,184	(3,433)
	Operating profit before working capital changes	**(212)**	**5,880**
	Adjustments for changes in working capital :		
	- (Increase) / Decrease in Non-Current - Other financial assets	-	1,755
	- (Increase) / Decrease in Trade receivables	(3,237)	9,927
	- (Increase) / Decrease in Loans	1,654	(826)
	- (Increase) / Decrease in Current - Other financial assets	6,839	(2,319)
	- (Increase) / Decrease in Other Current Assets	95	237
	- Increase / (Decrease) in Trade Payables	(57)	(6,303)
	- Increase / (Decrease) in Other financial liabilities	(163)	108
	- Increase / (Decrease) in Provisions	(946)	(18,828)
	- Increase / (Decrease) in Other Current Liabilities	(3,932)	21,205
	- (Increase) in Assets classified as held for sale	-	(8,879)
	Cash generated from/(used) in operating activities	**41**	**1,957**
	- Taxes Paid	(65)	(2,893)
	Net cash generated from/(used) in operating activities	**(24)**	**(936)**
	Proceeds from sale of fixed assets	15	29
	Interest received	1,276	1,545
	Investment in debentures of subsidiary companies	(38,572)	-
	Investment in jointly controlled company	(24,353)	-
	Repayment of unsecured loan by subsidiary company	10,724	-
B.	**Net cash generated from/(used) in investing activities**	**(50,910)**	**1,574**
	Cash flow from financing activities:		
	Proceeds from debentures	70,855	-
	Interest paid	(621)	(108)
	Repayment of unsecured loan from holding company	(15,634)	-
	Payment of deferred liabilities	(4,000)	(3,500)
C.	**Net cash generated from financing activities**	**50,600**	**(3,608)**
	Net decrease in cash & cash equivalents	**(334)**	**(2,970)**
	Opening balance of cash and cash equivalents (April 01, 2016/April 01, 2015)	**1,034**	**4,004**
	Closing balance of cash and cash equivalents	**700**	**1,034**
	Cash and cash equivalents comprise of:		
	Cash in hand	10	12
	Balance with Scheduled Banks		
	-in current accounts	690	1,022
	Total cash and cash equivalents	**700**	**1,034**

* Amount is below rounding off norm adopted by the Company.

Notes :

1 The above Statement of Cash Flow has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended.

2 Figures in brackets indicate cash outflow.

The above statement of cash flows should be read in conjunction with the accompanying notes.

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

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Abhishek Rara
Partner
Membership Number 077779

Place : Noida
Date : May 29, 2017

For and on behalf of the Board of Directors

Hitesh Oberoi
Director

Chintan Thakkar
Director

Tanisha Sharma
Company Secretary

STATEMENTS OF CHANGES IN EQUITY

a. Equity share capital

Particulars	Notes	Amount (₹ '000)
As at April 01, 2015		**98,475**
Changes in equity share capital	9	-
As at March 31, 2016		**98,475**
Changes in equity share capital	9	-
As at March 31, 2017		**98,475**

b. Other equity

Particulars	Notes	Reserves & Surplus		Total
		Equity component of Debentures	Retained Earnings	(₹ '000)
Balance as at 01 April 2015			(50,815)	(50,815)
Profit for the year			20,676	20,676
Balance as at 31 March 2016		**-**	**(30,139)**	**(30,139)**
Profit for the year		-	1,987	1,987
Issue of debentures	10	64,350	-	64,350
Balance as at 31 March 2017		**64,350**	**(28,151)**	**36,198**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is statement of changes in equity referred to in our report of even date.

For Price Waterhouse & Co Bangalore LLP
Registration Number: 007567S/S-200012
Chartered Accountants

Abhishek Rara
Partner
Membership Number 077779

Place : Noida
Date : May 29, 2017

For and on behalf of the Board of Directors

Hitesh Oberoi
Director

Chintan Thakkar
Director

Tanisha Sharma
Company Secretary

Place : Noida
Date : May 29, 2017

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1. Reporting entity

Allcheckdeals India Private Limited (the Company) is a private limited company domiciled in India, having registered office in New Delhi, and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at GF-12A, 94 Meghdoot Building, Nehru Place, New Delhi – 110019. The Company is engaged in the business of providing services in relation to property bookings placed with builders / real estate developers. The company is a wholly owned subsidiary of Info Edge (India) Limited, a public limited company.

2. Significant accounting policies

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

A. Basis of preparation of financial statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

For all the periods upto and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules 2006 (as amended) and other relevant provisions of the Act.

These financial statements for the year ended March 31, 2017 are the first financial statement prepared in accordance with Ind AS. Refer Note 36 for an explanation of how the transition from previous accounting standards (GAAP) 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 operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value / amortised cost; and
- Defined benefit plans-plan assets measured at fair value.

B. Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of assets, based on internal assessment and independent technical evaluation done by Management expert which are equal to, except in case of Plant and Machinery, Furniture and Fixtures and Vehicles where useful life is lower than life prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Assets	Estimated useful life (Years)
Plant & Machinery	10
Computers	3
Office Equipment	5

The asset's useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income.

Assets costing less than or equal to Rs. 5,000 are fully depreciated pro-rata from date of acquisition.

C. Non-current assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

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

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

D. Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit'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 and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet for possible reversal of an impairment loss recognized for an asset, in prior accounting periods.

E. Foreign currency transactions

(i) Functional and presentation currency

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency' i.e. Indian rupees). The standalone financial statements are presented in Indian rupee (₹), which is Allcheckdeals India Private Limited's functional and presentation currency.

(ii) Transactions and balances

Initial recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent recognition

As at the reporting date, foreign currency monetary items are translated using the closing rate and non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Exchange gains and losses arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the year or in previous financial statements are recognised in profit or loss in the year in which they arise.

F. Revenue recognition

Commission income on property bookings placed with builders/developers is accrued once the related services have been rendered by the Company.

The income is shown net of service tax and is not recognized in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognized on reasonable certainty of collection.

G. Employee benefits

(i) Short-term obligations

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other Long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

a) defined contribution plans - provident fund

b) defined benefit plans - gratuity plans

a) Defined contribution plans

The Company has defined contribution plan for the post-employment benefits namely Provident Fund which is administered through the Regional Provident Fund Commissioner and the contributions towards such fund are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this , apart from contributions made on a monthly basis.

b) Defined benefit plans

The Company has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each year. The Gratuity Fund is recognised by the income tax authorities and is administered through Life Insurance Corporation of India under its Group Gratuity Scheme.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurements of the net defined liability, comprising of actuarial gains and losses, return on plan assets and any change in the effect of asset ceiling excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

(iv) Bonus Plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

H. Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax is calculated on the basis of the tax rates and the tax laws enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions or make reversals of provisions made in earlier years, where appropriate, on the basis of amounts expected to be paid to / received from the tax authorities.

Deferred tax is recognized for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and taxbases of investments in subsidiaries, associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets and liabilities and the deferred tax balances relate to the same taxable authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

I. Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

J. Leases

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under an operating leases (net of any incentives received from the lessor) are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the period of lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

K. Cash and cash equivalents

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

L. Earnings per share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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

M. Investments and other financial assets

(i) Classification

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

- those to be measured subsequently at fair value through profit or loss), and
- those measured at amortised cost.

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

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

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

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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 33 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

N. Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

O. Rounding of amounts

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

P. Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

Q. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

The areas involving critical estimates or judgments are:

a) Estimated fair value of unlisted entities- Note 33

b) Estimation of deftined benefit obligation - Note 22

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

R. Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7:

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

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

3. Property, plant & equipment

(₹ '000)

Particulars	Computers	Plant and equipment	Office equipment	Total
Year ended March 31, 2016				
Gross carrying amount				
Deemed cost as at April 1, 2015	576	6	2	584
Closing gross carrying amount	**576**	**6**	**2**	**584**
Accumulated depreciation				
Depreciation charged during the year	575	6	2	583
Closing accumulated depreciation	**575**	**6**	**2**	**583**
Net carrying amount	**1**	**-**	**-**	**1**
Year ended March 31, 2017				
Gross carrying amount				
Opening gross carrying amount	576	6	2	584
Closing gross carrying amount	**576**	**6**	**2**	**584**
Accumulated depreciation				
Opening accumulated depreciation	575	6	2	583
Depreciation charged during the year	*	*	*	*
Closing accumulated depreciation	575	6	2	583
Net carrying amount	**1**	**-**	**-**	**1**

* Amount is below rounding off norm adopted by the Company.

4. Financial assets

(a) Non current investments

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Share	Face Value per share (In ₹)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹)	(₹ '000)	(₹ '000)
Investments in Equity instruments of Subsidiary Companies (fully paid up)												
Unquoted												
Interactive Visual Solutions Private Limited	10,000	10	28,276		10,000	10	28,276	28,276	10,000	10	28,276	28,276
- One share (March 31, 2016- One share & April 1, 2015- One share) is held by the nominee of the Company including Share premium of ₹ 2,817.75/- per share (March 31, 2016- ₹ 2,817.75/- & April 1, 2015- ₹ 2,817.75/- per share)												
Add : Equity component of debt instruments			12,468	40,744	-	-	-	-	-	-	-	-
Newinc Internet Services Private Limited	2	10	0.02									
Add : Equity component of debt instruments			22,523	22,523	-	-	-	-	-	-	-	-
Investments in Equity instrument of Joint venture (fully paid up)												
Equity Shares of Ideaclicks Infolabs Private Limited Share premium of Rs. 7704.29/- per share.	175	10	1,350	1,350	-	-	-	-	-	-	-	-
Investments in Preference Shares of Joint venture (fully paid up)												
Preference Shares of Ideaclicks Infolabs Private Limited Series A - 0.01% optionally convertible cumulative redeemable preference shares	23,00,319	10	23,003									
Add/(Less) : Gain on measurement at FVTPL			3,957	26,960	-	-	-	-	-	-	-	-
Investments in Debentures of Subsidiary Companies (fully paid up)												
Unquoted												
Interactive Visual Solutions Private Limited												
-0.0001% compulsory convertible debentures of face value of ₹ 100/- each, into redeemable preference shares	1,37,281	100	13,728									
Less : Equity component of debt instruments			(12,468)									
Add : Interest income on account of measurement at amortised cost method			13	1,273	-	-	-	-	-	-	-	-
Newinc Internet Services Private Limited	2,48,000	100	24,800									

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Share	Face Value per share (In ₹)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹)	(₹ '000)	(₹ '000)
-0.0001% compulsory convertible debentures of face value of ₹ 100/- each, into redeemable preference shares												
Less : Equity component of debt instruments			(22,523)									
Add : Interest income on account of measurement at amortised cost method			31	2,308	-	-	-	-	-	-	-	
Total Non current investments				**95,158**				**28,276**				**28,276**

Aggregate amount of quoted investments & market value thereof	**-**		**-**		**-**
Aggregate amount of unquoted investments	**95,158**		**28,276**		**28,276**
Aggregate amount for impairment in value of investments	**-**		**-**		**-**

(b) Loans

Particulars (Unsecured, considered good)	Non-current			Current		
	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at April 1, 2015 (₹ '000)	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at April 1, 2015 (₹ '000)
Loan to subsidiary *	-	10,724	10,724	-	200	200
Interest accrued on loan given to subsidiary	-	-	-	-	1,454	628
	-	**10,724**	**10,724**	**-**	**1,654**	**828**

* Refer note 29 for the purpose of loan given

(c) Other financial assets

Particulars (Unsecured, considered good)	Non-current			Current		
	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at April 1, 2015 (₹ '000)	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at April 1, 2015 (₹ '000)
Security Deposits	-	-	1,755	1,705	1,755	-
Balance in fixed deposit accounts with original maturity more than 12 months	-	-	-	1,223	7,712	7,117
Interest accrued on Fixed Deposits	-	-	-	42	342	373
	-	**-**	**1,755**	**2,970**	**9,809**	**7,490**

(d) Trade receivables

Particulars	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at April 1, 2015 (₹ '000)
Unsecured considered good	7,150	7,364	14,911
Unsecured considered doubtful	42,216	38,892	41,271
	49,366	46,256	56,182
Allowance for doubtful debts (Refer note 34)	(45,979)	(41,922)	(45,354)
Total receivables	**3,387**	**4,334**	**10,828**
Current	3,387	4,334	10,828
Non - Current	-	-	-

(e) Cash and cash equivalents

Particulars	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at April 1, 2015 (₹ '000)
Balance with banks - current account	690	1,022	3,983
Cash on hand	10	12	21
	700	**1,034**	**4,004**

5. Deferred tax assets (net)

Particulars	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)
Deferred tax asset		
Opening balance	20,302	24,716
Adjustment for the current year:		
- Credited / (charged) through profit and loss	1,082	(4,414)
Total	**21,384**	**20,302**

Significant components of deferred tax assets are shown in the following table:

Particulars	As at March 31, 2017 (₹ '000)	(Charged)/ credited to profit or loss (₹ '000)	As at March 31, 2016 (₹ '000)	(Charged)/ credited to profit or loss (₹ '000)	As at April 1, 2015 (₹ '000)
Deferred tax asset					
Routed through profit or loss					
Provision for doubtful debts	14,875	1,294	13,581	(1,133)	14,714
Provision for leave encashment	37	-	37	20	17
Property, plant & equipment	225	(60)	285	79	206
Brought forward losses/ Tax credits	6,072	-	6,072	(3,305)	9,377
Disallowance under 40(ia)(a)	175	(152)	327	(75)	402
Total deferred tax assets (net)	**21,384**	**1,082**	**20,302**	**(4,414)**	**24,716**

6. Current tax assets (net)

Particulars (Unsecured, considered good)	Non-current As at March 31, 2017 (₹ '000)	Non-current As at March 31, 2016 (₹ '000)	Non-current As at April 1, 2015 (₹ '000)	Current As at March 31, 2017 (₹ '000)	Current As at March 31, 2016 (₹ '000)	Current As at April 1, 2015 (₹ '000)
Advance tax	-	-	-	76,042	75,977	73,084
Less: Provision for tax	-	-	-	(24,398)	(24,151)	(19,759)
			-			
Advance tax - Fringe benefits	-	-	-	6	6	6
Less: Provision for tax - Fringe benefits	-	-	-	(5)	(5)	(5)
	-	**-**	**-**	**51,645**	**51,827**	**53,326**

7. Other non-current & current assets

Particulars (Unsecured, considered good)	Non-current As at March 31, 2017 (₹ '000)	Non-current As at March 31, 2016 (₹ '000)	Non-current As at April 1, 2015 (₹ '000)	Current As at March 31, 2017 (₹ '000)	Current As at March 31, 2016 (₹ '000)	Current As at April 1, 2015 (₹ '000)
Advance recoverable in cash or in kind or for value to be received	-	-	-	66	161	398
	-	**-**	**-**	**66**	**161**	**398**

8. Assets classified as held for sale

Particulars	Current As at March 31, 2017 (₹ '000)	Current As at March 31, 2016 (₹ '000)	Current As at April 1, 2015 (₹ '000)
Building	8,879	8,879	-
	8,879	**8,879**	**-**

Note: During the year ended March 31, 2016, one of the Builder - M/s Amrapali Group has partly settled their outstanding of ₹ 8879 thousands via transfer of ownership of 3 nos of residential flats in the name of the Company. These assets are listed online (real estate ecommerce platform) for sale. Building classified as held for sale during the previous reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of reclassification. The fair value of the building was determined using the comparison approach. This is a level 2 measurement as per the fair value hierarchy set up in fair value measurement disclosure. The key input under this approach are price per square feet of comparable residential units in the area of similar location and size.

9. Equity share capital

Particulars	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at April 1, 2015 (₹ '000)
Authorised capital			
12,000,000 Equity Shares of ₹ 10/- each (March 31, 2016 and April 1, 2015 - 12,000,000 Equity Shares of ₹ 10/- each)	**1,20,000**	**1,20,000**	**1,20,000**
Issued, subscribed and paid-up capital			
9,847,500 Equity shares of ₹ 10/- each fully paid up	98,475	98,475	98,475
(March 31, 2016 and April 1, 2015 - 9,847,500 Equity shares of ₹ 10/- each)			
[9,847,499 equity shares (March 31, 2016 and April 1, 2015 - 9,847,499 shares) of ₹ 10/- each are held by Info Edge (India) Limited, the holding company and one share held by nominee shareholder of Info Edge (India) Limited (March 31, 2016 and April 1, 2015 - 1 share)]			
	98,475	**98,475**	**98,475**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2017 (No of Shares)	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (No of Shares)	As at March 31, 2016 (₹ '000)
Equity Shares				
At the beginning of the year	98,47,500	98,475	98,47,500	98,475
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**98,47,500**	**98,475**	**98,47,500**	**98,475**

b. Terms / Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2017 (₹ '000)		As at March 31, 2016 (₹ '000)		As at April 1, 2015 (₹ '000)	
	No of Shares	% Holding	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of ₹ 10 each fully paid						
Info Edge (India) Limited	98,47,499	99.99%	98,47,499	99.99%	98,47,499	99.99%
1 Share held by Naukri Internet Services Limited [Nominee of Info Edge (India) Limited]						
	98,47,499	**99.99%**	**98,47,499**	**99.99%**	**98,47,499**	**99.99%**

10. Other equity

Particulars	As at March 31, 2017 (₹ '000)		As at March 31, 2016 (₹ '000)	
Retained earnings	(30,139)		(50,815)	
Add: Profit for the year	1,987	(28,152)	20,676	(30,139)
Equity Component of Debentures		64,350		-
		36,198		**(30,139)**

11 (a) Borrowings

Particulars	Non-current			Current		
	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at April 1, 2015 (₹ '000)	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at April 1, 2015 (₹ '000)
Unsecured						
Loan from Holding Company	-	-	-	-	15,797	15,689
Debentures issued to Holding Company						
Info Edge India Ltd	45,500	-	-	-	-	-
(0.0001% compulsory convertible debentures having maturity date January 8, 2027, into compulsorily convertible redeemable preference shares 455,000 nos, March 31, 2016 and April 1, 2015 - nil of face value of ₹ 100/- each, maturity date January 8, 2037)						
Less : Equity component of debt instruments	(41,323)	-	-	-	-	-
Add : Interest expense on present value	127	-	-	-	-	-
Liability component of Debentures	4,304	-	-	-	-	-
Debentures issued to fellow subsidiary company						
Smartweb Internet Services Limited	25,355	-	-	-	-	-
(0.0001% compulsory convertible debentures having maturity date March 29, 2027, into compulsorily convertible redeemable preference shares 253,550 nos, March 31, 2016 and April 1, 2015 - nil of face value of ₹ 100/- each, maturity date March 29, 2037)						
Less : Equity component of debt instruments	(23,027)	-	-	-	-	-
Add : Interest expense on present value	23	-	-	-	-	-
Liability component of Debentures	2,351	-	-	-	-	-
Total current borrowings	**6,655**	**-**	**-**	**-**	**15,797**	**15,689**
Less: Interest accrued (Refer note 11(c))	**-**				163	55
Current borrowing (as per balance sheet)	**6,655**				**15,634**	**15,634**

11(b) Trade payables

Particulars	Current As at March 31, 2017 (₹ '000)	Current As at March 31, 2016 (₹ '000)	Current As at April 1, 2015 (₹ '000)
Trade Payables	35,767	35,824	42,127
	35,767	**35,824**	**42,127**

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2017.

11(c) . Other financial liabilities

Particulars	Current As at March 31, 2017 (₹ '000)	Current As at March 31, 2016 (₹ '000)	Current As at April 1, 2015 (₹ '000)
Interest accrued but not due on loan from holding company	-	163	55
	-	**163**	**55**

12. Provisions

Particulars	Current As at March 31, 2017 (₹ '000)	Current As at March 31, 2016 (₹ '000)	Current As at April 1, 2015 (₹ '000)
Employee Benefits			
Leave obligation (Refer note 22)	75	113	52
Accrued Bonus & Incentives	499	1,407	20,296
	574	**1,520**	**20,348**

13. Other liabilities

Particulars	Non-current			Current		
	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at April 1, 2015 (₹ '000)	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at April 1, 2015 (₹ '000)
Amount payable to holding company	-	-	-	-	4,321	3,003
Advance from customers	-	-	-	1,273	1,355	1,355
Employee benefits payable	-	-	-	120	115	119
Deferred payment for acquisition of subsidiary for liability (Refer note 29)	-	4,000	7,500	4,000	3,500	3,500
Others						
- Tax deducted at source payable	-	-	-	238	683	533
- Other statutory dues	-	-	-	14	25	20
- Service tax payable	-	-	-	1,345	1,916	1,221
Less : Balance with Service tax authorities	-	-	-	(469)	(391)	(146)
	-	-	-	876	1,525	1,075
	-	**4,000**	**7,500**	**6,521**	**11,524**	**9,605**

14. Revenue from operations

Particulars	Year Ended March 31, 2017 (₹ '000)	Year Ended March 31, 2016 (₹ '000)
Sale of services	5,221	13,482
	5,221	**13,482**

15. Other income

Particulars	Year Ended March 31, 2017 (₹ '000)	Year Ended March 31, 2016 (₹ '000)
Interest income from financial assets measured at amortised cost		
- on fixed deposits with banks	279	627
- on other financial assets	997	918
Net gain on financial assets mandatorily measured at FVTPL	3,957	-
Liabilities written back to the extent no longer required	1,071	19,286
Profit on sale of fixed assets (net)	15	29
Provision for doubtful debts written back	-	3,433
	6,319	**24,293**

16. Employee benefits expense

Particulars	Year Ended March 31, 2017 (₹ '000)	Year Ended March 31, 2016 (₹ '000)
Salaries, wages and bonus	3,545	3,775
Contributions to provident and other funds (Refer Note 22)	116	137
Staff welfare and benefits	157	246
Other employee expenses	49	39
	3,867	**4,197**

17. Finance costs

Particulars	Year Ended March 31, 2017 (₹ '000)	Year Ended March 31, 2016 (₹ '000)
Interest on loan obtained from holding company	471	108
Interest cost on financial liabilities at amortised cost	150	-
	621	**108**

18. Depreciation and amortisation

Particulars	Year Ended March 31, 2017 (₹ '000)	Year Ended March 31, 2016 (₹ '000)
Depreciation of Property, plant and equipment	*	583
Total	*****	**583**

* Amount is below rounding off norm adopted by the Company.

19. Administration and other expenses

Particulars	Year Ended March 31, 2017 (₹ '000)	Year Ended March 31, 2016 (₹ '000)
Rent (Refer Note 23)	24	24
Legal and professional charges	1,092	1,261
Provision for doubtful debts	4,184	-
Rates & taxes	40	18
Insurance	17	31
Communication expenses	15	19
Travel & conveyance	141	211
Miscellaneous expenses	3	326
Infrastructure & business support expenses	379	1,161
	5,895	**3,051**

20. Network, internet and other direct charges

Particulars	Year Ended March 31, 2017 (₹ '000)	Year Ended March 31, 2016 (₹ '000)
Internet and server charges	-	20
Others	5	16
	5	**36**

21 (1) . Related Party Disclosures for the year ended March 31, 2017

A) List of related parties

1) Holding Company

Info Edge (India) Limited (IEIL)

2) Subsidiary companies

Interactive Visual Solutions Private Limited (IVSPL)

Newinc Internet Services Private Limited (NISPL)

B) Details of transactions with related party for the year ended March 31, 2017 in the ordinary course of business: **Amount (₹ '000)**

Nature of relationship / transaction	Holding Company	Subsidiary Company	Fellow Subsidary	Joint Venture	Total
1. Infrastructure & Business Support Services (exclusive of service tax) IEIL	381	-	-	-	381
2. Interest paid against business advance					
IEIL	77	-	-	-	
Smartweb	-	-	395	-	472
3. Rent Expense IEIL	24	-	-	-	24
4. Interest received against loan					
IVSPL	-	945	-	-	
Ideaclicks	-	-	-	9	954
5. Issue of Debentures					
IEIL	-	-	-	-	
Smartweb	-	-	25,355	-	25,355
6. Investment in Pref. Shares Ideaclicks	-	-	-	23,003	23,003
7. Investment in Equity Shares					
Ideaclicks	-	-	-	1,350	
Newinc	-	0.02	-	-	1,350
8. Investment in Debentures					
IVSPL	-	13,728	-	-	
Newinc	-	24,800	-	-	38,528
9. Repayment of loan IEIL	15,860	-	-	-	15,860

C) Amount due to/from related parties as at March 31, 2017 Amount (₹ '000)

Nature of relationship / transaction	Holding Company	Subsidiary Company	Fellow Subsidary	Joint Venture	Total
Debit Balances					
Outstanding Advances	-	-	-	-	-
Credit Balances					
Outstanding Payable	-	-	-	-	-

21 (2) . Related Party Disclosures for the year ended March 31, 2016:

A) List of related parties

1) Holding Company

Info Edge (India) Limited (IEIL)

2) Subsidiary companies

Interactive Visual Solutions Private Limited (IVSPL)

Newinc Internet Services Private Limited (NISPL)

B) Details of transactions with related party for the year ended March 31, 2016 in the ordinary course of business: Amount (₹ '000)

Nature of relationship / transaction	Holding Company	Subsdiary Company	Fellow Subsidiary	Joint Venture	Total
1. Infrastructure & Business Support Services (exclusive of service tax) IEIL	1,161	-	-	-	1,161
2. Advances received for business purposes IEIL	24	-	-	-	24
3. Interest paid against business advance IEIL	108	-	-	-	108
4. Rent Expense IEIL	24	-	-	-	24
5. Interest received against loan IVSPL	-	918	-	-	918

C) Amount due to/from related parties as at March 31, 2016 Amount (₹ '000)

Nature of relationship / transaction	Holding Company	Subsdiary Company	Fellow Subsidiary	Joint Venture	Total
Debit Balances					
Outstanding Advances IVSPL	-	12,378	-	-	12,378
Credit Balances					
Outstanding Payable IEIL	20,118	-	-	-	20,118

D) Terms & conditions

The loans to wholly owned subsidiaries are generally repayable on demand, at interest rate based on zero coupon bond rates which generally ranges from 6% to 7% and loan given to other subsidiaries/associates are generally for 1 year and repayable at the end of tenure at interest rate of 8% p.a.

Transactions related to investment in wholly owned subsidiaries made in debenture/preference share were made at face value.

All other transactions were made on normal commercial terms and conditions.

All outstanding balances are unsecured and are repayable in cash

21 (3). Amount due to/from related parties as at April 01, 2015 Amount (₹ '000)

Nature of relationship / transaction	Holding Company	Subsdiary Company	Fellow Subsidiary	Joint Venture	Total
Debit Balances					
Outstanding Advances IVSPL	-	11,552	-	-	11,552
Maximum Amount outstanding during the year	-	-	-	-	-
Credit Balances					
Outstanding Payable IEIL	18,692	-	-	-	18,692

22. Employee Benefits

The Company has classified the various benefits provided to employees as under:

A. Defined Contribution Plans

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

During the year, the Company has recognised the following amounts towards defined contribution plan in the Statement of Profit and Loss-

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
	(₹ '000)	(₹ '000)
Employers' Contribution to Provident Fund	116	137

Included in 'Contribution to provident and other funds' under Employee Benefits Expense (Refer Note 16)

B. Other Long term benefits

Leave obligations

The leave obligations cover the Company's liability for earned leave.

The amount of the provision for ₹ 75 thousands (March 31, 2016 - ₹ 113 thousands, April 01, 2015 - ₹ 52 thousands) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment with in the next twelve months.

(₹ '000)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Current leave obligations expected to be settled with in the next twelve months	26	41	18

Assumption used by the Actuary

Particulars	Leave Encashment / Compensated Absences	
	2016-17	2015-16
Discount Rate (per annum)	7.35%	7.75%
Rate of increase in Compensation levels	10% for First 5 years,	10% for First 5 years,
	& 7% thereafter	& 7% thereafter

The estimates of future salary increases considered in the actuarial valuation takes into account factors like inflation, seniority, promotions and other relevant factors.

C. Defined Benefit Plans

Contribution to Gratuity Funds – Life Insurance Corporation of India, Group Gratuity Scheme

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to the recognised funds in India.

Assumption used by the Actuary

Particulars	Gratuity	
	2016-17	2015-16
Discount Rate (per annum)	7.35%	7.75%
Rate of increase in Compensation levels	10% for First 5 years,	10% for First 5 years,
	& 7% thereafter	& 7% thereafter

The amounts recongised the balance sheet & movements in the net defined benefit obligation over the year are as follows:

Changes in the Present Value of Obligation	2016-17	2015-16
	(₹ '000)	(₹ '000)
Present Value of Obligation at the beginning of the year	**333**	**205**
Interest Cost	25	15
Current Service Cost	88	48
Remeasurment due to		
-Actuarial loss/(gain) arising from change in financial assumptions	16	16
-Actuarial loss/(gain) arising on account of experience changes	(235)	48
Present Value of Obligation at the end of the year	**227**	**333**

Changes in the Fair value of Plan Assets	2016-17	2015-16
	(₹ '000)	(₹ '000)
Fair Value of Plan Assets at the beginning of the year	**1,400**	**1,270**
Interest on Plan Assets	107	100
Remeasurement due to		
Actual Return on plan assets less interest on plan assets	(11)	29
Assets acquired/settled*	(1,266)	-
Fair Value of Plan Assets at the end of the year	**230**	**1,400**

* on account of inter group transfer

Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	2016-17	2015-16
	(₹ '000)	(₹ '000)
Present Value of funded obligation at the end of the year	**227**	**333**
Fair Value of Plan Assets as at the end of the period	(230)	(1,400)
Amount not recognised due to asset limit	-	363
Net defined benefit liability / (asset) #	**(3)**	**(704)**
Current	-	-
Non-Current	(3)	(704)

Expense recognised in the Statement of Profit and Loss #	2016-17	2015-16
	(₹ '000)	(₹ '000)
Current Service Cost	88	48
Past Service Cost	Nil	Nil
Interest Cost	(55)	(56)
(Gains)/Loss on Settlement	Nil	Nil
Total	**34**	**(8)**

not recognised as income / asset since these are lying in an income tax approved irrevocable trust fund

D. Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

Impact on defined benefit obligation

	Change in assumption			Increase in assumption			Decrease in assumption	
	March 31, 2017	March 31, 2016		March 31, 2017	March 31, 2016		March 31, 2017	March 31, 2016
Discount Rate	0.50%	0.50%	Decrease by	-6.12%	-5.64%	Increase by	6.74%	6.17%
Salary growth rate	0.50%	0.50%	Increase by	6.67%	6.21%	Decrease by	-6.12%	-5.66%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used un preparing the sensitivity analysis did not change compared to the prior year.

(E) Major Category of Plan Asset as a % of total Plan Assets

Category of Assets (% Allocation)	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
	%	%	%	(₹ '000)	(₹ '000)	(₹ '000)
Insurer managed funds	100%	100%	100%	230	1,400	1,271
Total	**100%**	**100%**	**100%**	**230**	**1,400**	**1,271**

(F) Risk exposure

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

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The gratuity fund is administered through Life Insurance Corporation of India (insurer) under its group gratuity scheme. Accordingly almost the entire plan asset investments is maintained by the insurer. These are subject to interest rate risk which is managed by the insurer.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets maintained by the insurer.

The gratuity fund is administered through Life Insurance Corporation(LIC) of India under its Group Gratuity Scheme.

23. Operating Leases where The Company is a lessee:

The Company had entered into lease transaction mainly for leasing of office premise for a period of 11 months. The terms of lease include terms of renewal, and terms of cancellation. The operating lease payments recognized in the Statement of Profit and Loss amount to ₹ 24 Thousand (Previous year ₹ 24 Thousand) included in Note 19 – Administration and Other Expenses.

24. Exceptional item in previous year represents a provision for bonus related to April 1, 2014 to March 31, 2015 amounting to ₹ 318 Thousand pursuant to retrospective amendment to"The Payment of Bonus Act, 1965" notified on January 1, 2016.

25. Auditor's Remuneration (excluding Service Tax)

Particulars	Year Ended March 31, 2017 (₹'000)	Year Ended March 31, 2016 (₹'000)
As Auditors		
- Audit Fees	315	315
- Tax Audit Fees	65	65
Reimbursement of Expenses	28	27
Total	**408**	**407**

26. Basic and Diluted Earnings per share (EPS):

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Profit attributable to Equity Shareholders (₹ '000)	1,987	20,676
Basic		
Weighted average number of Equity Shares outstanding during the year (Nos.)	98,47,500	98,47,500
Basic EPS of Rs. 10 each (₹)	0.20	2.10
Diluted		
Weighted average number of Equity Shares outstanding during the year (Nos.)	98,47,500	98,47,500
Diluted EPS of Rs. 10 each (₹)	0.20	2.10

27. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standards) Rules, 2015 as amended, as the Company is operating in single business/ geographical segment of earning commission income on property bookings.

28. The aggregate managerial remuneration under section 197 of the Companies Act, 2013 to the Directors including Managing Director is NIL (March 31, 2016 - Nil).

29. During the year ended March 31, 2015, the Company had acquired Interactive Visual Solutions Private Limited (IVSPL) by way of purchase of its entire share capital from its erstwhile shareholders for a consideration of ₹ 28,276 thousands. Out of the pending consideration payable ₹ 3500 thousands was paid during the year ended March 31, 2017 and ₹ 4,000 thousands is payable during the year ended March 31, 2018 in accordance with terms of the acquisition agreement. Further, as part of this acquisition, the Company had advanced a loan to IVSPL to enable retirement of loans given by the erstwhile shareholders amounting to ₹ 10,724 thousands carrying interest rate of 8.41% p.a and the total of such advance including interest was refunded by IVSPL during the year.

30. Contingent Liability

Claims against the Company not acknowledged as debts ₹ 487 thousands(March 31, 2016 and April 1, 2015 - ₹ 487 thousands) lying at various forums.The future cash flows on account of above cannot be determined unless the judgement is received from appropriate forum.

31. The Company's business activities, together with the factors likely to affect its future development and performance along with the financial position of the Company and its projected cash flows have been reviewed by the Board of Directors and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company is also assured of financial and operational support by its parent company. Basis all of the above, the Company has continued to adopt the going concern basis of accounting in preparing the financial statements.

32. Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

a) Income Tax expense

Particulars	**Year ended March 31, 2017 (₹ '000)**	**Year ended March 31, 2016 (₹ '000)**
Current Tax		
Current tax on profit for the year	247	3,346
Adjustments for current tax - previous years	-	1,046
Total current tax expenses	**247**	**4,392**
Deferred tax	(1,082)	4,414
Total	**(835)**	**8,806**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	**Year ended March 31, 2017 (₹ '000)**	**Year ended March 31, 2016 (₹ '000)**
Profit before exceptional items and tax	1,152	29,800
Tax at the Indian tax rates of 30.90% (March 31, 2016 - 32.10%)	**356**	**9,853**
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income		
Interest Income on Financial Assets	(13)	-
Interest Expense on Financial Liabilities	46	-
Gain on fair valuation of instruments	(1,223)	-
Adjustments for current tax of prior periods	-	(1,046)
Other items	(1)	(1)
Total	**(835)**	**8,806**

Financial instruments and risk management

33. Fair value Hierarchy

a) Financial instruments by category

(₹ '000)

	March 31, 2017		March 31, 2016		April 1, 2015	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets						
Loans	-	-	-	12,378	-	11,552
Investments	26,960	68,198	-	28,276	-	28,276
Trade and other receivables	-	3,387	-	4,334	-	10,828
Cash and cash Equivalents	-	700	-	1,034	-	4,004
Other financial assets	-	2,970	-	9,809	-	9,245
Total Financial Assets	**26,960**	**75,255**	**-**	**55,831**	**-**	**63,905**
Financial Liabilities						
Borrowings	-	6,655	-	15,634	-	15,634
Trade payables	-	35,767	-	35,824	-	42,127
		-				
Total Financial Liabilities	**-**	**42,422**	**-**	**51,458**	**-**	**57,761**

*Excluding investments in subsidiaries, joint control entities and associates measured at cost in accordance with Ind AS-27

Fair value hierarchy

The following section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit or loss.To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

b) Fair value hierarchy for assets and liabilities

Financial assets measured at fair value at March 31, 2017

(₹ '000)

	Level 1	Level 2	Level 3	Total
Financial Assets				
Preference Shares	-	-	26,960	26,960

Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 hierarchy includes the fair value of financial instruments that are not traded in an active market.

Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for compound instruments.

There are no transfers between levels 1 and 2 during the year.The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

c) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or mutual fund houses quotes (NAV) for such instruments. This is included in Level 1

- the fair value of the remaining financial instruments is determined using discounted cash flow analysis for which third party valuer is appointed. This is included in Level 3.

d) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables are considered to be the same as their fair values, due to their short-term nature. The fair values for security deposits , Investment in preference shares & investment in debentures and borrowings are calculated based on cash flows discounted using a current lending rate, however the change in current rate does not have any significiant impact on fair values as at the current year end. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including counter party credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(e) Fair value measurements using significant unobservable inputs (level 3)

(₹ '000)

Particulars	Unlisted securities
As at April 01, 2015	-
Acquisitions	-
Disposal including related gain/loss	-
Unrealised gain/loss recognised in profit/loss	-
As at March 31, 2016	-
Acquisitions	23,003
Unrealised gain/loss recognised in profit/loss	3,957
As at March 31, 2017	26,960

(f) Valuation inputs and relationships to fair value

(Rs. '000)

Particulars	Fair value as at			Significant unobservable inputs*	Probability-weighted range			Sensitivity
	March 31, 2017	March 31, 2016	April 1, 2015		March 31, 2017	March 31, 2016	April 1, 2015	
Convertible preference shares	26,960	-	-	Weighted Average Cost of Capital (WACC)	15% to 35%	-	-	Increased WACC (+20 basis points (bps)) and keeping other key inputs constatnt would change FV by ₹ (7167) thousand in FY 2017 ; Decreased WACC (-20 bps) and keeping other key inputs constatnt would change FV by ₹ (3778) thousand in FY 2017.
				EBITDA Margin in Perpetuity	-170% to 60%	-	-	Increased EBITDA Margin in Perpetuity (+50 basis points (bps)) and keeping other key inputs constatnt would change FV by ₹ (6615) thousand in FY2017; Decreased EBITDA Margin in Perpetuity (-50 bps) and keeping other key inputs constatnt would change FV by ₹ (4786) thousand in FY 2017.
				Earnings growth rate	40% to 80%	-	-	Increased Earnings growth rate (+50 basis points (bps)) and keeping other key inputs constatnt would change FV by ₹ (6476) thousand FY 2017; Decreased Earnings growth rate (-50 bps) and keeping other key inputs constatnt would change FV by ₹ (5071) thousand in FY 2017.

* There were no significant inter-relationships between unobservable inputs that materially affect their values

(g) valuation processess

The Company uses third party valuers to perform the valuations of the unquoted equity shares, preference shares and debentures required for financial reporting purposes for Level 3 purposes other than investment in compulsorily redeemable preference shares and debentures (Debt instruments) which are done by Finance department of the company.

The main Level 3 inputs for these unlisted securities are derived and evaluated as below.

- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies to the extent available.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (c) and (f) above.

34. Financial risk and Capital management

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence & goodwill. Outstanding customer receivables are regularly monitored.

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties. In addition, a large number of minor receivables are combined into homogenous categories and assessed for impairment collectively. The calculation is based on exchange losses historical data. The Company evaluates the concentration of risk with respect to trade receivables as low.

Reconciliation of loss allowance provision:

	Trade receivables
	(₹ '000)
Loss allowance as on April 1, 2015	**45,354**
changes in loss allowance	(3,432)
Loss allowance as on March 31, 2016	**41,922**
changes in loss allowance	4,057
Loss allowance as on March 31, 2017	**45,979**

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company borrows short term and long term fund from holding company to bridge the short fall in fund requirements whenever required. The

Company is endeavouring to collect aged accounts receivables and repay borrowings from holding company.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The amount disclosed in the below table represent the contractual cash flows.

(₹ '000)

	Contractual cash flows					
March 31, 2017	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Trade payables	35,767	35,767	-	-	-	-
Borrowings	6,655	-	-	-	-	6,655

(₹ '000)

	Contractual cash flows					
March 31, 2016	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Trade payables	35,824	35,824	-	-	-	-
Borrowings	15,634	-	15,634	-	-	-
Other financial liabilities	163	-	163	-	-	-

(₹ '000)

	Contractual cash flows					
April 1, 2015	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Trade payables	42,127	42,127	-	-	-	-
Borrowings	15,634	-	15,634	-	-	-
Other financial liabilities	55	-	55	-	-	-

A) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's borrowings and deposits/loans are all at fixed rate and are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure of the Company's financials assets/liabilities at the end of the reporting period are as follows:

(₹ '000)

	March 31, 2017	March 31, 2016	April 1, 2015
Fixed-rate instruments			
Financial assets	1,223	18,636	18,041
Financial liabilities	6,655	15,634	15,634
Total	**7,878**	**34,270**	**33,675**

B) Capital management

a) Risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of debt and equity balances. The capital of the Company consists of equity capital and borrowings for working capital needs which is provided by the holding company. The gaining ratio of the Company are as follows:

(₹ '000)

	March 31, 2017	March 31, 2016	April 1, 2015
Net Debt	5,955	14,600	11,631
Total equity	1,34,673	68,336	47,660
Net Debt to equity ratio	4%	21%	24%

There are no loan covenents in respect of these borrowings

35. Pursuant to notification no. 244 dated 30.03.2017, issued by Ministry of Corporate affairs, details of the specified bank notes held & transacted during the period November 08, 2016 to December 30, 2016 as provided in the table below :-

(₹ '000)

Particulars	Specified bank notes*	Other notes	Total
Balance as at November 08, 2016	11.50	0.47	11.97
Less : Paid for permitted transactions	-	-	-
Add : Receipts of permitted transactions	-	10.00	10.00
Less : Deposited in bank accounts	11.50		11.50
Add : Withdrawal from bank accounts	-		-
Closing balance as at December 30, 2016	**-**	**10**	**10.47**

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairsnumber S.O. 3407(E), dated the November 18, 2016.

36. First time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

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

1 Ind AS optional exemptions

a) Business Combination

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for investment in associates and joint ventures.

b) 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 recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

c) Investments in subsidiaries, joint ventures and associates

IND AS 101 provides the option to the first-time adopter to account for its investments in subsidiaries, joint ventures and associates at either cost determined in accordance with IND AS 27 or in accordance with IND AS 109. The Company has elected to measure such investments at cost in accordance with Ind AS 27.

2 Ind AS mandatory exemptions

a) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Reconciliation of equity as on 31.03.2016

Particulars	Note	Previous GAAP *	Adjustment	Ind AS
		(₹ '000)		(₹ '000)
ASSETS				
Non-current assets				
Property, plant and equipment		1	-	1
Financial assets			-	
i. Investments		28,276	-	28,276
ii. Loans		10,724	-	10,724
iii. Other financial assets		-	-	-
Deferred tax assets (net)	3	-	20,302	20,302
Current Assets				
Financial assets				
i. Trade receivables	1	1,648	2,686	4,334
ii. Cash and cash equivalents	2	635	399	1,034
iv. Loans		1,654	-	1,654
v. Other financial assets		9,809	-	9,809
Current tax assets (net)		51,827	-	51,827
Other current assets	2	560	(399)	161
Assets classified as held for sale		8,879	-	8,879
Total Assets		**1,14,013**	**22,988**	**1,37,001**
EQUITY & LIABILITIES				
EQUITY				
Equity Share capital		98,475	-	98,475
Other equity	1,3	(53,127)	22,988	(30,139)
LIABILITIES				
Non-current liabilities				
Other non-current liabilities		4,000	-	4,000
Current liabilities				
Financial liabilities				
i. Borrowings		15,634	-	15,634
ii. Trade payables		35,824	-	35,824
iii. Other financial liabilities		163	-	163
Provisions		1,520	-	1,520
Other current liabilities		11,524	-	11,524
TOTAL EQUITY AND LIABILITIES		**1,14,013**	**22,988**	**1,37,001**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total equity as at March 31, 2016 and April 01, 2015 **(₹ '000)**

Particulars	Note	March 31, 2016	April 1, 2015
Total equity (shareholder's funds) as per previous GAAP		45,348	21,526
Adjustments :			
Doubtful debts	1	2,686	1,418
Deferred tax	3	20,302	24,716
Total adjustments		**22,988**	**26,134**
Total equity as per Ind AS		68,336	47,660

Reconciliation of equity as on 01.04.2015

Particulars	Note	Previous GAAP * (₹ '000)	Adjustment	Ind AS (₹ '000)
ASSETS				
Non-current assets				
Property, plant and equipment		584	-	584
Financial assets				
i. Investments		28,276	-	28,276
ii. Loans		10,724	-	10,724
iii. Other financial assets		1,755	-	1,755
Deferred tax assets (net)	3	-	24,716	24,716
Current Assets				
Financial assets				
i. Trade receivables	1	9,410	1,418	10,828
ii. Cash and cash equivalents	2	3,605	399	4,004
iv. Loans		828	-	828
vi. Other financial assets		7,490	-	7,490
Current tax assets (net)		53,326	-	53,326
Other current assets	2	797	(399)	398
Total Assets		**1,16,795**	**26,134**	**1,42,929**
EQUITY & LIABILITIES				
EQUITY				
Equity Share capital		98,475	-	98,475
Other equity	1,3	(76,949)	26,134	(50,815)
LIABILITIES				
Non-current liabilities				
Other non-current liabilities		7,500	-	7,500
Current liabilities				
Financial liabilities				
i. Borrowings		15,634	-	15,634
ii. Trade payables		42,127	-	42,127
ii. Other financial liabilities		55	-	55
Provisions		20,348	-	20,348
Other current liabilities		9,605	-	9,605
TOTAL EQUITY AND LIABILITIES		**1,16,795**	**26,134**	**1,42,929**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total comprehensive income for the year ended March 31, 2016

Particulars	Notes	Previous GAAP * (₹ '000)	Adjustment	Ind AS (₹ '000)
Income				
Revenue from operations		13,482	-	13,482
Other income	1	23,025	1,268	24,293
I Total Income		**36,507**	**1,268**	**37,775**
Expenditure				
Employee benefits expense		4,197	-	4,197
Finance costs		108	-	108
Depreciation and amortisation expense		583	-	583
Administration and other expenses		3,051	-	3,051
Network, internet and other direct charges		36	-	36
II Total Expense		**7,975**	**-**	**7,975**
III. Profit before exceptional items and tax (I-II)		**28,532**	**1,268**	**29,800**
IV. Exceptional items		318	-	318
V. Profit before tax (III-IV)		**28,214**	**1,268**	**29,482**
VI. Income Tax expense				
(1) Current tax- (Current period)		3,346	-	3,346
(2) Current tax- (previous period)		1,046	-	1,046
(3) Deferred tax	3	-	4,414	4,414
Total comprehensive income for the year		**23,822**	**(3,146)**	**20,676**

Impact of Ind AS adoption on the cash flows for the year ended March 31, 2016 (₹ '000)

	Notes	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	2	(1,335)	399	(936)
Net cash flow from investing activities		1,574	-	1,574
Net cash flow from financing activities		(3,608)	-	(3,608)
Net increase/(decrease) in cash and cash equivalents		**(3,369)**	**399**	**(2,970)**
Cash and cash equivalents as at April 01, 2015		4,004	-	4,004
Cash and cash equivalents as at March 31, 2016		**635**	**399**	**1,034**

REFERENCE NOTE

1. **Trade Receivables**

   As per Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts decreased by ₹ 2,686 thousands as at March 31, 2016 (April 01, 2015 – ₹ 1,418 thousands). Consequently, the total equity as at March 31, 2016 increased by ₹ 2,686 thousands (April 01, 2015 – ₹ 1,418 thousands) and profit for the year ended March 31, 2016 increased by ₹ 1,268 thousands.

2. **Advances recoverable from ESOP Trust**

   Balance recoverable from ESOP Trust has been consolidated with the Company's bank balances for respective years. March 31, 2016 - ₹ 399 and April 1, 2015 - ₹ 399.

3. **Deferred Tax**

   Deferred tax on brought forward losses and certain other items were not created in the earlier year in the absence of virtual certainity. However, under Ind As 119 deferred tax on these items has been recognised since there is reasonable certainty of generation of sufficient taxable income to absorb/reverse deferred tax in forthcoming periods. This resulted in creation of deferred tax asset as on April 1, 2015 ₹ 24,716 thousands and decrease in deferred tax asset by ₹ 4,414 thousands as at March 31, 2016.

4. **Retained earnings**

   Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments. This resulted in increase in retained earnings by ₹ 22,988 for the year ended March 31, 2016 and ₹ 26,134 for the year ended April 1, 2015.

For Price Waterhouse & Co Bangalore LLP Firm Registration Number: 007567S/S-200012 Chartered Accountants	For and on behalf of the Board of Directors	
Abhishek Rara Partner Membership Number 077779	Hitesh Oberoi Director	Chintan Thakkar Director
Place : Noida Date : May 29, 2017	Tanisha Sharma Company Secretary	

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present the 8th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2017.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company owns a proprietary software which enables a high quality virtual video/3D image of a proposed or existing real estate development to be viewed online by customers.

The Company made a loss of ₹ 1,338 thousand in the financial year 2016-17 as compared to loss of ₹ 1,559 thousand in the financial year 2015-16.

SHARE CAPITAL

During the year under review, the Authorised Share Capital of the Company was increased from ₹ 1,00,000/- consisting od 10,000 equity shares of ₹ 10/- each to ₹ 10,00,000 consisting of 10,000 equity shares of ₹ 10/- each and 9,000 preference shares of ₹ 100/- each.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There has been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting.

In accordance with Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board, has recommended the re-appointment of M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants, as Statutory Auditors of Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 to the shareholders for approval in the ensuing AGM. Pursuant to first Proviso to Section 139, the said appointment, if approved by shareholders, shall be placed for ratification at every Annual General Meeting.

M/s. Sharma Goel & Co. LLP, Chartered Accountants, have furnished a certificate of their eligibility as per Section 141 of the Companies Act, 2013 and have provided their consent for appointment as Statutory Auditors of the Company.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Sudhir Bhargava (DIN: 02325281) is liable to retire by rotation and, being eligible, offers himself for reappointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 8 times during the year under review on April 21, 2016, April 29, 2016, May 20, 2016, July 22, 2016, October 28, 2016, February 27, 2017, March 23, 2017 and March 30, 2017.

INTERACTIVE VISUAL SOLUTIONS PVT LTD

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company did not make any Loans, guarantee or investment during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year Company did not enter into any transaction with related parties that could be considered material or requires disclosure in terms of prescribed Form AOC-2. Details of related party transactions are present under Note no. 20 of the notes to Financial Statements.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure A and is attached to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

	Sudhir Bhargava	Chintan Thakkar
	(Director)	(Director)
Place: Noida	DIN: 02325281	DIN: 00678173
Date: May 26, 2017		

ANNEXURE-A

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U72200PN2009PTC134950

ii. Registration Date:- November 11, 2009

iii. Name of the Company: - Interactive Visual Solutions Pvt. Ltd.

iv. Category/ Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-

No. 10, 3rd Floor, Ganga Cascade,
North Main Road, Koregaon Park,
Pune- 411001
Tel. No. +91 120-3082000, Fax: 0120-3082095
Email: investors@naukri.com
Website: - www.interactivevisualsolutions.com

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	IT Services	63121	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Allcheckdeals India Pvt. Ltd.	U72400DL2008PTC181632	Holding	100	2(87)(ii)
2.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Ultimate Holding Company	100	2(87)(ii)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
Promoter Shareholding – Bodies Corporate	-	10,000* (Equity Shares)	10,000 (Equity Shares)	100	-	10,000* (Equity Shares)	10,000 (Equity Shares)	100	-
Grand Total	**-**	**10,000* (Equity Shares)**	**10,000 (Equity Shares)**	**100**	**-**	**10,000* (Equity Shares)**	**10,000 (Equity Shares)**	**100**	**-**

** 1 (one) share is held by Naukri Internet Services Ltd. as nominee of Allcheckdeals India Pvt. Ltd.*

ii. **Shareholding of Promoters**

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Allcheckdeals India Pvt. Ltd.	10,000	100	0.00	10,000 (Equity Shares)	100	0.00	-

iii. **Change in Promoter's Shareholding:**

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Allcheckdeals India Pvt. Ltd.	10,000 (Equity Shares)	100	-	-	-	10,000 (Equity Shares)	100

iv. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)-Nil**

v. **Shareholding of Directors and Key managerial Personnel: Nil**

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment **in Rs.**

	Secured Loans excluding deposits	Unsecured Loans/ Debentures	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal amount	-	1,18,23,876	-	1,18,23,876
ii. Interest due but not paid	-	15,92,825	-	15,92,825
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	**1,34,16,701**	-	**1,34,16,701**
Change in Indebtedness during the financial year				
Addition	-	14,11,862	-	14,11,862
Reduction	-	(14,828,563)*	-	(14,828,563)*
Net Change	-	**(13,416,701)**	-	**(13,416,701)**
Indebtedness at the end of the financial year				
(i) Principal Amount	-	-	-	-
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

**During the year under review the loan amount (including interest) of ₹ 14,828,500 was converted into 1,48,285, 0.0001% compulsory convertible debentures of ₹ 100 each.*

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

INDEPENDENT AUDITOR'S REPORT

To the Members of INTERACTIVE VISUAL SOLUTION PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Interactive Visual Solution Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income) the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 and presentation of these Ind AS financial statements that give a true and fair view of the State of affairs (financial position), profit or loss (financial performance including other comprehensive income),and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act, of the state of affairs(financial position) of the Company as at March 31, 2017 and its Loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;
   e) on the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
   f) with respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in '**Annexure B**'; and

g) With respect to the other matters to be included in 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.

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.

IV. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the company.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditor's Report to the members of **INTERACTIVE VISUAL SOLUTION PRIVATE LIMITED** on the financial statement of the year ended March 31, 2017, we report that:

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

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

c) The Company does not have any immovable assets. Accordingly, the paragraph 3(i)(c)of the order is not applicable.

ii) The company does not have any inventory. Accordingly, clause 3(ii) of the order is not applicable.

iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable.

iv) In our opinion and according to the information and explanation given to us, the Company has complied with provision of section 185 & 186 of the Act, with respect to loan and investment made.

v) The Company has not accepted any deposit from the public. Accordingly, Paragraph 3(v) of the order is not applicable.

vi) The Company is not required to maintain the cost records and accounts prescribed by the Central Government under Section 148(1) of the Companies Act 2013.

vii) a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2017 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2017 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.

viii) In our opinion, the Company does not have any loans or borrowings from any financial institution, banks, government and no default of dues in case of debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), accordingly clause 3(ix) of the Order is not applicable.

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

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the company is has not paid managerial remuneration .Accordingly, clause 3(xi) of the Order is not applicable.

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

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

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of convertible debentures during the year.

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

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

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **INTERACTIVE VISUAL SOLUTION PRIVATE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)	As at April 1, 2015 (₹'000)
Assets				
Non-current Assets				
Property, plant and equipment	3	-	-	25
Intangible Assets	3	83	281	479
Current Assets				
Financial Assets				
(i) Cash and Cash Equivalents	4(a)	183	187	253
(iii) Other Financial Assets	4(b)	366	75	122
Current tax assets (net)	5	8	8	48
Total assets		**640**	**551**	**927**
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	6	100	100	100
Other Equity	7	(1,174)	(13,303)	(11,744)
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
(i) Borrowings	8	1,375	10,724	10,724
Current Liabilities				
Financial liabilities				
(i) Borrowings	8	18	1,822	938
(i) Trade Payables	9(a)	164	153	152
(ii) Other Financial Liabilities	9(b)	-	889	633
Provisions	10	23	34	17
Current Tax Liabilities	11	101	99	74
Deferred tax liabilities (Net)		33	33	33
TOTAL EQUITY AND LIABILITIES		**640**	**551**	**927**

The above balance sheet should be read in conjunction with the accompanying notes.

This is the balance sheet referred to in our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sudhir Bhargava
(Director)

Date: May 26, 2017
Place: New Delhi

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Note No	Year Ended March 31, 2017 (₹'000)	Year Ended March 31, 2016 (₹'000)
Revenue			
Revenue from operations		-	-
Other income	12	38	1
I Total Income		**38**	**1**
Expenditure			
Finance costs	13	1,027	988
Depreciation and amortization expense	3	198	224
Administration and Other expenses	14	151	348
II Total Expense		**1,376**	**1,560**
III. Profit / (Loss) before tax (I-II)		**(1,338)**	**(1,559)**
IV. Tax expense		-	-
V. Profit / (Loss) for the year (IV - III)		**(1,338)**	**(1,559)**
VI. Profit / (Loss) for the year (V)		**(1,338)**	**(1,559)**
Earning per equity share:			
(1) Basic (₹)	16	(133.80)	(155.90)
(2) Diluted (₹)	16	(133.80)	(155.90)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the Profit and Loss Account referred to in our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sudhir Bhargava
(Director)

Date: May 26, 2017
Place: New Delhi

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	Particulars	For the year ended March 31, 2017 (₹'000)	For the year ended March 31, 2016 (₹'000)
A.	**Cash flow from operating activities:**		
	Loss for the year	**(1,338)**	**(1,559)**
	Adjustments for:		
	Depreciation	198	224
	Excess provision written back	(24)	-
	Interest expense on financial liabilities at amortised cost	14	-
	Interest on FDRs	(14)	(1)
	Operating profit/(loss) before working capital changes	**(1,164)**	**(1,336)**
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Other Financial Assets	-	47
	- (INCREASE)/DECREASE in Current Tax Assets	(8)	40
	- INCREASE/(DECREASE) in Trade Payables	11	1
	- INCREASE/(DECREASE) in Provisions	24	17
	- INCREASE/(DECREASE) in Other Current Liabilities	(1,804)	1,139
	- INCREASE/(DECREASE) in Current Tax Liabilities	2	25
	Cash generated/(used) from/(in) operating activities	**(2,939)**	**(67)**
	- Taxes (Paid) / Received (Net of TDS)	-	-
	Net cash from/(used in) operating activities	**(2,939)**	**(67)**
B.	**Cash flow from Investing activities:**		
	Purchase of Fixed Assets	-	-
	Maturity of/(Investment in) fixed deposits (net)	(280)	-
	Net cash from/(used in) investing activities	**(280)**	**-**
C.	**Cash flow from financing activities:**		
	Proceeds from Issuance of debentures	14,828	-
	Repayment of Loan & Interest to Holding Company	(11,613)	-
	Interest expense on financial liabilities at amortised cost	(14)	-
	Interest on FDRs	14	1
	Net cash from/(used in) financing activities	**3,215**	**1**
	Net Increase/(Decrease) in Cash & Cash Equivalents	**(4)**	**(66)**
	Opening Balance of Cash and cash equivalents	**187**	**253**
	Closing Balance of Cash and cash equivalents	**183**	**187**
	Cash and cash equivalents comprise		
	Cash in hand	-	-
	Balance with Scheduled Banks		
	-in bank accounts	183	187
	Total	**183**	**187**

Notes :

1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in IND AS 7 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification
2. Figures in brackets indicate cash outflow.
3. The above statement of cash flows should be read in conjunction with the accompanying notes.

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sudhir Bhargava
(Director)

Date: May 26, 2017
Place: New Delhi

STATEMENTS OF CHANGES IN EQUITY

a. Equity share capital

Particulars	Notes	Amount (₹'000)
As at April 01, 2015		**100.00**
Changes in equity share capital		-
As at March 31, 2016		**100.00**
Changes in equity share capital		-
As at March 31, 2017		**100.00**

b. Other equity

	Notes	Reserves & Surplus		Total (₹'000)
		Equity component of Debentures	Retained Earnings	
Balance as at 01 April 2015			(11,744)	(11,744)
Loss for the year			(1,559)	(1,559)
Balance as at 31 March 2016		-	**(13,303)**	**(13,303)**

	Notes	Reserves & Surplus		Total (₹'000)
		Equity component of Debentures	Retained Earnings	
Balance as at 31 March 2016		**-**	**(13,303)**	**(13,303)**
Loss for the year		-	(1,338)	(1,338)
Equity Component of Debentures (Refer note no. 8 - Borrowings)		13,467	-	13,467
Total Comprehensive Income for the year			**-**	-
Balance as at 31 March 2017		**13,467**	**(14,641)**	**(1,174)**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is Statement of Equity referred to in our report of even date.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)

Sudhir Bhargava
(Director)

Date: May 26, 2017
Place: New Delhi

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1. Reporting Entity

Interactive Visual Solutions Private Limited (the company) is a private limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The company is a wholly owned subsidiary of Allcheckdeals India Pvt. Ltd.

2. Significant Accounting Policies

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

A. Basis of Preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

For all the periods upto and including the period ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules 2006 (as amended) and other relevant provisions of the Act.

These financial statements for the year ended March 31, 2017 are the first financial statement prepared in accordance with Ind AS. Refer Note 24 for an explanation of how the transition from previous accounting standards (GAAP) to Ind AS has affected the company's financial position, financial performance and cash flows.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value and

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. Property, plant and equipment (PPE)

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of assets, based on internal assessment and independent technical evaluation done by Management expert which are equal to, except in case of Plant and Machinery, Furniture and Fixtures and Vehicles where useful life is lower than life prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Assets	Estimated useful life (Years)
Computers	3
Software	3

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

Assets costing less than or equal to ₹ 5,000 are fully depreciated pro-rata from date of acquisition.

C. Impairment of Non-Financial Assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (PPE) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit'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 and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

D. Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

E. Provisions

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

F. Cash and cash equivalents

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

G. Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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

H. Investments and other financial assets

(i) Classification

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

- those to be measured subsequently at fair value through profit or loss), and
- those measured at amortised cost.

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

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

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

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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

(iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

I. Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

J. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

K. Rounding of Amounts

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

3a. Property, Plant and Equipment and Intangibles

(Amount ₹000)

	FIXED ASSETS	Gross Block				Accumulated Depreciation					Net Block	
		Balance as at 01 April 2016	Additions/ (Disposals)	Revaluations/ (Impairments)	Balance as at 31 March 2017	Balance as at 01 April 2016	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2017	Balance as at 31 March 2017	Balance as at 31 March 2016
a	**Tangible Assets**											
	Plant and Machinery	26	-	-	26	26	-	-	-	26	-	-
	Total	**26**	**-**	**-**	**26**	**26**	**-**	**-**	**-**	**26**	**-**	**-**
b	**Intangible Assets**											
	Computer software	479	-	-	479	198	198	-	-	396	83	281
	Total	**479**	**-**	**-**	**479**	**198**	**198**	**-**	**-**	**396**	**83**	**281**
	Gross Total	**505**	**-**	**-**	**505**	**224**	**198**	**-**	**-**	**422**	**83**	**281**

3b. Property, Plant and Equipment and Intangibles

(Amount ₹000)

	FIXED ASSETS	Gross Block				Accumulated Depreciation					Net Block
		Deemed Cost as at 1st April 2015	Additions/ (Disposals)	Revaluations/ (Impairments)	Balance as at 31 March 2016	Balance as at 1st April 2015	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2016	Balance as at 31 March 2016
a	**Tangible Assets**										
	Plant and Machinery	26	-	-	26	-	26	-	-	26	-
	Total	**26**	**-**	**-**	**26**	**-**	**26**	**-**	**-**	**26**	**-**
b	**Intangible Assets**										
	Computer software	479	-	-	479	-	198	-	-	198	281
	Total	**479**	**-**	**-**	**479**	**-**	**198**	**-**	**-**	**198**	**281**
	Gross Total	**505**	**-**	**-**	**505**	**-**	**224**	**-**	**-**	**224**	**281**

4. FINANCIAL ASSETS

(a) Cash & Cash Equivalents

Particulars	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)	As at March 31, 2015 (₹'000)
Cash & Cash Equivalents			
(a) Cash in Hand	-	-	-
(b) Balance with Bank in Current Account	183	187	253
	183	**187**	**253**

(b) Other Financial Assets

Particulars (Unsecured, considered good)	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)	As at March 31, 2016 (₹'000)
Prepaid-Subscription & Fee	-	26	122
Advance to Suppliers	72	49	-
Interest Accrued on FDR	14	-	-
Balance in fixed deposit accounts with original maturity more than 12 months	280	-	-
	366	**75**	**122**

5. Current Tax Assets

Particulars (Unsecured, considered good)	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)	As at March 31, 2015 (₹'000)
Advance Tax	-	-	40
Service Tax - Receivable (net)	8	8	8
	8	**8**	**48**

6. Equity Share Capital

Particulars	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)	As at March 31, 2015 (₹'000)
AUTHORISED			
100,000 Equity Shares of ₹ 10/- each			
(Previous Year - 10,000 Equity Shares of Rs 10/- each)	**1,000**	**100**	**100**
9,000 Preference Shares of ₹ 100/- each	**900**	**-**	**-**
ISSUED, SUBSCRIBED & PAID-UP			
10,000 Equity Shares of Rs 10/- each, fully paid up			
(Previous Year - 10,000 Equity Shares of Rs 10/- each)	100	100	100
	100	**100**	**100**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2017 No of Shares	As at March 31, 2017 (Rs.₹000)	As at March 31, 2016 No of Shares	As at March 31, 2016 (Rs.₹000)
Equity Shares				
At the beginning of the year	10,000	100	10,000	100
Add: Issued during the year	-	-	-	-
Outstanding at the end of the period	**10,000**	**100**	**10,000**	**100**

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company

Particulars	FY 2016-17		FY 2015-16	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of Rs 10 each fully paid				
Allcheckdeals India Pvt Ltd (one share held by Nominee shareholder)	9,999	99.99%	9,999	99.99%
	9,999	**99.99%**	**9,999**	**99.99%**

7. Other Equity

Particulars	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)	As at March 31, 2015 (₹'000)
Retained Earnings			
Opening Balance	(13,303)	(11,744)	(8,770)
Add: Loss for the year	(1,338)	(1,559)	(2,974)
Equity Component of debt intruments			
Debentures issued to Holding Company	12,468	-	-
Debentures issued to Ultimate Holding Company	999	-	-
	(1,174)	**(13,303)**	**(11,744)**

8. BORROWINGS

Particulars	Non-Current			Current		
	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)	As at March 31, 2015 (₹'000)	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)	As at March 31, 2015 (₹'000)
All Check Deals India Pvt Ltd	-	10,724	10,724	-	828	200
Info Edge India Limited	-	-		18	994	738
Debentures from Ultimate Holding Company	-					
Info Edge India Ltd	1,100	-	-	-	-	-
(0.0001% compulsory convertible debentures into compulsorily convertible redeemable preference shares 11004 nos, Previous Year - Nil of face value of ₹ 100/- each, maturity date 29th March 2037)						
Less : Equity component of debt instruments	(999)	-	-	-	-	-
Add : Interest expense on Present value	1	-	-	-	-	-
Liability component of debentures	**102**	**-**	**-**	**-**	**-**	**-**
Debentures from Holding Company						
Allcheckdeals India Pvt Ltd	13,728	-	-	-	-	-
(0.0001% compulsory convertible debentures into compulsorily convertible redeemable preference shares 137281 nos, Previous Year - Nil of face value of ₹ 100/- each, maturity date 29th March 2037)						
Less : Equity component of debt instruments	(12,468)	-	-	-	-	-
Add : Interest expense on Present value	13	-	-	-	-	-
Liability component of debentures	**1,273**	**-**	**-**	**-**	**-**	**-**
	1,375	**10,724**	**10,724**	**18**	**1,822**	**938**

9 FINANCIAL LIABILITIES

(a) TRADE PAYABLES

Particulars	Non-Current			Current		
	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)	As at March 31, 2015 (₹'000)	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)	As at March 31, 2015 (₹'000)
Advance from Client	-	-	-	89	89	89
Sundry Creditors	-	-	-	75	64	63
	-	**-**	**-**	**164**	**153**	**152**

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2017.

(b). Other Financial Liabilities

Particulars	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)	As at March 31, 2015 (₹'000)
Interest Accrued on Loans	-	889	633
	-	**889**	**633**

10. PROVISIONS

Particulars	Current		
	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)	As at March 31, 2015 (₹'000)
Audit Fees Payable	23	34	17
	23	**34**	**17**

11. Current Tax Liabilities

Particulars	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)	As at March 31, 2015 (₹'000)
TDS Payable	101	99	74
	101	**99**	**74**

12. OTHER INCOME

Particulars	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)
Interest on FDRs	14	1
Excess Provision written back	24	-
	38	**1**

13. FINANCE COST

Particulars	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)
Interest cost on financial liabilities at amortised cost	14	-
Interest on loans	1,013	988
	1,027	**988**

14. ADMINISTRATION AND OTHER EXPENSES

Particulars	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)
Audit fees	23	17
Professional Fees	26	21
Rent Expense	24	18
ROC Filing Charges	49	10
Server Charges	-	60
Subscription & Fee	29	214
MisC Expenses	-	8
	151	**348**

15. AUDITORS REMUNERATION

Particulars	As at March 31, 2017 (₹'000)	As at March 31, 2016 (₹'000)
As Auditors	20	15
Out of Pocket Expenses & Service Tax	3	2
	23	**17**

16. BASIC & DILUTED EARNINGS PER SHARE (EPS)

Particulars	As at March 31, 2017 Amount (Rs.)	As at March 31, 2016 Amount (Rs.)
Profit / (Loss) attributable to Equity Shareholders (Rs.)	(1,338,000)	(1,559,000)
Weighted average number of Equity Shares outstanding during the year (Nos.)	10,000	10,000
Basic & Diluted Earnings Per Equity Share of ₹ 10 each (Rs.)	(133.80)	(155.90)

17. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

18. Employee Benefits

The requirements of Ind AS -19 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable on the company since there was no employee employed by the company during the year.

19. Neither there was Cash in hand at close of business hours on November 8, 2016 nor there were any receipts, withdrawals and / or depoists between November 8, 2016 and December 30, 2016. Hence there is no requirement to disclose information pursuant to notification no. 244 dated 30.03.2017, issued by Ministry of Corporate affairs, details of the specified bank notes held & transacted during the said period.

20. RELATED PARTY DISCLOSURES

20 (1) Related Party Disclosures for the year ended March 31, 2017

Holding Company

Allcheckdeals India Pvt Ltd

Ultimate Holding Company

Info Edge (India) Limited

B) Details of transactions with related party in the ordinary course of business: **Amount (₹'000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Company	Total
1. Interest expense against advance taken	945	68	1,013
2. Rent	-	24	24
3. Issue of Debenture to Info Edge (India) Ltd.	-	1,100	1,100
4. Issue of Debenture to Allcheckdeals India (Pvt.) Ltd.	13,728	-	13,728

C) Amount due to/from related parties as at March 31, 2017 — **Amount (₹'000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Company	Total
Debit Balances			
Outstanding Advances			-
Maximum Amount outstanding during the year	12,878	1,039	13,917
Credit Balances			
Outstanding Payable	0	18	18
Maximum Amount outstanding during the year	-	-	-

20 (2) . Related Party Disclosures for the year ended March 31, 2016

Holding Company

Allcheckdeals India Pvt Ltd

Ultimate Holding Company

Info Edge (India) Limited

B) Details of transactions with related party in the ordinary course of business: — **Amount (₹'000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Company	Total
Advances/unsecured loan received for business purposes	-	233	233
Interest expense against advance taken	918	70	988
Rent	-	18	18

C) Amount due to/from related parties as at March 31, 2016 — **Amount (₹'000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Company	Total
Debit Balances			
Outstanding Advances	-	-	-
Maximum Amount outstanding during the year	-	-	-
Credit Balances			
Outstanding Payable	12,378	1,057	13,435
Maximum Amount outstanding during the year	12,378	1,057	13,435

21. INCOME TAX EXPENSES

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

a) Income Tax expense

Particulars	Year ended March 31, 2017 (₹'000)	Year ended March 31, 2016 (₹'000)
Current tax on profit for the year	-	-
Total	**-**	**-**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Year ended March 31, 2017 (₹'000)	Year ended March 31, 2016 (₹'000)
	-	-
	-	**-**

Note: There is no taxable income for the year ended 31st March 2017 and corresponding previous year.

22. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value Hierarchy

a) Financial instruments by category (₹'000)

Particulars	March 31, 2017		March 31, 2016	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Cash and cash Equivalents		183		187
Other financial assets		366		75
Total Financial Assets	**-**	**549**	**-**	**262**
Financial Liabilities				
Borrowings		18		1,822
Trade payables		164		153
Other financial liabilities		-		889
Total Financial Liabilities	**-**	**182**	**-**	**2,864**

b) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost (₹'000)

Particulars	March 31, 2017		March 31, 2016	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Cash and cash Equivalents	183	183	187	187
Other financial assets				
-Interest accrued on fixed deposits	14	14	-	-
-Prepaid-Subscription & Fee	-	-	26	26
-Advance to Suppliers	72	72	49	49
Total Financial Assets	**269**	**269**	**262**	**262**
Financial Liabilities				
Borrowings	18	18	1,822	1,822
Trade payables	164	164	153	153
Other financial liabilities	-	-	889	889
Total Financial Liabilities	**182**	**182**	**2,864**	**2,864**

The carrying amounts of trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

23. FINANCIAL RISK AND CAPITAL MANAGEMENT

(A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors.

Credit risk

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

Contractual cash flows (₹'000)

March 31, 2017	Total	6 months or less	6-12 months	1-2 years	2-5 years
Non-derivative financial liabilities					
Borrowings	18	18	-	-	-
Trade and other payables	164	164	-	-	-
Other financial liabilities	-	-	-	-	-

Contractual cash flows (₹'000)

March 31, 2016	Total	6 months or less	6-12 months	1-2 years	2-5 years
Non-derivative financial liabilities					
Borrowings	1,822	1,822	-	-	-
Trade and other payables	153	153	-	-	-
Other financial liabilities	889	889	-	-	-

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from fixed deposits with banks and borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(Amount in ₹000)

	31 March 2017	31 March 2016
Fixed-rate instruments		
Financial assets	280.00	-
Financial liabilities	18.00	1,822.00
Total (a)	**298.00**	**1,822.00**
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	-	-
Total (b)	-	-
Total (a+b)	**298.00**	**1,822.00**

(B) Capital management

-Risk management

The Comapny's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, and borrowings from parent and ultimate parent company.

24. FIRST TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

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

1 Ind AS optional exemptions

a) Business Combination

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for investment in associates and joint ventures.

b) 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 recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

c) Share-based payment transactions

Ind AS 101 provides the option to apply Ind AS 102 only on ESOP that are unvested on the transition date.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

2 Ind AS madatory exemptions

a) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Reconciliation of equity as on 31.03.2016

(Amount in ₹000)

Particulars	Note	Indian GAAP	Adjustment	Ind AS
Assets				
Non-current Assets				
Property, plant and equipment		-	-	-
Intangible Assets		281	-	281
Other Financial Assets		-	-	-
Current Assets				
Financial Assets				
(a) Cash and Cash Equivalents		187	-	187
(c) Other Financial Assets		75	-	75
Current tax assets (net)		8		8
T O T A L ASSETS		**551**		**551**
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital		100	-	100
Other Equity		(13,303)	-	(13,303)
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
Borrowings		10,724	-	10,724
Current Liabilities				
Financial liabilities				
(a) Borrowings		1,822		1,822
(b) Trade Payables		153	-	153
(c) Other Financial Liabilities		889	-	889
Provisions		34	-	34
Current Tax Liabilities		99	-	99
Deferred tax liabilities (Net)		33	-	33
TOTAL EQUITY AND LIABILITIES		**551**		**551**

Reconciliation of equity as on 01.04.2015 **(Amount in ₹000)**

Particulars	Note	Indian GAAP	Adjustment	Ind AS
Assets				
Non-current Assets				
Property, plant and equipment		25	-	25
Intangible Assets		479	-	479
Other Financial Assets			-	
Current Assets				
Financial Assets				
(a) Cash and Cash Equivalents		253	-	253
(b) Other Financial Assets		122	-	122
Current tax assets (net)		48	-	48
T O T A L ASSETS		**927**		**927**
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital		100	-	100
Other Equity		(11,744)	-	(11,744)
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
Borrowings		10,724	-	10,724
Current Liabilities				
Financial liabilities				
(a) Trade Payables		152	-	152
(b) Other Financial Liabilities		633	-	633
Provisions		17	-	17
Other Current Liabilities		938	-	938
Current Tax Liabilities		74	-	74
Deferred tax liabilities (Net)		33	-	33
TOTAL EQUITY AND LIABILITIES		**927**		**927**

There is no IND AS adjustment pertaining to previous year 2015-16, hence there is no requirement to disclose reconciliation of total comprehensive income.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)

Sudhir Bhargava
(Director)

Date: May 26, 2017
Place: New Delhi

NEWINC INTERNET SERVICES PRIVATE LIMITED

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present the First Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2017.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company is engaged in the business of providing all kinds and types of internet, computer and electronics data processing services. The Company was incorporated on December 27, 2016 the current financial year is from December 27, 2016 to March 31, 2017. The Company made a loss of Rs. 1034 thousands during the period under review.

SHARE CAPITAL

The Company was incorporated on December 27, 2016 having Authorised share capital of Rs. 1,00,000/- (Rupees One Lacs only) divided into 10,000 (Ten Thousand) equity shares of Rs.10/- (Rupees Ten) each.

The paid-up capital of the Company is Rs. 20/- (Rupees Twenty only) (consisting of 2 Equity Shares of Rs. 10/- (Rupees Ten only) each).

During the period under review, the Company issued and allotted 4,48,000 – 0.0001% Compulsory Convertible Debentures (CCDs) of Rs. 100/- (Rupees One Hundred only) each.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There has been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the period under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the period under review.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting.

In accordance with Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board, has recommended the appointment of M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants, as Statutory Auditors of Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 to the shareholders for approval in the ensuing AGM. Pursuant to first Proviso to Section 139, the said appointment, if approved by shareholders, shall be placed for ratification at every Annual General Meeting.

M/s. Sharma Goel & Co. LLP, Chartered Accountants, have furnished a certificate of their eligibility as per Section 141 of the Companies Act, 2013 and have provided their consent for appointment as Statutory Auditors of the Company.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Murlee Manohar Jain (DIN 05101562) is liable to retire by rotation and, being eligible, offers himself for re-appointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 6 times during the period under review on December 28, 2016, January 5, 2017, January 18, 2017, February 1, 2017, February 3, 2017 and February 27, 2017.

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of the investment made by Company is given in the note no. 7 of notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed form AOC – 2 are given in Annexure A. Details of all other related party transactions are present under Note no. 14 of the notes to Financial Statements.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

	Sudhir Bhargava	Murlee Manohar Jain
	(Director)	(Director)
Place: Noida	DIN: 02325281	DIN: 05101562
Date: May 26, 2017		

ANNEXURE A

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions at arm's length basis

(i). Info Edge (India) Ltd.

(a)	Name of the related party and nature of relationship	Info Edge (India) Ltd., a holding company (IEIL)
(b)	Nature of contracts/arrangements/transaction	Acquisition of land from IEIL
(c)	Duration of the Contracts/Arrangements/Transactions	One-time transaction
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	Company has acquired land measuring 4,992 square meters (53,713 square feet) from IEIL at an acquisition cost of Rs. 321.61 Million (Stamp Duty + Other charges)
(e)	Justification for entering into such contracts or arrangements or transactions	The Board of Directors have approved the transaction based on the business rationale for this transaction, which when considered in its entirety, including planned strategic actions of the management, provides a sound basis to conclude that the transaction is not prejudicial to the interest of the Company or its shareholders.
(f)	Date(s) of approval by the Board	05.01.2017
(g)	Amount paid as advances, if any	N.A.
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	N.A.

2. Details of material contracts or arrangement or transactions not at arm's length basis

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Date(s) of approval by the Board	
(f)	Amount paid as advances, if any	

Details of all other related party transactions i.e. transactions of the company, with its promoters, the Directors or the management, their relatives or with the subsidiaries of the Company etc. are present under Note no. 14 to Annual Accounts of the Annual Report.

For and on behalf of Board of Directors

	Sudhir Bhargava	Murlee Manohar Jain
	(Director)	(Director)
Place: Noida	DIN: 02325281	DIN: 05101562
Date: May 26, 2017		

ANNEXURE-B

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION AND OTHER DETAILS:

i. CIN :- U74999DL2016PTC309795

ii. Registration Date:- December 27, 2016

iii. Name of the Company: - NewInc Internet Services Private Limited

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-
GF12 A, 94, Meghdoot Building,
Nehru Place, New Delhi, South Delhi,
DL 110019
Tel. No. +91 120-3082000, Fax: 0120-3082095
Email: murlee.jain@naukri.com
Website: - NA

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	To Carry on the business of providing all kind and types of internet, computer, electronic and related services	63112	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Allcheckdeals India Pvt. Ltd.	U72400DL2008PTC181632	Holding	100	2(87)(ii)
2.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Ultimate Parent Company	100 (through ACD)	2(87)(ii)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year (since the date of incorporation i.e. December 27, 2016)				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
Total Promoter Shareholding- Individual	-	2	2	100	-	-	-	-	100
Total Promoter Shareholding – Bodies Corporate	-	-	-	-	-	2	2*	100	100
Grand Total	-	2	2	100	-	2	2*	100	-

* 1 (one) share is held by one individual as a nominee of Allcheckdeals India Pvt. Ltd.

ii. Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year (since the date of incorporation i.e. December 27, 2016)			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Mr. Sudhir Bhargava	1	50	0.00	-*	-	-	100
2.	Mr. Murlee Manohar Jain	1	50	0.00	-	-	-	100
3.	Allcheckdeals India Pvt. Ltd.	-	-	-	2*	100	0.00	100

**At the end of the year Mr. Sudhir Bhargava held 1 (one) share of the company as a nominee of Allcheckdeals India Pvt. Ltd.*

iii. Change in Promoter's Shareholding

S. No.	Shareholder's Name	Shareholding at the beginning of the year (since the date of incorporation i.e. December 27, 2016)		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mr. Sudhir Bhargava	1	50	05/01/2017	Sale	1*	0	0
2.	Mr. Murlee Manohar Jain	1	50	05/01/2017	Sale	1	0	0
3.	Allcheckdeals India Pvt. Ltd.	0	0.00	05/01/2017	Purchase	2*	2	100

**Mr. Sudhir Bhargava, during the year under review sold his holding (1 share) to Allcheckdeals India Pvt. Ltd. (ACD), but continued to hold one share as a nominee of ACD.*

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)-Nil

v. Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	% of total shares of the Company
1	Sudhir Bhargava	1 Equity Share	50	05/01/2017	Sale	1 Equity Share	0*	0.00
2	Murlee Manohar Jain	1 Equity Share	50	05/01/2017	Sale	1 Equity Share	0	0.00

** Mr. Sudhir Bhargava continued to hold 1 (one) share as a nominee of Allcheckdeals India Pvt. Ltd.*

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: **in Rs.**

	Secured Loans excluding deposits	Unsecured Loans	Deposits/ Debentures	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal amount	-	-	-	-
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	-	-	4,48,00,000	4,48,00,000
Reduction	-	-	-	-
Net Change	-	-	4,48,00,000	4,48,00,000
Indebtedness at the end of the financial year				-
(i) Principal Amount	-	-	4,48,00,000	4,48,00,000
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	**4,48,00,000**	**4,48,00,000**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

INDEPENDENT AUDITOR'S REPORT

To the Members of NEWINC INTERNET SERVICES PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Newinc Internet Services Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income) the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 and presentation of these Ind AS financial statements that give a true and fair view of the State of affairs (financial position), profit or loss (financial performance including other comprehensive income),and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act, of the state of affairs(financial position) of the Company as at March 31, 2017 and its Loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

    d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;

    e) on the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the

directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

f) with respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in '**Annexure B**'; and

g) With respect to the other matters to be included in 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.

   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.

   IV. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the company.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditor's Report to the members of NEWINC INTERNET SERVICES PRIVATE LIMITED on the financial statement of the year ended March 31, 2017, we report that:

i) The company does not have any fixed assets. Accordingly, clause 3(i) of the order is not applicable.

ii) The company does not have any inventory. Accordingly, clause 3(ii) of the order is not applicable.

iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable.

iv) In our opinion and according to the information and explanation given to us, the Company has complied with provision of section 185 & 186 of the Act, with respect to loan and investment made.

v) The Company has not accepted any deposit from the public. Accordingly, Paragraph 3(v) of the order is not applicable.

vi) The Company is not required to maintain the cost records and accounts prescribed by the Central Government under Section 148(1) of the Companies Act 2013.

vii) a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2017 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2017 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.

viii) In our opinion, the Company does not have any loans or borrowings from any financial institution, banks, government and no default of dues in case of debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), accordingly clause 3(ix) of the Order is not applicable.

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

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the company is has not paid managerial remuneration .Accordingly, clause 3(xi) of the Order is not applicable.

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

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

xiv) The Company has not made preferential allotment of equity shares. Accordingly, clause 3(xiv) of the Order is not applicable.

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

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

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **NEWINC INTERNET SERVICES PRIVATE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note	As at March 31,2017
		(₹ '000)
ASSETS		
Non-current assets		
Investment Property	3	320,738
Current Assets		
Financial assets		
(i) Cash and cash equivalents	4	401
Total Assets		**321,139**
EQUITY & LIABILITIES		
EQUITY		
Equity Share capital	5	0.02
Other equity	6	39,653
LIABILITIES		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	7 (a)	4,181
Current liabilities		
Financial liabilities		
(i) Trade payables	7 (b)	23
Other current liabilities	8	277,282
TOTAL EQUITY AND LIABILITIES		**321,139**

The above balance sheet should be read in conjunction with the accompanying notes.

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

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 26, 2017

The Schedules referred to above form an integral part of these accounts

For and on behalf of Board of Directors

Sudhir Bhargava
(Director)

Murlee Manohar Jain
(Director)

STATEMENT OF PROFIT AND LOSS FOR PERIOD ENDED MARCH 31, 2017

Particulars	Note	For the Period Ended March 31,2017 (₹ '000)
Income		
I Revenue from operations		-
II Other income		-
I Total Income		**-**
Expenses		
Finance costs	9	68
Amortisation expense	10	872
Administration and other expenses	11	94
II Total Expense		**1,034**
III. (Loss) before tax (I-II)		**(1,034)**
IV. Income tax expense		-
V. (Loss) for the year (II-IV)		**(1,034)**
Total comprehensive income for the year		**(1,034)**
Earnings per share:		
Basic earnings per share (face value INR 10) (₹)	13	(517,000)
Diluted earnings per share (face value INR 10) (₹)	13	(517,000)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the Profit and Loss Account referred to in our report of even date

The Schedules referred to above form an integral part of these accounts

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Sudhir Bhargava
(Director)

Murlee Manohar Jain
(Director)

Place: New Delhi
Date: May 26, 2017

CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2017

S.No.	Particulars	Period ended March 31,2017
		(₹ '000)
A.	**Cash flow from operating activities:**	
	Loss before tax	**(1,034)**
	Adjustments for:	
	Depreciation and amortisation expense	872
	Interest cost on financial liabilities	68
	Operating profit before working capital changes	**(94)**
	Adjustments for changes in working capital :	
	- Increase in Short-term loans and advances	
	- Increase/(Decrease) in Trade payables	23
	- Increase in Other current liabilities	277,282
	Cash generated from operating activities	**277,211**
	Net cash from operating activities	**277,211**
B.	**Cash flow from Investing activities:**	
	Payments for Investment Property	(321,610)
	Net cash used in investing activities	**(321,610)**
C.	**Cash flow from financing activities:**	
	Proceeds form fresh issue of Share Capital	0.02
	Debentures issued to Ultimate holding and Holding company	44,800
	Net cash from/used in financing activities	**44,800**
	Net increase/decrease in cash & cash equivalents	**401**
	Opening balance of cash and cash equivalents (April 01, 2016/April 01, 2015)	**-**
	Closing balance of cash and cash equivalents	**401**
	Cash and cash equivalents comprise	
	Cash in hand	-
	Balance with scheduled banks	
	-in current accounts	401
	Total	**401**

Notes :

1. The above Cash Flow Statement has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as amended.
2. Figures in brackets indicate cash outflow.
3. The above statement of cash flows should be read in conjunction with the accompanying notes.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of the Board of Directors

Sudhir Bhargava
Director

Murlee Manohar Jain
Director

Place: New Delhi
Date: May 26, 2017

STATEMENTS OF CHANGES IN EQUITY

a. Equity Share Capital

Particulars	Amount (₹000)
Changes in equity share capital during the year	0.02
As at March 31, 2017	**0.02**

b. Other Equity

	Equity component of financial instruments	Retained Earnings (Rs. 000)	Total
Balance as at 31 March 2016		-	
(Loss) for the year		(1,034)	(1,034)
Equity component of Debt instruments	40,687		40,687
Balance as at 31 March 2017	**40,687**	**(1,034)**	**39,653**

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 26, 2017

For and on behalf of the Board of Directors

Sudhir Bhargava
Director

Murlee Manohar Jain
Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1. Reporting Entity

Newinc Internet Services Private Limited (the company) is a private limited company domiciled in India and incorporated on December 27th, 2016 under the provisions of the Companies Act, 2013. The company is a wholly owned subsidiary of AllCheckDeals India Private Limited.

2. Significant Accounting Policies

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

A. Basis of Preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

These financial statements for the period ended March 31, 2017 are the first financial statement prepared in accordance with Ind AS.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value and

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. Property, plant and equipment (PPE) and Investment property

All items of property, plant and equipment and Investment property are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of assets, based on internal assessment and independent technical evaluation done by Management expert which are equal to, except in case of Plant and Machinery, Furniture and Fixtures and Vehicles where useful life is lower than life prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Asset	Estimated useful life (Years)
Leasehold land	57

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

Assets costing less than or equal to Rs. 5,000 are fully depreciated pro-rata from date of acquisition.

C. Impairment of Non-Financial Assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (PPE) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit'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 and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

D. Foreign Currency Transactions

Functional and presentation currency

Items included in the financial statements of company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is Newinc Internet Services Private Limited's functional and presentation currency.

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss.

E. Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

F. Provisions

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

G. Cash and cash equivalents

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

H. Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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

I. Investments and other financial assets

(i) Classification

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

- those to be measured subsequently at fair value through profit or loss), and
- those measured at amortised cost.

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

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

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

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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

(iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

J. Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

K. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

L. Rounding of Amounts

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

3. PROPERTY, PLANT & EQUIPMENT and INVESTMENT PROPERTY

(₹ '000)

Description	GROSS CARRYING AMOUNT (AT COST)				DEPRECIATION/AMORTISATION				NET CARRYING AMOUNT
	As at December 27, 2016	Additions during the period	Disposals during the year	As at March 31, 2017	Up to December 27, 2016	Depreciation/ Amortisation	Accumulated depreciation/ amortisation on disposals	As at March 31, 2017	As at March 31, 2017
INVESTMENT PROPERTY *									
Leasehold land	-	321,610	-	321,610	-	872	-	872	320,738
Total	**-**	**321,610**	**-**	**321,610**	**-**	**872**	**-**	**872**	**320,738**

* Investment property, as per Ind AS, includes amount incurred on assets held for long term rental yields or for capital appreciation or both.

4. FINANCIAL ASSETS

Cash and cash equivalents

Particulars	Current As at March 31,2017 (₹ '000)
Cash on hand*	-
Balance with bank - current account	401
	401

*Closing cash balance has been rounded off to nearest thousand rupees

5. SHARE CAPITAL

Particulars	As at March 31, 2017 (₹ '000)
AUTHORISED CAPITAL	
10,000 Equity Shares of Rs. 10/- each	100
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	
2 Equity Shares of Rs 10/- each, fully paid up	0.02
	0.02

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2017 No of Shares	As at March 31, 2017 (₹ '000)
Equity Shares		
At the beginning of the period	-	-
Add: Issued during the period	2	0.02
Outstanding at the end of the period	**2**	**0.02**

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2017	
	No. of Shares	**% Holding**
Allcheckdeals India Pvt. Ltd. (ACD)	1	50.00%
Mr. Sudhir Bhargava (as a nominee of ACD)	1	50.00%
	2	**100.00%**

6. OTHER EQUITY

Particulars	As at March 31, 2017 (₹ '000)	
Retained Earnings		
Opening Balance	0	
Add: Loss for the year	(1,034)	(1,034)
Equity component of Debt instruments	40,687	40,687
		39,653

7. FINANCIAL LIABILITIES

A. BORROWINGS

Particulars	Non-Current As at March 31,2017 (₹ '000)	Current As at March 31,2017 (₹ '000)
Debentures issued to Holding Company		
Debentures issued to Ultimate Holding Company		
Info Edge India Ltd		
(0.0001% compulsory convertible debentures into compulsorily convertible redeemable preference shares 200,000 nos, Previous Year - nil of facevalue of Rs. 100/- each, having maturity of 20 years from date of issue)	20,000	-
Less : Equity component of debt instruments	(18,164)	-
Add : Interest expense on present value	37	-
	1,873	-
Debentures issued to Holding Company		
Allcheckdeals (India) Pvt. Ltd.		
(0.0001% compulsory convertible debentures into compulsorily convertible redeemable preference shares 248,000 nos, Previous Year - nil of facevalue of Rs. 100/- each, having maturity of 20 years from date of issue)	24,800	-
Less : Equity component of debt instruments	(22,523)	-
Add : Interest expense on present value	31	-
	2,308	-
Liability component of debentures	**4,181**	**-**

C. TRADE PAYABLES

Particulars	Non-Current As at March 31,2017 (₹ '000)	Current As at March 31,2017 (₹ '000)
Trade Payables	-	23
	-	**23**

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2017

8. OTHER LIABILITIES

Particulars	Non-Current As at March 31,2017 (₹ '000)	Current As at March 31,2017 (₹ '000)
Amount due to Ultimate Holding Company	-	277,271
TDS Payable	-	11
	-	**277,282**

9. FINANCE COSTS

Particulars	Period Ended March 31,2017 (₹ '000)
Interest expense on account of amortised cost method	68
	68

10. DEPRECIATION AND AMORTISATION

Particulars	Period Ended March 31,2017 (₹ '000)
Amortisation of Investment Property	872
	872

11. ADMINISTRATION AND OTHER EXPENSES

Particulars	Period Ended March 31,2017 (₹ '000)
Auditor's Remuneration	23
Legal and professional charges	65
Miscellaneous expenses	-
Rent	6
	94

12. AUDITORS REMUNERATION

Particulars	Period Ended March 31,2017 (₹ '000)
Audit Fees	20
Service Tax	3
	23

13. Earnings Per Share

Particulars	Period Ended March 31, 2017
Profit attributable to Equity Shareholders (₹)	(1,034,000)
Basic	
Weighted average number of Equity Shares outstanding during the year (Nos.)	2
Basic EPS of Rs. 10 each (₹)	(517,000)
Diluted	
Weighted average number of Equity Shares outstanding during the year (Nos.)	-
Add : Weighted average number of potential equity shares on account of employee stock options	-
Weighted average number of shares outstanding for diluted EPS	**-**
Diluted EPS of Rs. 10 each (₹)	(517,000)

14. Related Party Disclosures for the year ended March 31, 2017

A) List of related parties

Ultimate Holding Company

Info Edge (India) Ltd.

Holding Company

Allcheckdeals (India) Pvt. Ltd.

Associate Company

Canvera Digital Tech. (P) Ltd

Key Management Personnel (KMP) & Relatives

Mr Sudhir Bhargava

Mr Murlee Manohar Jain

B) Details of transactions with related party in the ordinary course of business: **Amount (Rs. '000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Co.	Total
1. Issue of Debenture	24,800	20,000	**44,800**
2. Rent Expense	-	6	**6**
3. Purchase of Land from Info Edge (India) Ltd.	**-**	297,271	**297,271**

C) Amount due to/from related parties as at March 31, 2017 **Amount (Rs. '000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Co.	Total
Debit Balances			
Outstanding Advances	-	-	-
Maximum Amount outstanding during the year	-	-	-
Credit Balances			
Outstanding Payable	-	277,271	**277,271**
Maximum Amount outstanding during the year	-	297,271	**297,271**

Note: The Company was incorporated on December 27, 2016, hence there are no corresponding year / period figures.

15. Neither there was Cash in hand at close of business hours on November 8, 2016 nor there were any receipts, withdrawals and / or depoists between November 8, 2016 and December 30, 2016. Hence there is no requirement to disclose information pursuant to notification no. 244 dated 30.03.2017, issued by Ministry of Corporate affairs, details of the specified bank notes held & transacted during the said period.

16. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

17. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable on the company since there was no employee employed by the company during the year.

18. The Company was incorporated on December 27th, 2016. The year ended March 31st, 2017 being the first year after incorporation, the amounts of corrosponding period in previous year are not applicable.

19. Fair value measurements

a) Financial instruments by category **(₹ 000)**

	March 31, 2017	
	Fair value through profit or loss	**Amortised cost**
Financial Assets		
Cash and cash Equivalents	-	401
Total Financial Assets	**-**	**401**
Financial Liabilities		
Borrowings	-	4,181
Trade payables	-	23
Total Financial Liabilities	**-**	**4,204**

The carrying amounts of cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

20. Financial risk and Capital management

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	**Exposure arising from**	**Measurement**	**Management of risk**
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors.

(a) Credit risk

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Comapny's treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.In addition, the Company projects cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The amount disclosed in the below table represent the contractual cash flows. **(₹ '000)**

		Contractual cash flows			
March 31, 2017	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**
Non-derivative financial liabilities					
Trade payables	23	23	-	-	-
Borrowings	4,181	-	-	-	4,181

(C) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's borrowings and deposits/loans are all at fixed rate and are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure of the Company's financials assets/liabilities at the end of the reporting period are as follows: **(₹ '000)**

Particulars	March 31, 2017
Fixed-rate instruments	
Financial assets	401
Financial liabilities	4,181
Total	**4,582**

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of the Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Sudhir Bhargava
(Director)

Murlee Manohar Jain
(Director)

Place: New Delhi
Date: May 26, 2017

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present the 2nd Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2017.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company is engaged in the business of providing all kinds and types of internet, computer and electronics data processing services. The Company made a profit of Rs. 19,527 thousand in the financial year 2016-17 as compared to loss of Rs. 63,315 thousand in the financial year 2015-16.

SHARE CAPITAL

There has been no change in capital structure of the Company during the year under review.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There has been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company during the year transferred its entire investment consisting of 34,711 Equity Shares and 9,82,063 Preference Shares held in Canvera Digital Technologies Private Limited to Startup Investments (Holding) Limited.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting.

In accordance with Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board, has recommended the re-appointment of M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants, as Statutory Auditors of Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2020-21 to the shareholders for approval in the ensuing AGM. Pursuant to first Proviso to Section 139, the said appointment, if approved by shareholders, shall be placed for ratification at every Annual General Meeting.

M/s. Sharma Goel & Co. LLP, Chartered Accountants, have furnished a certificate of their eligibility as per Section 141 of the Companies Act, 2013 and have provided their consent for appointment as Statutory Auditors of the Company.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Murlee Manohar Jain (DIN: 05101562) is liable to retire by rotation and, being eligible, offers himself for re-appointment.

SMARTWEB INTERNET SERVICES LIMITED

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 7 times during the year under review on May 20, 2016, June 15, 2016, July 22, 2016, October 28, 2016, January 18, 2017, February 27, 2017 and March 29, 2017.

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of the investment made by Company is given in the note no. 3(a) of notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed form AOC – 2 are given in Annexure A. Details of all other related party transactions are present under Note no. 15 of the notes to Financial Statements.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

	Murlee Manohar Jain	Chintan Thakkar
	(Director)	(Director)
Place: Noida	DIN: 05101562	DIN: 00678173
Date: May 26, 2017		

Annexure A

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions at arm's length basis

(i). Canvera Digital Technologies Ltd.

(a)	Name of the related party and nature of relationship	Startup Investments (Holding) Ltd. (SIHL), a group company of the Company.
(b)	Nature of contracts/arrangements/transactions	Transfer of Investments held by the company in Canvera Digital Technologies Pvt. Ltd. (Canvera) to Startup Investments (Holding) Ltd.
(c)	Duration of the Contracts/Arrangements/Transactions	One-time transaction
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	Company has transferred 982,063 Preference Shares and 34,711 Equity Shares held by it in Canvera at cost for a consideration of about Rs.437.82 million.
(e)	Justification for entering into such contracts or arrangements or transactions	The Board of Directors have approved the transaction based on the business rationale for this transaction which is in line with the decision of the holding company about creating a corporate structure where-under the holding Company's investments are to be transferred to & held by the different wholly owned subsidiaries.
(f)	Date(s) of approval by the Board	15.06.2016
(g)	Amount paid as advances, if any	N.A.
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	N.A.

2. Details of material contracts or arrangement or transactions not at arm's length basis

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Date(s) of approval by the Board	
(f)	Amount paid as advances, if any	

Details of all other related party transactions i.e. transactions of the company, with its promoters, the Directors or the management, their relatives or with the subsidiaries of the Company etc. are present under Note no. 15 to Annual Accounts of the Annual Report.

For and on behalf of Board of Directors

Murlee Manohar Jain
(Director)
DIN: 05101562

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 26, 2017

ANNEXURE-B

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U72300DL2015PLC285618

ii. Registration Date:- September 23, 2015

iii. Name of the Company :- Smartweb Internet Services Limited

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-
Ground Floor, GF-12A,
94, Meghdoot Building, Nehru Place,
New Delhi, 110019
Tel. No. +91 120-3082000, Fax No. 0120-3082095
Email: murlee.jain@naukri.com
Website: -N.A.

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	To Carry on the business of providing all kind and types of internet, computer, electronic and related services	63112	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	100	2(87)(ii)

**Canvera Digital Technologies Pvt. Ltd ceased to be an associate of the Company as the entire stake held in Canvera Digital Technologies Pvt. Ltd was transferred to Startup Investments (Holding) Ltd., a group company during the year under review.*

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. **Category- wise Shareholding**

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
Promoter Shareholding- Bodies Corporate	-	49,000 (Equity Shares)	49,000* (Equity Shares)	98.00	-	49,000 (Equity Shares)	49,000* (Equity Shares)	98.00	-
	-	1,000 (Equity Shares)	1,000 (Equity Shares)	2.00	-	1,000 (Equity Shares)	1,000 (Equity Shares)	2.00	-
	-	2,356,100 (Preference Shares)	2,356,100 (Preference Shares)	100	-	2,356,100 (Preference Shares)	2,356,100 (Preference Shares)	100	-
Grand Total	**-**	**50,000 (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**	**50,000 (Equity Shares)**	**50,000* (Equity Shares)**	**100**	**-**
	-	**2,356,100 (Preference Shares)**	**2,356,100 (Preference Shares)**	**100**	**-**	**2,356,100 (Preference Shares)**	**2,356,100 (Preference Shares)**	**100**	**-**

*6 (six) shares were held by six individuals as nominee of Info Edge (India) Ltd.

ii. Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	49,000 (Equity Shares)	98.00	0.00	49,000 (Equity Shares)	98.00	0.00	-
		2,356,100 (Preference Shares)	100	0.00	2,356,100 (Preference Shares)	100	0.00	-
2.	Startup Investments (Holding) Ltd.*	1,000 (Equity Shares)	2.00	0.00	1,000 (Equity Shares)	2.00	0.00	-

** Startup Investments (Holding) Ltd. is a promoter group company.*

iii. Change in Promoter's Shareholding:

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Info Edge (India) Ltd.	49,000 (Equity Shares)	98.00	N.A.	N.A.	Nil	49,000 (Equity Shares)	98.00
		2,356,100 (Preference Shares)	100	N.A.	N.A.	Nil	2,356,100 (Preference Shares)	100
2.	Startup Investments (Holding) Ltd.	1,000 (Equity Shares)	2.00	N.A.	N.A.	Nil	1,000 (Equity Shares)	2.00

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil

v. Shareholding of Directors and Key Managerial Personnel

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	% of total shares of the Company
1	Sudhir Bhargava	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	N.A.	N.A.	Nil	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00
2.	Murlee Manohar Jain	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	N.A.	N.A.	Nil	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00
3.	Chintan Thakkar	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	N.A.	N.A.	Nil	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL- Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

INDEPENDENT AUDITOR'S REPORT

To the Members of **SMARTWEB INTERNET SERVICES LIMITED**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Smartweb Internet Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income) the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 and presentation of these Ind AS financial statements that give a true and fair view of the State of affairs (financial position), profit or loss (financial performance including other comprehensive income),and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act, of the state of affairs(financial position) of the Company as at March 31, 2017 and its Profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

2. As required by section 143(3) of the Act, we report that:
   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;
   e) on the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

f) with respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in '**Annexure B**'; and

g) With respect to the other matters to be included in 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.

   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.

   IV. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the company.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditor's Report to the members of **SMARTWEB INTERNET SERVICES LIMITED** on the financial statement of the year ended March 31, 2017, we report that:

i) The company does not have any Fixed Assets. Accordingly, clause 3(i) of the order is not applicable.

ii) The company does not have any inventory. Accordingly, clause 3(ii) of the order is not applicable.

iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable.

iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provision of section 185 & 186 of the Act, with respect to loan and investment made.

v) The Company has not accepted any deposit from the public. Accordingly, Paragraph 3(v) of the order is not applicable.

vi) The Company is not required to maintain the cost records and accounts prescribed by the Central Government under Section 148(1) of the Companies Act 2013.

vii) a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2017 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2017 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.

viii) In our opinion, the Company does not have any loans or borrowings from any financial institution, banks, government and debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), accordingly clause 3(ix) of the Order is not applicable.

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

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the company is has not paid managerial remuneration .Accordingly, clause 3(xi) of the Order is not applicable.

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

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

xiv) The Company has not made preferential allotment of equity shares. Accordingly, clause 3(xiv) of the Order is not applicable.

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

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

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **SMARTWEB INTERNET SERVICES LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)
ASSETS			
Non-current assets			
Financial assets			
(i) Investments	3 (a)	25,378	415,651
Current Assets			
Financial assets			
(i) Cash and cash equivalents	3 (b)	5,023	2,066
(ii) Loans	3 (c)	164,092	-
(iii) Other financial assets	3 (d)	1,889	-
Total Assets		**196,382**	**417,717**
EQUITY & LIABILITIES			
EQUITY			
Equity Share capital	4	500	500
Other equity	5	170,192	150,665
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	6 (a)	25,639	22,753
Current liabilities			
Financial liabilities			
(i) Trade payables	6 (b)	23	17
Other current liabilities	7	5	243,782
Current tax liability (Net)	8	23	-
TOTAL EQUITY AND LIABILITIES		**196,382**	**417,717**

The above balance sheet should be read in conjunction with the accompanying notes.

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

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 26, 2017

The Schedules referred to above form an integral part of these accounts

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Murlee Manohar Jain
(Director)

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2017

Particulars	Note	Year ended March 31, 2017 (₹000)	Year ended March 31, 2016 (₹000)
Income			
Other income	9	22,759	(22,171)
I Total Income		**22,759**	**(22,171)**
Expenses			
Finance costs	10	2,886	1,123
Administration and other expenses	11	266	3,455
II Total Expense		**3,152**	**4,578**
III. Profit /(Loss) before tax (I-II)		**19,607**	**(26,749)**
VI. Exceptional items	13	-	36,566
V. Profit / (Loss) before tax (III-IV)		**19,607**	**(63,315)**
VI. Income tax expense			
Current tax- (Current period)		80	-
VII. Profit / (Loss) for the year (V-VI)		**19,527**	**(63,315)**
Earnings per share:			
Basic earnings per share (₹)	14	390.54	(1,266.30)
Diluted earnings per share (₹)	14	390.54	(1,266.30)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the Profit and Loss Account referred to in our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 26, 2017

The Schedules referred to above form an integral part of these accounts

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Murlee Manohar Jain
(Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

S.No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
		(Rs. '000)	(Rs. '000)
A.	**Cash flow from operating activities:**		
	Net profit / (Loss) before tax	**19,607**	**(26,749)**
	Adjustments for:		
	Interest expense on Debt Component	2,886	1,123
	Interest income	(588)	-
	Net (gain)/loss on financial assets mandatorily measured at fair value through profit or loss	(22,171)	22,171
	Operating profit before working capital changes	**(266)**	**(3,455)**
	Adjustments for changes in working capital :		
	- Increase in Other financial assets	(103)	-
	- Increase/(Decrease) in trade payables	6	17
	- Increase/ (Decrease) in Other current liabilities	(243,777)	3
	Cash generated from operating activities	**(244,140)**	**(3,435)**
	- Taxes Paid (Net of TDS)	(58)	-
	Net cash from operating activities	**(244,198)**	**(3,435)**
B.	**Cash flow from Investing activities:**		
	Proceeds from sale of investments	437,823	-
	Purchase of investments	(189,447)	(230,609)
	Interest received	565	-
	Maturity of/(Investment in) fixed deposits (net)	(1,786)	-
	Net cash used in investing activities	**247,155**	**(230,609)**
C.	**Cash flow from financing activities:**		
	Proceeds from fresh issue of share capital	-	236,110
	Net cash from/used in financing activities	**-**	**236,110**
	Net increase/decrease in cash & cash equivalents	**2,957**	**2,066**
	Opening balance of cash and cash equivalents (April 01, 2016/April 01, 2015)	**2,066**	**-**
	Closing balance of cash and cash equivalents	**5,023**	**2,066**
	Cash and cash equivalents comprise		
	Cash in hand	-	-
	Balance with scheduled banks		
	-in current accounts	5,023	2,066
	Total cash and cash equivalents	**5,023**	**2,066**

Notes : -

1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 .
2. Figures in brackets indicate cash outflow.
3. The above balance sheet should be read in conjunction with the accompanying notes.

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of the Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
Director)

Murlee Manohar Jain
(Director)

Place: New Delhi
Date: May 26, 2017

STATEMENTS OF CHANGES IN EQUITY

a. Equity Share Capital

Particulars	Amount (₹000)
As at March 31, 2016	**500**
Changes in equity share capital during the year	-
As at March 31, 2017	**500**

b. Other Equity (Rs. '000)

Particulars	Equity component of financial instruments	Reserves & Surplus Retained Earnings	Total
Balance as at 31 March 2016	213,980	(63,315)	**150,665**
Profit for the year		19,527	**19,527**
Balance as at 31 March 2017	**213,980**	**(43,788)**	**170,192**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is Statement of Equity referred to in our report of even date.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of the Board of Directors

Chintan Thakkar
Director)

Murlee Manohar Jain
(Director)

Place: New Delhi
Date: May 26, 2017

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1. Reporting Entity

Smartweb Internet Services Limited (the company) is a limited company domiciled in India and incorporated on September 23rd, 2015 under the provisions of the Companies Act applicable in India. The company is a wholly owned subsidiary of Info Edge (India) Limited

2. Significant Accounting Policies

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

A. Basis of Preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

For all the periods upto and including the period ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules 2006 (as amended) and other relevant provisions of the Act.

These financial statements for the year ended March 31, 2017 are the first financial statement prepared in accordance with Ind AS. Refer Note 24 for an explanation of how the transition from previous accounting standards (GAAP) to Ind AS has affected the company's financial position, financial performance and cash flows.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value and

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. Foreign Currency Transactions

Functional and presentation currency

Items included in the financial statements of company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is Smartweb Internet Services Limited's functional and presentation currency.

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss

C. Other Income

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding at the rate applicable and where no significant uncertainty as to measurability or collectability exists.

D. Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

E. Provisions

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

F. Cash and cash equivalents

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

G. Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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

H. Investments and other financial assets

(i) Classification

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

- those to be measured subsequently at fair value through profit or loss), and
- those measured at amortised cost.

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

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

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

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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

I. Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

J. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

K. Rounding of Amounts

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

3. FINANCIAL ASSETS

(a) NON CURRENT INVESTMENTS

Particulars	As at Mar 31, 2017			As at Mar 31, 2016		
	Number of Share	Face Value per share (In ₹ **)	(₹ '000)	Number of Share	Face Value per share (In ₹ **)	(₹ '000)
Investments in Equity component of Fellow Subsidiary Company (fully paid up)						
Unquoted						
Allcheckdeals India Private Limited						
Add : Equity component of debt instruments	-	-	23,027	-	-	-
Canvera Digital Technologies Private Limited	-	-	-	34,711	1	14,963
(Nil, Previous year 34711 nos equity shares of face value Rs. 1 each)						
Investments in Preference shares of Associate Companies						
Canvera Digital Technologies Private Limited	-	-	-	982,063	1	459,425
Less: Diminution in value of investments (Refer note below)			-			(36,566)
Less : Loss on measurement at FVTPL			-			(22,171)
Investments in Debentures of Other Companies						
All Check Deals Pvt. Limited						
-0.0001% compulsorily convertible debentures into redeemable preference shares	253,550	100	25,355	-	-	-
Less : Equity component of debt instruments			(23,027)			-
Add : Interest income on present value			23			-
			25,378			**415,651**

Note: During previous year, a diminution in the carrying value of investment in respect of Canvera Digital Technologies Private Limited amounting to ₹ 36,566 Thousands was made.

(b) CASH & CASH EQUIVALENTS

Particulars	Non-current		Current	
	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)
Balances with bank - current account	-	-	50	2,066
Fixed deposit accounts with original maturity of less than 3 months	-	-	4,973	-
	-	**-**	**5,023**	**2,066**

(c) LOANS

Particulars	Non-current		Current	
(Unsecured, considered good unless otherwise stated)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)
Inter Corporate loan (Refer note 18)	-	-	164,092	-
	-	**-**	**164,092**	**-**

(d) OTHER FINANCIAL ASSETS

Particulars	Non-Current		Current	
(Unsecured, considered good unless otherwise stated)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)
Interest accrued on fixed deposits	-	-	103	-
Balance in fixed deposit accounts with original maturity more than 12 months	-	-	1,786	-
	-	**-**	**1,889**	**-**

4. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2017 Amount (Rs. '000)	As at March 31, 2016 Amount (Rs. '000)
Authorised capital		
50,000 Equity Shares of Rs. 10/- each (Previous Year - NIL Equity Shares of Rs 10/- each)	**500**	**500**
35,00,000 Preference Shares of Rs. 100/- each (Previous Year - NIL Preference Shares of Rs 100/- each)	**350,000**	**350,000**
Issued, subscribed and paid-up capital		
50,000 Equity Shares of Rs 10/- each, fully paid up (Previous Year - NIL Equity Shares of Rs 10/- each)	500	500
	500	**500**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2017 No of Shares	As at March 31, 2017 Amount (Rs.'000)	As at March 31, 2016 No of Shares	As at March 31, 2016 Amount (Rs.'000)
Equity Shares				
At the beginning of the period	50,000	500.00	-	-
Add: Issued during the period	-	-	50,000	500.00
Outstanding at the end of the period	**50,000**	**500.00**	**50,000**	**500.00**

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company

Particulars	FY 2016-17		FY 2015-16	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of Rs 10 each fully paid				
Info Edge (India) Ltd	48,994	97.99%	48,994	97.99%
	48,994	**97.99%**	**48,994**	**97.99%**

5. OTHER EQUITY

Particulars	As at March 31, 2017 (Rs. '000)	As at March 31, 2016 (Rs. '000)
Retained Earnings		
Opening Balance	(63,315)	-
Add: Profit / (Loss) for the year	19,527	(63,315)
Equity Component of Debt Instruments	213,980	213,980
	170,192	**150,665**

6. FINANCIAL LIABILITIES

(a) BORROWINGS

Particulars	Non-Current		Current	
	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)
Debt portion of 23,56,100 Redeemable Preference Shares of Rs. 100/- each	235,610	235,610		
Less: Equity Component	(213,980)	(213,980)		
Add : Interest expense on Present value	4,009	1,123		
	25,639	**22,753**	**-**	**-**

(b) TRADE PAYABLES

Particulars	Non current		Current	
	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)
Trade Payables				
- total outstanding dues of micro enterprises and small enterprises				
- total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	23	17
Non current portion transferred to non current liabilities				
	-	**-**	**23**	**17**

7. OTHER NON-CURRENT/CURRENT LIABILITIES

Particulars	Non current		Current	
	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2016 (₹ '000)
Payable to Holding Company	-	-	-	243,778
- TDS payable	-	-	5	4
	-	**-**	**5**	**243,782**

8. CURRENT TAX LAIBILITY (NET)

Particulars	Non current		Current	
	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)	As at March 31, 2017 (₹ '000)	As at March 31, 2016 (₹ '000)
Provision for tax	**-**	**-**	80	**-**
Advance Tax (TDS)	-	-	(57)	-
	-	**-**	**23**	**-**

9. OTHER INCOME

Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Interest income on fixed deposits with banks	118	-
Net gain/(loss) on financial assets mandatorily measured at FVTPL	22,171	(22,171)
Interest on Financial Assets	23	-
Interest on Inter Company deposits	447	-
	22,759	**(22,171)**

10. FINANCE COSTS

Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Interest cost on financial liabilities at amortised cost	2,886	1,123
	2,886	**1,123**

11. ADMINISTRATION AND OTHER EXPENSES

Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Legal and professional charges	203	128
Miscellaneous expenses	16	3,297
Auditor's Remuneration	23	17
Rent	24	13
	266	**3,455**

12. AUDITORS REMUNERATION

Particulars	Year ended March 31,2017 (₹ '000)	Year ended March 31,2016 (₹ '000)
Audit Fees	20	15
Service Tax	3	2
	23	**17**

13. Exceptional Items

Particulars	March 31, 2017 (₹ '000)	March 31, 2016 (₹ '000)
Diminution in value of an investment in an associate (Refer note a below)	-	36,566
	-	**36,566**

During previous year, a diminution in the carrying value of investment in respect of Canvera Digital Technologies Private Limited amounting to ₹ 36,565.62 Thousands (represented by investments in Preference shares of ₹ 4,59,425 thousand) was made.

14. Earnings Per Share

Particulars	Year Ended March 31, 2017 (Rs.)	Year Ended March 31, 2016 (Rs.)
Profit / (Loss) attributable to Equity Shareholders	19,527,000	(63,315,000)
Basic		
Weighted average number of Equity Shares outstanding during the year (Nos.)	50,000	50,000
Basic EPS of Rs. 10 each	391	(1,266)
Diluted		
Weighted average number of Equity Shares outstanding during the year (Nos.)	50,000	50,000
Weighted average number of shares outstanding for diluted EPS	50,000	50,000
Diluted EPS of Rs. 10 each	391	(1,266)

15. (1) Related Party Disclosures for the year ended March 31, 2017

A) List of related parties

Holding Company

Info Edge (India) Limited

Fellow Subsidiary Company

Allcheckdeals India Pvt Ltd.

Startup Investments (Holding) Ltd

B) Details of transactions with related party in the ordinary course of business: **Amount (Rs. '000)**

Nature of relationship / transaction	Holding Company	Fellow Subsidiary	Jointly controlled Company	Total
1. Sale of Equity Shares of Canvera Digital Tech. (P) Ltd.	-	14,963	-	14,963
2. Sale of Preference Shares of Canvera Digital Tech. (P) Ltd.	-	459,425	-	459,425
3. Investment in Debentures	-	25,355	-	25,355
4. Interest income on advance given	-	395	53	447
5. Rent Expense	24	-	-	24
6. Advances given for business purposes	-	-	10,047	10,047
7. Advances	-	154,044	-	154,044

C) Amount due to/from related parties as at March 31, 2017 **Amount (Rs. '000)**

Nature of relationship / transaction	Holding Company	Fellow Subsidiary	Jointly controlled Company	Total
Debit Balances				
Outstanding Advances	-	154,044	10,047	164,092
Maximum Amount outstanding during the year	-	462,822	10,047	472,870
Credit Balances				
Outstanding Payable	-	-	-	-
Maximum Amount outstanding during the year	243,796	-	-	243,796

15. (2) Related Party Disclosures for the year ended March 31, 2016

A) List of related parties

Holding Company

Info Edge (India) Limited

Associate Company

Canvera Digital Tech. (P) Ltd

Key Management Personnel (KMP) & Relatives

Mr Chintan Thakkar

Mr Sudhir Bhargava

Mr Murlee Manohar Jain

B) Details of transactions with related party in the ordinary course of business: **Amount (Rs. '000)**

Nature of relationship / transaction	Holding Company	Fellow Subsidiary	Jointly controlled Company	Total
1. Issue of Preference Shares	235,610	-	-	235,610
2. Issue of Equity Shares	500	-	-	500
3. Investment in Equity Shares of Canvera Digital Tech. (P) Ltd.	14,963	-	-	14,963
4. Investment in Preference Shares of Canvera Digital Tech. (P) Ltd.	229,425	-	230,000	459,425
5. Rent Expense	13	-	-	13

C) Amount due to/from related parties as at March 31, 2016 **Amount (Rs. '000)**

Nature of relationship / transaction	Holding Company	Fellow Subsidiary	Jointly controlled Company	Total
Debit Balances				
Outstanding Advances	-	-	-	-
Maximum Amount outstanding during the year	-	-	-	-
Credit Balances				
Outstanding Payable	243,778	-	-	243,778
Maximum Amount outstanding during the year	13	-	-	13

16. During the year the Company has sold 34,711 equity shares and 9,82,063 compulsory convertible cumulative redeemable preference shares of Canvera Digital Technologies Private Limited amounting to Rs. 14,963 thousand and Rs. 400,117 thousand respectively.

17. During the year the Company has invested in 253,550 nos debentures of face value of Rs. 100 per debenture in AllCheckDeals India Pvt Ltd amounting to Rs. 25,235 thousands. Original amount of these instruments have to be compulsorily segregated into Debt and Equity component as per IND AS 109 using a cash flow discounted at market lending rate prevailing as on March 31, 2017. The resultant equity and debt components have been adequate classified under Note 3(a) - Non Current Investments.

18. During the year, The Company has issued Inter-Corporate Loans to Happliy Unmarried Pvt Ltd (HUM) amounting to Rs.10,047 thousand and Startup investments holding Ltd. amounting to Rs. 154,044 thousands for working capital and corporate requirements.

19. Neither there was Cash in hand at close of business hours on November 8, 2016 nor there were any receipts, withdrawals and / or depoists between November 8, 2016 and December 30, 2016. Hence there is no requirement to disclose information pursuant to notification no. 244 dated 30.03.2017, issued by Ministry of Corporate affairs, details of the specified bank notes held & transacted during the said period.

20. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

21. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable on the company since there was no employee employed by the company during the year.

22. Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

a) Income Tax expense

Particulars	**Year ended March 31, 2017 (₹ 000)**	**Year ended March 31, 2016 (₹ 000)**
Current tax on profit for the year	80	-
Total	**80**	**-**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	**Year ended March 31, 2017 (₹ 000)**	**Year ended March 31, 2016 (₹ 000)**
Profit/ (Loss) before tax	19,607	(26,749)
Tax @ 29.8696%	**5,857**	**-**
Tax adjustment effect of amounts which are not deductible (taxable) in calculating taxable income:		
- Interest Expense on Financial Liabilities	862	
- Net (gain)/loss on financial assets mandatorily measured at FVTPL	(6,622)	
- Interest Income on Financial Assets	(7)	
- Brought Forward Loss	(9)	
Total	**80**	**-**

There is no taxable income for the year ended March 31, 2016, hence no tax provision and reconciliation thereof

23. FAiR VALUE MEASUREMENTS

a) Financial instruments by category (₹000)

Particulars	March 31, 2017		March 31, 2016	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Investments	-	2,351	400,688	-
Cash and cash equivalents		5,023		2,066
Loans/Receivable		164,092		-
Other financial assets		1,889		-
Total Financial Assets	**-**	**173,355**	**400,688**	**2,066**
Financial Liabilities				
Borrowings		25,639		22,753
Trade payables		23		17
Other financial liabilities		-		-
Total Financial Liabilities	**-**	**25,662**	**-**	**22,770**

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit or loss.To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

b) Fair value hierarchy for assets and liabilities

Financial assets measured at fair value at March 31, 2017

	Level 1	Level 2	Level 3	Total
Financial Assets				
- Preference Shares	-	-	-	-

Financial assets measured at fair value at March 31, 2016

	Level 1	Level 2	Level 3	Total
Financial Assets				
- Preference Shares			400,688	400,688

c) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

d) Financial assets and liabilities measured at amortised cost

The carrying amounts of loans, trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

24. FINANCIAL RISK AND CAPITAL MANAGEMENT

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors.

a) Credit risk

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company is primarily engaged in investments in technology companies; and borrows short term and long term funds from holding & group companies to meet the fund requirements.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. payments and exclude the impact of netting agreements.

	Contractual cash flows (Rs. '000)				
March 31, 2017	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**
Non-derivative financial liabilities					
Trade payables	23	23	-	-	-
Borrowings	25,639	-	-	-	25,639

	Contractual cash flows (Rs. '000)				
March 31, 2016	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**
Non-derivative financial liabilities					
Trade and other payables	17	17	-	-	-
Borrowings	22,753	-	-	-	22,753

The amount disclosed in the above table represent the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not signficant.

(c) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

₹ 000

	31 March 2017	31 March 2016
Fixed-rate instruments		
Financial assets	6,759	-
Financial liabilities	25,639	22,753
Total	**32,398**	**22,753**

B) Capital management

a) Risk management

The Comapny's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, and borrowings

b) Dividend

The Company did not pay any dividend during the year

25. First time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

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

1 Ind AS optional exemptions

a) Business Combination

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for investment in associates and joint ventures.

b) 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 recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

c) Share-based payment transactions

Ind AS 101 provides the option to apply Ind AS 102 only on ESOP that are unvested on the transition date

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

2 Ind AS madatory exemptions

a) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

c) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (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 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL; and
- Impairment of financial assets based on expected credit loss model.

3 Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as on March 31, 2016

Particulars	Note	Previous GAAP * (₹ '000)	Adjustment	Ind AS (₹ '000)
ASSETS				
Non-current assets				
Financial assets				
(i) Investments	1	437,822	(22,171)	415,651
Current Assets				
Financial assets				
(iii) Cash and cash equivalents		2,066	(0)	2,066
Total Assets		**439,889**	**(22,172)**	**417,717**
EQUITY & LIABILITIES				
EQUITY				
Share capital	2	236,110	(235,610)	500
Other equity	1,2	(40,021)	190,686	150,665
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	2	-	22,753	22,753
Current liabilities				
Financial liabilities				
(i) Trade payables		17	(0)	17
Other current liabilities		243,782	(0)	243,782
TOTAL EQUITY AND LIABILITIES		**439,889**	**(22,172)**	**417,717**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total equity as at March 31, 2016 (Rs. '000)

Particulars	March 31, 2016
Total equity (shareholder's funds) as per previous GAAP	196,089
Adjustments :	
Loss on financial assets mandatorily measured at FVTPL	(22,171)
Liability component of preference shares	(22,753)
Total adjustments	(44,924)
Total equity as per Ind AS	151,165

Reconciliation of total comprehensive income for the period March 31, 2016

Particulars	Note	Previous GAAP* (₹ '000)	Adjustment	Ind AS (₹ '000)
Income				
Other income	1	-	(22,171)	(22,171)
I Total Income		**-**	**(22,171)**	**(22,171)**
Expenditure				
Administration and other expenses		3,455	(0)	3,455
II Total Expense		**3,455**	**(0)**	**3,455**
III. Profit before exceptional items and tax (I-II)		**(3,455)**		**(25,626)**
IV. Exceptional items		36,566	0	36,566
Total comprehensive income for the year (III - IV)		**(40,021)**	**(22,171)**	**(62,192)**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

1. **Fair valuation of Investments**

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value/amortised cost. The resulting fair value changes/amortisation of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31 March 2016. This increased/(decreased) the other equity by Rs. (22,170) thousand as at 31 March 2016 and decrease in investment value by the same amount.

2. **Fair valuation of Debt instruments**

   Under the previous GAAP, Complusorily convertible Preference share Capital were carried at Face Value. Under Ind AS, these instruments are to be compulosrily segregated into Debt and equity portion and the value of debt portion is calculated using a cash flow discounted at current landing rate and the equity portion has to be realized in Other quity . The resulting valuation of the debt portion have been recognised in Borrowings as at the date of transition. This increased/(decreased) the share capital by Rs. (2,35,610) thousand along with increase/ (decrease) in Other Equity by Rs. 2,12,857 thousand and increase/ (decrease) in the borrowings by Rs. 22,753 thousand as at 31st March 2016.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 26, 2017

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Murlee Manohar Jain
(Director)

JEEVANSATHI INTERNET SERVICES PRIVATE LIMITED

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present the 18th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2017.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company owns & holds the domain names & related trademarks of the Company.

During the year under review, it had net revenue of Rs.100 thousand, similar to the Rs.100 thousand revenue during the previous financial year. The company made a profit of Rs. 29 thousand in FY 2017 as against Rs. 26 thousand in FY 2016.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There has been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting.

In accordance with Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board, has recommended the re-appointment of M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants, as Statutory Auditors of Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 to the shareholders for approval in the ensuing AGM. Pursuant to first Proviso to Section 139, the said appointment, if approved by shareholders, shall be placed for ratification at every Annual General Meeting.

M/s. Sharma Goel & Co. LLP, Chartered Accountants, have furnished a certificate of their eligibility as per Section 141 of the Companies Act, 2013 and have provided their consent for appointment as Statutory Auditors of the Company.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualification, reservation or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Chintan Arvind Thakkar, Director (DIN: 00678173), retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 4 times during the year under review on May 20, 2016, July 22, 2016, October 28, 2016 and February 27, 2017.

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company did not give or make any Loans, guarantee or investment during the year.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year Company did not enter into any transaction with related parties that could be considered material or requires disclosure in terms of prescribed Form AOC-2. Details of related party transactions are present under Note no. 12 to the notes to financial statement.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure A and is attached to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

	Hitesh Oberoi	Chintan Thakkar
	(Director)	(Director)
Place: Noida	DIN: 01189953	DIN: 00678173
Date: May 26, 2017		

ANNEXURE-A

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U72900DL1999PTC102749

ii. Registration Date:- December 9, 1999

iii. Name of the Company:- Jeevansathi Internet Services Pvt. Ltd.

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-
Ground Floor, GF-12A,
94, Meghdoot Building, Nehru Place,
New Delhi, 110019
Tel. No. +91 120-3082000, Fax: 0120-3082095
Email: investors@naukri.com
Website: -N.A.

vi. Whether listed company:- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any:- N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	IT Services	63121	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	100	2(87)(ii)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
Promoter Shareholding-Bodies Corporate	-	10,000*	10,000	100	-	10,000*	10,000	100	Nil
Grand Total	-	**10,000***	**10,000**	**100**	**-**	**10,000***	**10,000**	**100**	**Nil**

* 100 (one hundred) Shares each of the Company are held by Mr. Sanjeev Bikhchandani & Ms. Surabhi Bikhchandani as a nominee of Info Edge (India) Ltd.

ii. Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	10,000	100	0.00	10,000	100	0.00	Nil

iii. Change in Promoter's Shareholding : No Change

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil

v. **Shareholding of Directors and Key managerial Personnel**

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1	Sanjeev Bikhchandani	100 (as nominee of Info Edge India Ltd.)	1	-	-	-	100 (as nominee of Info Edge India Ltd.)	1

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL- Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

INDEPENDENT AUDITOR'S REPORT

To the Members of **JEEVANSATHI INTERNET SERVICES PRIVATE LIMITED**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Jeevansathi Internet Services Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income) the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 and presentation of these Ind AS financial statements that give a true and fair view of the State of affairs (financial position), profit or loss (financial performance including other comprehensive income),and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act, of the state of affairs(financial position) of the Company as at March 31, 2017 and its Profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;

   e) on the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

f) with respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in '**Annexure B**'; and

g) With respect to the other matters to be included in 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.

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.

IV. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the company.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditor's Report to the members of **JEEVANSATHI INTERNET SERVICES PRIVATE LIMITED** on the financial statement of the year ended March 31, 2017, we report that:

i) The company does not have any Fixed Assets. Accordingly, clause 3(i) of the order is not applicable.

ii) The company does not have any inventory. Accordingly, clause 3(ii) of the order is not applicable.

iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable.

iv) In our opinion and according to the information and explanation given to us, the Company has neither given any loan nor made any investment, hence clause 3(iv) of the order is not applicable to the Company.

v) The Company has not accepted any deposit from the public. Accordingly, Paragraph 3(v) of the order is not applicable.

vi) The Company is not required to maintain the cost records and accounts prescribed by the Central Government under Section 148(1) of the Companies Act 2013.

vii) a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2017 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2017 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.

viii) In our opinion, the Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), accordingly clause 3(ix) of the Order is not applicable.

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

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the company is has not paid managerial remuneration .Accordingly, clause 3(xi) of the Order is not applicable.

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

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

xiv) The Company has not made preferential allotment or private placement of equity shares. Accordingly, clause 3(xiv) of the Order is not applicable.

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

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

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **JEEVANSATHI INTERNET SERVICES PRIVATE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note	As at March 31,2017 (Rs.'000)	As at March 31,2016 (Rs.'000)	As at April 01,2015 (Rs.'000)
Current Assets				
Financial assets				
(i) Cash and cash equivalents	3 (a)	155	355	259
(ii) Other financial assets	3 (b)	178	0	42
Current tax assets (net)	4	14	17	27
TOTAL ASSETS		**347**	**372**	**328**
EQUITY & LIABILITIES				
EQUITY				
Equity Share capital	5	100	100	100
Other equity	6	170	141	114
Current liabilities				
Financial liabilities				
(i) Trade payables	7	77	131	114
TOTAL EQUITY AND LIABILITIES		**347**	**372**	**328**

The above balance sheet should be read in conjunction with the accompanying notes.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

Place: New Delhi
Date: May 26, 2017

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2017

Particulars	Note No.	Year ended March 31, 2017 (Rs.'000)	Year ended March 31, 2016 (Rs.'000)
Income			
Revenue from operations	8	100	100
Other income	9	9	1
I Total Income		**109**	**101**
Expenditure			
Administration and other expenses	10	67	62
Depreciation and amortisation expense	11	-	1
II Total Expense		**67**	**63**
III. Profit / (Loss) before tax (I-II)		**42**	**38**
IV. Tax expense		13	12
V. Profit for the year (III-IV)		**29**	**26**
Earning per equity share:			
(1) Basic (Rs.)		2.90	2.60
(2) Diluted (Rs.)		2.90	2.60

The above statement of profit and loss should be read in conjunction with the accompanying notes.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

Place: New Delhi
Date: May 26, 2017

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2017

S.No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
		(₹000)	(₹000)
A.	**Cash flow from operating activities:**		
	Profit before tax	**43**	**39**
	Operating profit before working capital changes	**43**	**39**
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Current tax assets (net)	(10)	42
	- INCREASE/(DECREASE) in Trade payables	(54)	17
	- (INCREASE)/DECREASE in Other financial assets	(8)	-
	Cash generated from operating activities	**(29)**	**98**
	- Taxes Paid (Net of TDS)	(10)	(2)
	Net cash from operating activities	**(39)**	**96**
₹			
B.	**Cash flow from Investing activities:**		
	Other Income	9	-
	Maturity of/(Investment in) fixed deposits (net)	(170)	-
	Net cash used in investing activities	**(161)**	**-**
C.	**Cash flow from financing activities:**	-	-
	Net cash from/used in financing activities	**-**	**-**
	Net increase/decrease in cash & cash equivalents	**(200)**	**96**
	Opening balance of cash and cash equivalents (April 01, 2016/April 01, 2015)	**355**	**259**
	Closing balance of cash and cash equivalents	**155**	**355**
	Cash and cash equivalents comprise		
	Cash in hand	-	-
	Balance with scheduled banks		
	-in current accounts	155	355
	Total	**155**	**355**

Notes : -

1. The above Cash Flow Statement has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) (Companies (Indian Accounting Standards) Rules, 2015, as amended.
2. Figures in brackets indicate cash outflow.
3. The above statement of cash flows should be read in conjunction with the accompanying notes.

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sudhir Bhargava
(Director)

Place: New Delhi
Date: May 26, 2017

STATEMENTS OF CHANGES IN EQUITY

a. Equity share capital

Particulars	**(Rs. '000)**
As at April 01, 2015	**100.00**
Changes in equity share capital	-
As at March 31, 2016	**100.00**
Changes in equity share capital	-
As at March 31, 2017	**100.00**

b. Other equity

	Reserve and Surplus	
Particulars	**Retained Earnings**	**Total (Rs. '000)**
Balance as at 01 April 2015	114	114
Profit for the year	27	27
Balance as at 31 March 2016	**141**	**141**

	Reserve and Surplus	
Particulars	**Retained Earnings**	**Total (Rs. '000)**
Balance as at 31 March 2016	**141**	**141**
Profit for the year	29	29
Total Comprehensive Income for the year	-	-
Balance as at 31 March 2017	**170**	**170**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is Statement of Equity referred to in our report of even date.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sudhir Bhargava
(Director)

Place: New Delhi
Date: May 26, 2017

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1. Reporting Entity

Jeevansathi Internet Services Private Limited (the company) is a private limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The company is a wholly owned subsidiary of Info Edge (India) Ltd.

2. Significant Accounting Policies

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

A. Basis of Preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

For all the periods upto and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules 2006 (as amended) and other relevant provisions of the Act.

These financial statements for the year ended March 31, 2017 are the first financial statement prepared in accordance with Ind AS.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value and

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. Foreign Currency Transactions

Functional and presentation currency

Items included in the financial statements of company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is Startup Internet Services Limited's functional and presentation currency.

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss

C. Revenue Recognition

Jeevansathi Internet Services Pvt. Ltd. has entered into an agreement with Info Edge (India) Ltd. dated 13th September 2005 whereby the management and day to day running of the operation of the former company will be done by the later and in lieu of it the later will be paying an annual license fee of Rs 100,000/- to Jeevansathi Internet Services Pvt. Ltd. as License fee for usage of its domain name(s), trade mark(s) etc.

D. Other Income

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding at the rate applicable and where no significant uncertainty as to measurability or collectability exists.

E. Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

F. Provisions

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

G. Cash and cash equivalents

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

H. Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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

I. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

J. Investments and other financial assets

(i) Classification

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

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

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

(ii) Measurement

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

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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Derecognition of financial assets

A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset

K. Rounding of Amounts

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

3. FINANCIAL ASSETS

(a) CASH & BANK BALANCES

Particulars	Non-Current			Current		
	As at March 31, 2017 (Rs.'000)	As at March 31, 2016 (Rs.'000)	As at April 1, 2015 (Rs.'000)	As at March 31, 2017 (Rs.'000)	As at March 31, 2016 (Rs.'000)	As at April 1, 2015 (Rs.'000)
Cash & cash equivalents						
Bank balance - current account	-	-	-	155	355	259
	-	**-**	**-**	**155**	**355**	**259**

(b) OTHER FINANCIAL ASSETS

Particulars	Non-Current			Current		
(Unsecured, considered good unless otherwise stated)	As at March 31, 2017 (Rs.'000)	As at March 31, 2016 (Rs.'000)	As at April 1, 2015 (Rs.'000)	As at March 31, 2017 (Rs.'000)	As at March 31, 2016 (Rs.'000)	As at April 1, 2015 (Rs.'000)
Interest accrued on fixed deposits				8		
Amount receivable from holding company	-	-	-	-	-	42
Balance in fixed deposit accounts with original maturity more than 12 months	-	-	-	170	-	-
	-	**-**	**-**	**178**	**-**	**42**

4. Current tax assets (net)

Particulars	Non-Current			Current		
(Unsecured, considered good unless otherwise stated)	As at March 31, 2017 (Rs.'000)	As at March 31, 2016 (Rs.'000)	As at April 1, 2015 (Rs.'000)	As at March 31, 2017 (Rs.'000)	As at March 31, 2016 (Rs.'000)	As at April 1, 2015 (Rs.'000)
- Advance tax	-	-	-	227	217	215
Less: provision for tax	-	-	-	(213)	(200)	(188)
	-	**-**	**-**	**14**	**17**	**27**

5. SHARE CAPITAL

Particulars	As at March 31, 2017 (Rs.'000)	As at March 31, 2016 (Rs.'000)	As at April 1, 2015 (Rs.'000)
AUTHORISED CAPITAL			
10,000 Equity Shares of Rs. 10/- each (Previous Year - 10,000 Equity Shares of Rs 10/- each)	100	100	100
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL			
10,000 Equity Shares of Rs 10/- each, fully paid up (Previous Year - 10,000 Equity Shares of Rs 10/- each)	100	100	100
	100	**100**	**100**

a. **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at March 31, 2017 No of Shares	As at March 31, 2017 (Rs.'000)	As at March 31, 2016 No of Shares	As at March 31, 2016 (Rs.'000)
Equity Shares				
At the beginning of the period	10,000	100	10,000	100
Add: Issued during the period	-	-	-	-
Outstanding at the end of the period	**10,000**	**100**	**10,000**	**100**

b. **Terms/Rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

c. **Details of shareholders holding more than 5% shares in the Company**

Particulars	As at March 31, 2017		As at March 31, 2016	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of Rs 10 each fully paid				
Info Edge (India) Ltd	9,800	98.00	9,800	98.00
(excluding Two hundred shares held by Nominee shareholders)				
	9,800	**98.00**	**9,800**	**98.00**

6. **Other Equity**

Particulars	As at March 31, 2017 (Rs.'000)		As at March 31, 2016 (Rs.'000)	
Surplus in Statement of Profit and Loss				
Opening Balance	141		114	
Add:Profit for the year	29	170	27	141
		170		**141**

7. **FINANCIAL LIABILITIES**

TRADE PAYABLES

Particulars	Non-Current			Current		
	As at March 31, 2017 (Rs.'000)	As at March 31, 2016 (Rs.'000)	As at April 1, 2015 (Rs.'000)	As at March 31, 2017 (Rs.'000)	As at March 31, 2016 (Rs.'000)	As at April 1, 2015 (Rs.'000)
Trade Payables						
- total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	77	131	114
Non current portion transferred to non current liabilities	-	-	-	-	-	-
	-	**-**	**-**	**77**	**131**	**114**

8. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2017 (Rs.'000)	Year ended March 31, 2016 (Rs.'000)
License Fee	100	100
	100	**100**

9. OTHER INCOME

Particulars	Year ended March 31, 2017 (Rs.'000)	Year ended March 31, 2016 (Rs.'000)
Interest received/receivable on non current fixed deposit with banks	9	-
Interest on income tax refund	-	1
	9	**1**

10. ADMINISTRATION AND OTHER EXPENSES

Particulars	Year ended March 31, 2017 (Rs.'000)	Year ended March 31, 2016 (Rs.'000)
Auditor's Remuneration	23	17
Professional Charges	19	16
ROC Fees	1	5
Rent-Delhi-Nehru Place,GF-12A	24	24
	67	**62**

11. DEPRECIATION AND AMORTISATION

Particulars	Year ended March 31, 2017 (Rs.'000)	Year ended March 31, 2016 (Rs.'000)
Depreciation of tangible assets	-	1
	-	**1**

12. (1) Related Party Disclosures for the year ended March 31, 2017

A) List of Related Parties

Holding Company

Info Edge (India) Limited

B) Details of transactions with related party in the ordinary course of business: **(Rs. '000)**

Nature of relationship / transaction	Holding Company	Total
1. License Fees	100	100
2. Rent expense	24	24

C) Amount due to/from related parties as at March 31, 2017 **(Rs. '000)**

Nature of relationship / transaction	Holding Company	Total
Debit Balances		
Outstanding Advances	0	0
Maximum Amount outstanding during the year	66	66
Credit Balances		
Outstanding Payable	-	-
Maximum Amount outstanding during the year	-	-

12. (2) Related Party Disclosures for the year ended March 31, 2016

A) List of Related Parties

Holding Company

Info Edge (India) Limited

B) Details of transactions with related party in the ordinary course of business: **(Rs. '000)**

Nature of relationship / transaction	Holding Company	Total
1. License Fees	100	100
2. Rent expense	24	24

C) Amount due to/from related parties as at March 31, 2016 **(Rs. '000)**

Nature of relationship / transaction	Holding Company	Total
Debit Balances		
Outstanding Advances	102	102
Credit Balances		
Outstanding Payable	-	-

13. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

14. Neither there was Cash in hand at close of business hours on November 8, 2016 nor there were any receipts, withdrawals and / or depoists between November 8, 2016 and December 30, 2016. Hence there is no requirement to disclose information pursuant to notification no. 244 dated 30.03.2017, issued by Ministry of Corporate affairs, details of the specified bank notes held & transacted during the said period.

15. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable on the company since there was no employee employed by the company during the year.

16. First time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, refer below for details:

A. Exemptions and exceptions availed

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

1 Ind AS optional exemptions

a) Business Combination

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for investment in associates and joint ventures.

b) 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 recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

c) Share-based payment transactions

Ind AS 101 provides the option to apply Ind AS 102 only on ESOP that are unvested on the transition date

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

2 Ind AS madatory exemptions

a) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

b) **Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

c) **Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (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 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL.

3 Reconciliation of equity as on 31.03.2016

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Particulars	Note	Indian GAAP (Rs.'000)	Adjustment	Ind AS (Rs.'000)
ASSETS				
Current Assets				
Financial assets				
(i) Cash and cash equivalents		355.00	-	355.00
(ii) Bank balances other than (i) above		-	-	-
(ii) Other financial assets		-	-	-
Current tax assets (net)		17.00	-	17.00
Total Assets		**372.00**		**372.00**
EQUITY & LIABILITIES				
EQUITY				
Equity Share capital		100.00		100.00
Other equity		141.00	-	141.00
Current liabilities				
Financial liabilities				
(i) Trade payables		131.00	-	131.00
TOTAL EQUITY AND LIABILITIES		**372.00**		**372.00**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

4 **Reconciliation of equity as on 01.04.2015**

Particulars	Note	Indian GAAP (Rs.'000)	Adjustment	Ind AS (Rs.'000)
ASSETS				
Current Assets				
Financial assets				
(i) Cash and cash equivalents		259.00	-	259.00
(ii) Bank balances other than (i) above		-	-	-
(ii) Other financial assets		42.00	-	42.00
Current tax assets (net)		27.00	-	27.00
Total Assets		**328.00**		**328.00**
EQUITY & LIABILITIES				
EQUITY				
Equity Share capital		100.00	-	100.00
Other equity		114.00	-	114.00
LIABILITIES				
Current liabilities				
Financial liabilities				
(i) Trade payables		114.00	-	114.00
TOTAL EQUITY AND LIABILITIES		**328.00**		**328.00**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of profit for the year ended 31.03.2016

Particulars	Note	Indian GAAP (₹000)	Adjustment	Ind AS (₹000)
Revenue				
I Revenue from operations		100.00	-	100.00
II Other income		1.00	-	1.00
III Total Revenue		**101.00**		**101.00**
Expenditure				
Employee benefits expense		-	-	-
Finance costs		-	-	-
Depreciation and amortisation expense		1.00	-	1.00
Advertising and promotion cost		-	-	-
Administration and other expenses		62.00	-	62.00
Network, internet and other direct charges		-	-	-
IV Total Expense		**63.00**		**63.00**
V. Profit / (Loss) before exceptional items and tax (III-IV)		**38.00**		**38.00**
VI. Exceptional items		-	-	-
VII. Profit / (Loss) before tax (V-VI)		**38.00**		**38.00**
VIII. Tax expense				
Current tax- (Current period)		12.00	-	12.00
IX. Profit / (Loss) for the year from continuing operations (VII-VIII)		**26.00**	**-**	**26.00**
X. Profit / (Loss) for the year (IX)		**26.00**		**26.00**

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)

Sudhir Bhargava
(Director)

Place: New Delhi
Date: May 26, 2017

STARTUP INTERNET SERVICES LIMITED

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present the 2nd Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2017.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company made a loss of Rs. 43 thousand in the financial year 2016-17 as compared to loss of Rs. 673 thousand in the financial year 2015-16.

SHARE CAPITAL

During the year under review, the paid up capital of the Company was increased to Rs. 85,00,000/- (Rupees Eighty Five Lakh) (consisting of 50,000 Equity shares of Rs. 10/- each and 80,000 Cumulative Redeemable Preference Shares of Rs. 100/- each) pursuant to allotment of 50,000 – 0.0001% Cumulative Redeemable Preference Shares ("CRPS") of Rs. 100/- each, aggregating to Rs. 50,00,000/- (Rupees Fifty Lacs).

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There has been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting.

In accordance with Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board, has recommended the re-appointment of M/s. Sharma Goel & Co. LLP (FRN-000643N), Chartered Accountants, as Statutory Auditors of Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2020-21 to the shareholders for approval in the ensuing AGM. Pursuant to first Proviso to Section 139, the said appointment, if approved by shareholders, shall be placed for ratification at every Annual General Meeting.

M/s. Sharma Goel & Co. LLP, Chartered Accountants, have furnished a certificate of their eligibility as per Section 141 of the Companies Act, 2013 and have provided their consent for appointment as Statutory Auditors of the Company.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Sanjeev Bikhchandani (DIN: 00065640) is liable to retire by rotation and, being eligible, offers himself for reappointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 6 times during the year under review on May 20, 2016, July 22, 2016, October 28, 2016, November 11, 2016, November 22, 2016 and February 27, 2017.

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company did not make any Loans, guarantee or investment during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year Company did not enter into any transaction with related parties that could be considered material or requires disclosure in terms of prescribed Form AOC-2. Details of related party transactions are present under Note no. 23 of the notes to Financial Statements.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure A and is attached to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

Sanjeev Bikhchandani	Chintan Thakkar
(Director)	(Director)
DIN: 00065640	DIN: 00678173

Place: Noida

Date: May 26, 2017

ANNEXURE-A

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U72200DL2015PLC285985

ii. Registration Date:- October 5, 2015

iii. Name of the Company :- Startup Internet Services Limited

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-

Ground Floor, GF-12A,

94, Meghdoot Building, Nehru Place,

New Delhi, 110019

Tel. No. +91 120-3082000, Fax No. 0120-3082095

Email: murlee.jain@naukri.com

Website: -N.A.

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	To Carry on the business of providing all kind and types of internet, computer, electronic and related services.	63112	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	100	2(87)(ii)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
Promoter Shareholding- Bodies Corporate	-	50,000* (Equity Shares)	50,000 (Equity Shares)	100	-	50,000* (Equity Shares)	50,000 (Equity Shares)	100	-
		30,000 (Preference Shares)	30,000 (Preference Shares)			80,000** (Preference Shares)	80,000 (Preference Shares)	100	166.67
Grand Total	**-**	**50,000* (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**	**50,000* (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**
		30,000 (Preference Shares)	**30,000 (Preference Shares)**	**100**	**-**	**80,000** (Preference Shares)**	**80,000 (Preference Shares)**	**100**	**-**

*6 (six) shares were held by six individuals as nominee of Info Edge (India) Ltd.

** During the year under review 50,000, 0.0001% Cumulative Redeemable Preference Shares (CRPS) of Rs. 100 each were issued to Info Edge (India) Ltd.

ii. **Shareholding of Promoters**

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	50,000 (Equity Shares)	100	0.00	50,000 (Equity Shares)	100	0.00	NIL
		30,000 (Preference Shares)	100	0.00	80,000 (Preference Shares)	100	0.00	166.67

iii. **Change in Promoter's Shareholding :**

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Info Edge (India) Ltd.	50,000 (Equity Shares)	100	-	-	-	50,000 (Equity Shares)	100
		30,000 (Preference Shares)	100	22/11/2016	Subscription of Preference Shares	50,000 (Preference Shares)	80,000 (Preference Shares)	100

iv. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil**

v. **Shareholding of Directors and Key managerial Personnel**

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Chintan Thakkar	1 (one) Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	-	-	-	1 (one) Equity Share (as nominee of Info Edge (India) Ltd.)	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL- Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

INDEPENDENT AUDITOR'S REPORT

To the Members of **STARTUP INTERNET SERVICES LIMITED**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Startup Internet Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income) the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 and presentation of these Ind AS financial statements that give a true and fair view of the State of affairs (financial position), profit or loss (financial performance including other comprehensive income),and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act, of the state of affairs(financial position) of the Company as at March 31, 2017 and its Loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;
   e) on the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
   f) with respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in '**Annexure B**'; and
   g) With respect to the other matters to be included in 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.

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.

IV. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the company.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditor's Report to the members of **STARTUP INTERNET SERVICES LIMITED** on the financial statement of the year ended March 31, 2017, we report that:

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

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

c) The company does not have any immovable assets. Accordingly, the paragraph 3 (i) (c) of the order is not applicable.

ii) The company does not have any inventory. Accordingly, clause 3(ii) of the order is not applicable.

iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable.

iv) In our opinion and according to the information and explanation given to us, the Company has neither give any loan nor made any Investment, hence clause 3(iv) of the order not applicable to the Company.

v) The Company has not accepted any deposit from the public. Accordingly, Paragraph 3(v) of the order is not applicable.

vi) The Company is not required to maintain the cost records and accounts prescribed by the Central Government under Section 148(1) of the Companies Act 2013.

vii) a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2017 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2017 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.

viii) In our opinion, the Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), accordingly clause 3(ix) of the Order is not applicable.

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

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the company is has not paid managerial remuneration .Accordingly, clause 3(xi) of the Order is not applicable.

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

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

xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made preferential placement of preference shares during the year.

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

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

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **STARTUP INTERNET SERVICES LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 26, 2017

BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note No.	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)
ASSETS			
Non-current assets			
Property, plant and equipment	3	70	88
Intangible assets	3	53	-
Intangible assets under development	21	6,308	-
Current Assets			
Financial assets			
(i) Cash and cash equivalents	4	1,702	2,899
(ii) Other financial assets	5	117	-
Current tax assets (net)	6	13	-
Total Assets		**8,263**	**2,987**
EQUITY & LIABILITIES			
EQUITY			
Equity Share capital	7	500	500
Other equity	8	6,550	2,052
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	9	800	286
Current Liabilities			
Financial liabilities			
(i) Trade Payables	10	305	142
Current Tax Liabilities (net)	11	108	7
Total Liabilites		**8,263**	**2,987**

The above balance sheet should be read in conjunction with the accompanying notes.

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

The Schedules referred to above form an integral part of these accounts

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)

Vibhore Sharma
(Director)

Place: New Delhi
Date: May 26, 2017

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Note No	Year Ended March 31, 2017 (Rs.' 000)	Period Ended March 31, 2016 (Rs.' 000)
Revenue from operations		-	-
Other Income	12	132	-
Total Revenue		**132**	**-**
Expenditure			
Administration and other expenses	13	36	656
Finance costs	14	55	11
Depreciation and amortisation expense	3	63	6
Total Expenses		**154**	**673**
Loss before tax		**(22)**	**(673)**
Current tax expense		21	-
Loss for the year		**(43)**	**(673)**
Earning per equity share:	15		
(1) Basic (₹)		(860.00)	(13460.00)
(2) Diluted (₹)		(860.00)	(13,460.00)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the Profit and Loss Account referred to in our report of even date

The Schedules referred to above form an integral part of these accounts

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)

Vibhore Sharma
(Director)

Place: New Delhi
Date: May 26, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	Particulars	For the year ended March 31, 2017 (Rs.' 000)	For the period ended March 31, 2016 (Rs.' 000)
A.	**Cash flow from operating activities:**		
	Loss before tax	**(22)**	**(673)**
	Adjustments for:		
	Interest received on Fixed Deposits	(132)	-
	Depreciation	63	6
	Interest cost on financial assets at amortised cost	55	11
	Operating profit / (loss) before working capital changes	**(36)**	**(656)**
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Other Financial Assets	(117)	-
	- INCREASE/(DECREASE) in Trade Payables	164	149
	- INCREASE/(DECREASE) in Current Tax Liabilities	80	-
	Cash generated/(used) from/for operating activities	**91**	**(507)**
	- Taxes (Paid) / Received (Net of TDS)	(13)	-
	Net Cash generated/(used) from/in operating activities	**78**	**(507)**
B.	**Cash flow from Investing activities:**		
	Interest received on Fixed Deposits	132	-
	Purchase of Property, Plant & Equipment and Intangibles	(98)	(94)
	Expenses Incurred to develop Intangible Assets	(6,308)	-
	Net Cash generated/(used) from/in investing activities	**(6,274)**	**(94)**
C.	**Cash flow from financing activities:**		
	Proceed from fresh issue of Equity share capital	-	500
	Proceed from fresh issue of Preference share capital	5,000	3,000
	Net Cash generated/(used) from/in financing activities	**5,000**	**3,500**
	Net Increase/(Decrease) in Cash & Cash Equivalents	**(1,196)**	**2,899**
	Opening Balance of Cash and cash equivalents	**2,899**	**-**
	Closing Balance of Cash and cash equivalents	**1,703**	**2,899**
	Cash and cash equivalents comprise		
	Cash in hand	-	-
	Balance with Scheduled Banks		
	-in current accounts (net)	1,703	2,899
	Total	**1,703**	**2,899**

Notes :

1 The above Cash Flow Statement has been prepared under the Indirect Method as set out in IND AS 7 on Cash Flow Statement notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provision of the Companies Act, 2013.

2 Figures in brackets indicate cash outflow.

3 The above statement of cash flows should be read in conjunction with the accompanying notes.

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)

Vibhore Sharma
(Director)

Place: New Delhi
Date: May 26, 2017

STATEMENTS OF CHANGES IN EQUITY

a. Equity share capital	
Particulars	**Amount (Rs. 000)**
As at March 31, 2016	**500**
Changes in equity share capital	-
As at March 31, 2017	**500**

b. Other equity

Particulars	Equity component of Preference Shares	Reserves & Surplus Retained Earnings	Total (Rs. 000)
Balance as at 31 March 2016	**2,725**	**(673)**	2,052
(Loss) for the year		(43)	(43)
Equity Component of Preference Shares (Refer note 9 - Borrowings)	4,541	-	4,541
Balance as at 31 March 2017	**7,266**	**(716)**	**6,550**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is Statement of Equity referred to in our report of even date.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)

Vibhore Sharma
(Director)

Place: New Delhi
Date: May 26, 2017

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1. Reporting Entity

Startup Internet Services Limited (the company) is a limited company domiciled in India and incorporated on October 05th, 2015 under the provisions of the Companies Act applicable in India. The company is a wholly owned subsidiary of Info Edge (India) Limited.

2. Significant Accounting Policies

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

A. Basis of Preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

For all the periods upto and including the period ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules 2006 (as amended) and other relevant provisions of the Act.

These financial statements for the year ended March 31, 2017 are the first financial statement prepared in accordance with Ind AS. Refer Note 27 for an explanation of how the transition from previous accounting standards (GAAP) to Ind AS has affected the company's financial position, financial performance and cash flows.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value and

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. Property, plant and equipment (PPE)

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of assets, based on internal assessment and independent technical evaluation done by Management expert which are equal to, except in case of Plant and Machinery, Furniture and Fixtures and Vehicles where useful life is lower than life prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Assets	Estimated useful life (Years)
Mobile phones	2
Software	3

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

Assets costing less than or equal to Rs. 5,000 are fully depreciated pro-rata from date of acquisition.

C. Impairment of Non-Financial Assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (PPE) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit'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 and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

D. Foreign Currency Transactions

Functional and presentation currency

Items included in the financial statements of company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is Startup Internet Services Limited's functional and presentation currency.

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss

E. Other Income

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding at the rate applicable and where no significant uncertainty as to measurability or collectability exists.

F. Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

G. Provisions

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses..

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

H. Cash and cash equivalents

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

I. Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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

J. Investments and other financial assets

(i) Classification

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

- those to be measured subsequently at fair value through profit or loss), and
- those measured at amortised cost.

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

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

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

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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

(iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

K. Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

L. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

M. Rounding of Amounts

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

3. FIXED ASSETS

(Rs. '000)

Description	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at April 1, 2016	Additions during the year	Deletions during the year	As at March 31, 2017	Up to April 1, 2016	Depreciation/ Amortisation for the year	Accumulated Depreciation on Deletions	Up to March 31, 2017	As at March 31, 2017	As at March 31, 2016
Tangible Assets										
Office Equipment	94	33	-	127	6	51	-	57	70	88
Total	**94**	**33**	**-**	**127**	**6**	**51**	**-**	**57**	**70**	**88**
Intangible Assets										
Computer S/w	-	65	-	65	-	12	-	12	53	-
Total	**-**	**65**	**-**	**65**	**-**	**12**	**-**	**12**	**53**	**-**
Current Year	**94**	**98**	**-**	**192**	**6**	**63**	**-**	**69**	**123**	**88**
Previous Year	**-**	**94**	**-**	**94**	**-**	**6**	**-**	**6**	**88**	**-**

4. CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)
Balance with Bank - Current Account (net)	1,702	2,899
	1,702	**2,899**

5. OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2017 (Rs. '000)	As at March 31, 2016 (Rs. '000)
Interest Accrued On FD	117	-
	117	**-**

6. CURRENT TAX ASSETS

Particulars	As at March 31, 2017 (Rs. '000)	As at March 31, 2016 (Rs. '000)
TDS Recoverable	13	-
	13	**-**

7. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)
AUTHORISED		
50,000 Equity Shares of Rs. 10/- each	**500**	**500**
95,000 Preference Shares of Rs. 100/- each	**9,500**	**9,500**
ISSUED, SUBSCRIBED & PAID-UP		
50,000 Equity Shares of Rs 10/- each, fully paid up		
(Previous Year - 50,000 Equity Shares of Rs 10/- each)	500	500
	500	**500**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2017 No of Shares	As at March 31, 2017 (Rs.'000)	As at March 31, 2016 No of Shares	As at March 31, 2016 (Rs.'000)
Equity Shares				
At the beginning of the year	50,000	500	-	-
Add: Issued during the year	-	-	50,000	500
Outstanding at the end of the period	**50,000**	**500**	**50,000**	**500**

Particulars	As at March 31, 2017 No of Shares	As at March 31, 2017 (Rs. '000)	As at March 31, 2016 No of Shares	As at March 31, 2016 (Rs. '000)
Preference Shares				
At the beginning of the period	30,000	3,000	-	-
Add: Issued during the period	50,000	5,000	30,000	3,000
Outstanding at the end of the period	**80,000**	**8,000**	**30,000**	**3,000**

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company

Particulars	FY 2016-17		FY 2015-16	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of Rs 10 each fully paid				
Info Edge (India) Ltd	49,994	99.99%	49,994	99.99%
(excluding Six shares held by Nominee shareholders				
	49,994	**99.99%**	**49,994**	**99.99%**

8. OTHER EQUITY

Particulars	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)
Profit & Loss Account		
Opening Balance	(673)	-
Add: Loss for the year	(43)	(673)
Equity Component of Preference Shares	7,266	2,725
	6,550	**2,052**

9. Borrowings

Particulars	Non-Current		Current	
	As at March 31, 2017 (Rs. '000)	As at March 31, 2016 (Rs. '000)	As at March 31, 2017 (Rs. '000)	As at March 31, 2016 (Rs. '000)
80,000 Preference Shares of Rs. 100/- each	8,000	3,000	-	-
(0.0001% compulsory redeemable preference shares 80,000 nos. Previous Year - 30,000 nos of face value of Rs. 100/- each, maturity date 20 years from date of issue)				
Less: Equity Component of Preference Shares	(7,266)	(2,725)	-	-
Add : Interest Expense on Present value	66	11	-	-
Liability Component of Preference Shares	**800**	**286**	**-**	**-**

10. TRADE PAYABLES

Particulars	Non-Current		Current	
	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)
Audit Fees Payable	-	-	35	17
Sundry Creditors-Opex	-	-	270	125
	-		**305**	**142**

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2017

11. CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2017 (Rs.' 000)	tAs at March 31, 2016 (Rs.' 000)
Provision for tax	21	-
TDS Payable	87	7
	108	**7**

12. OTHER INCOME

Particulars	Year Ended March 31, 2017 (Rs.' 000)	Period ended March 31, 2016 (Rs.' 000)
Interest received on fixed deposits	132	-
	132	**-**

13. ADMINISTRATION AND OTHER EXPENSES

Particulars	Year Ended March 31, 2017 (Rs.' 000)	Period ended March 31, 2016 (Rs.' 000)
Advt Exp.- Internet	-	3
Auditor's Remuneration	35	17
Domain Regd Charges	-	9
Legal Expenses	-	4
Market/Consumer Research Exp	-	268
Professional Charges	-	62
Rent Expense	-	12
ROC Charges	-	230
Server Charges	-	24
Subscription & Fee	-	16
Short & Excess	1	-
Ticket Cost	-	11
	36	**656**

14. Finance Costs

Particulars	Year Ended March 31, 2017 (Rs.' 000)	Period ended March 31, 2016 (Rs.' 000)
Interest cost on financial liabilities at amortised cost	55	11
	55	**11**

15. BASIC & DILUTED EARNINGS PER SHARE (EPS)

Particulars	As at March 31, 2017 (Rs.' 000)	As at March 31, 2016 (Rs.' 000)
Loss attributable to Equity Shareholders (Rs.)	(43,000)	(673,000)
Weighted average number of Equity Shares outstanding at the end of the year (Nos.)	50,000	50,000
Basic & Diluted Earnings Per Equity Share of Rs. 10 each (Rs.)	(860)	(13,460)

16. Neither there was Cash in hand at close of business hours on November 8, 2016 nor there were any receipts, withdrawals and / or depoists between November 8, 2016 and December 30, 2016. Hence there is no requirement to disclose information pursuant to notification no. 244 dated 30.03.2017, issued by Ministry of Corporate affairs, details of the specified bank notes held & transacted during the said period.

17. During the year 50,000 nos. (March 31, 2016 - 30,000 nos., April 1, 2015 - Nil) Preference shares of face value of Rs. 100/- each were issued for Rs. 5,000 thousands (March 31, 2016 - 3,000 thousands and April 1, 2015 - Nil). Original amount of these instruments have to be compulsorily segregated into Debt and Equity component as per IND AS 109 using a cash flow discounted at market lending rate prevailing as on March 31, 2017. The resultant equity and debt components have been classified under 'Note - 8 - Other equity ' Rs. 4,541 thousands (March 31, 2016 - Rs. 2,725 thousands) and 'Note 9 - Borrowings' Rs.525 thousands (Previous year Rs. 286 thousands). Borrowing amount include finance cost Rs. 66 thousands (March 31, 2016 - Rs. 11 thousands).

18. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

19. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable on the company since there was no employee employed by the company during the year.

20. AUDITORS REMUNERATION

Particulars	Year ended March 31, 2017 (Rs.' 000)	Period ended March 31, 2016 (Rs.' 000)
As Auditors	30	15
Service Tax	5	2
	35	**17**

21. Intangible assets under development amounting Rs. 6308 thousands (previous year nil) represents an amount incurred towards design and development of an online platform facilitating various services.

22. Neither there was Cash in hand at close of business hours on November 8, 2016 nor there were any receipts, withdrawals and / or depoists between November 8, 2016 and December 30, 2016. Hence there is no requirement to disclose information pursuant to notification no. 244 dated 30.03.2017, issued by Ministry of Corporate affairs, details of the specified bank notes held & transacted during the said period.

23. (1) Related Party Disclosures for the year ended March 31, 2017

A) List of Related Parties

Holding Company

Info Edge (India) Limited

B) Details of transactions with related party for the year ended March 31, 2017 in the ordinary course of business: **Amount (Rs. '000)**

Nature of relationship / transaction	Holding Company	Total
2. Issue of Preference Shares	5000	5,000
4. Rent Expense	24	24

C) Amount due to/from related parties as at March 31, 2017 **Amount (Rs. '000)**

Nature of relationship / transaction	Holding Company	Total
Debit Balances		
Outstanding Advances	-	-
Maximum Amount outstanding during the year	-	-
Credit Balances		
Outstanding Payable	-	-
Maximum Amount outstanding during the year	24	24

(2) Related Party Disclosures for the year ended March 31, 2016

A) List of Related Parties

Holding Company

Info Edge (India) Limited

B) Details of transactions with related party for the year ended March 31, 2016 in the ordinary course of business: **Amount (Rs. '000)**

Nature of relationship / transaction	Holding Company	Total
1. Issue of Preference Shares	3,000	3,000
2. Issue of Equity Shaers	500	500
3. Rent Expense	12	12

C) Amount due to/from related parties as at March 31, 2016 **Amount (Rs. '000)**

Nature of relationship / transaction	Holding Company	Total
Debit Balances		
Outstanding Advances	-	-
Maximum Amount outstanding during the year	-	-
Credit Balances		
Outstanding Payable	-	-
Maximum Amount outstanding during the year	12	12

24. Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates in relation to the Company's tax position

a) Income Tax expense

Particulars	Year ended March 31, 2017 (₹ '000)	Year ended March 31, 2016 (₹ '000)
Current tax for the year	21	-
Total current tax expenses	**21**	**-**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Year ended March 31, 2017 (₹ '000)	Year ended March 31, 2016 (₹ '000)
Loss before tax	(22)	(673)
Tax @ 29.878% (Previous Year 30.9%)	**(7)**	**-**
Tax adjustment effect of amounts which are not deductible (taxable) in calculating taxable income:		
Depreciation Debited in Profit & loss A/c	19	-
Depreciation as per Income Tax Act	(8)	-
Interest Expense on Financial Liabilities	16	
	21	**-**

There is no tax provision for 2015-16, hence no reconciliation.

25. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value Hierarchy

a) Financial instruments by category **(Rs. '000)**

Particulars	March 31, 2017		March 31, 2016	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Loans	-	-	-	8
Cash and cash Equivalents	-	1,702	-	187
Other financial assets	-	117	-	122
Total Financial Assets	**-**	**1,819**	**-**	**317**
Financial Liabilities				
Trade payables	-	305	-	153
Other financial liabilities - Current	-	-	-	889
Financial liabilities - Non - Current	-	800	-	286
Total Financial Liabilities	**-**	**1,105**	**-**	**1,328**

b) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost **(RS. '000)**

Particulars	March 31, 2017		March 31, 2016	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Loans	-	-	8	8
Cash and cash Equivalents	1,702	1,702	187	187
Other financial assets				
- Interest accured on fixed deposits	117	-	122	-
Total Financial Assets	**1,819**	**1,702**	**317**	**195**
Financial Liabilities				
Borrowings	-	-	-	-
Trade payables	305	305	153	153
Other financial liabilities - Current	-	-	889	889
Financial liabilities - Non - Current	800	800	286	286
Total Financial Liabilities	**1,105**	**1,105**	**1,328**	**1,328**

The carrying amounts of loans and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.\

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

26. FINANCIAL RISK AND CAPITAL MANAGEMENT

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors. Company treasury identifies, financial risks in close cooperation with the Company's operating units.

a) Credit risk

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company borrows short term and long term fund from holding company to bridge the short fall in fund requirements whenever required.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The amount disclosed in the below table represent the contractual cash flows.

			Contractual cash flows		Amount (Rs. '000)
March 31, 2017	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Trade and other payables	305	305			
Other financial liabilities	800	-			800

			Contractual cash flows		Amount (Rs. '000)
March 31, 2016	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Trade and other payables	142	142			
Other financial liabilities	286				286

The amount disclosed in the above table represent the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not signficant

(c) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings and finance lease obligations. Borrowings issued at fixed rates and finance lease obligations exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Amount in '000

Particulars	31 March 2017	31 March 2016	31 March 2015
Fixed-rate instruments			
Financial assets	1,702	2,899	-
Financial liabilities	800	286	-
Total	**2,502**	**3,185**	**-**

Capital management

a) Risk management

The Comapny's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, internal generation and borrowings for buying vehicles.

b) Dividend

There was no dividend declarared during the current and previous financial year

27. First time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and exceptions availed

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

1 Ind AS optional exemptions

a) Business Combination

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for investment in associates and joint ventures.

b) 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 recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

c) Share-based payment transactions

Ind AS 101 provides the option to apply Ind AS 102 only on ESOP that are unvested on the transition date

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

d) Investments in subsidiaries, jointly controlled entities and associates

IND AS 101 provides the option to the first-time adopter to account for its investments in subsidiaries, jointly controlled entities and associates at either cost determined in accordance with IND AS 27 or in accordance with IND AS 109. The Company has elected to measure such investments at cost in accordance with Ind AS 27.

2 Ind AS madatory exemptions

a) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Reconciliation of equity as on 31.03.2016

Particulars	Note	Previous GAAP * (Rs. '000)	Adjustment	Ind AS (Rs. '000)
ASSETS				
Non-current assets				
Property, plant and equipment	3	88	-	88
Intangible assets	3	-	-	-
Intangible assets under development	21	-	-	-
Current Assets				
Financial assets				
(i) Cash and cash equivalents	4	2,899	-	2,899
(ii) Other financial assets	5	-	-	-
Current tax assets (net)	6	-	-	-
Assets classified as held for sale				
Total Assets		**2,987**	**-**	**2,987**
EQUITY & LIABILITIES				
EQUITY				
Equity Share capital	7	500	-	500
Other equity	8	(662)	2,714	2,052
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	9	3,000	(2,714)	286
Current Liabilities				
Financial liabilities				
(i) Trade Payables	10	142		142
Current Tax Liabilities (net)	11	7		7
TOTAL EQUITY AND LIABILITIES		**2,987**	**-**	**2,987**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.
There are no transition IND AS Adjustments

Reconciliation of total comprehensive income for the period March 31, 2016

Particulars	Note No	Previous GAAP * (Rs.' 000)	Adjustment	IND AS (Rs.' 000)
Revenue from operations				-
Other Income	12			-
Total Revenue		**-**		**-**
Expenditure				
Administration and other expenses	13	656	-	656
Finance costs	14	-	11	11
Depreciation and amortisation expense	3	6	-	6
Total Expenses		**662**	**11**	**673**
Loss before tax		**(662)**	**(11)**	**(673)**
Current tax expense		-	-	-
(Loss) for the year		**(662)**	**(11)**	**(673)**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 26, 2017

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Vibhore Sharma
(Director)

infoedge

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