INVESTING IN INTELLIGENCE

SUBSIDIARY
COMPANIES
ANNUAL
REPORT
2017-2018

CONTENTS

DIRECTORS' REPORT

To,

The Members,

Applect Learning Systems Private Limited

Your Directors are pleased to present the Seventeenth Annual Report of the Company on the business and operations of the Company together with the audited financial statements for the financial year ended **31st March, 2018.**

1. FINANCIAL RESULTS

(Amount in Thousands)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Revenue (Including Other Income)	328,233	374,843
Profit & Loss (Before Depreciation)	-123,950	-232,007
Depreciation	10,114	13,317
Profit & Loss (After Depreciation)	-134,064	-245,324
Provision for Tax (Including deferred Tax)*	-1,511	27,004
Profit & Loss carried to balance sheet	-135,575	-218,320

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

2. PERFORMANCE REVIEW

Your Company recorded a revenue of Rs. 328,233 thousand for the period ended March 31, 2018 as against Rs 374,843 thousand during the previous financial year. The decline in revenue was primarily on account of (i) reduction in revenue from offline centres wherein the Management took a strategic decision to move out of offline centre business and focus only on online vertical and (ii) higher revenue deferment in the current year.

The net loss for the financial year 2017–18 declined to Rs 135,575 thousand as against Rs 218,320 thousand in the financial year 2016–17. The reduction in loss was driven by focussed effort on improving sales efficiencies coupled with cost optimisation measures.

3. DIVIDEND

The Directors do not recommend any dividend for the financial year ended March 31, 2018.

4. TRANSFER TO GENERAL RESERVES

The Company transferred an amount of Rs. 74,926 thousand to General Reserve arising from forfeiture of employee stock options vested but not exercised.

5. EXTRACT OF ANNUAL RETURN

The Extract of the annual return, in Form MGT-9, pursuant to Section 92(3) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, is annexed herewith and marked as **ANNEXURE - I** to this Report.

6. MEETINGS OF THE BOARD OF DIRECTORS AND INDEPENDENT DIRECTORS HELD DURING THE FINANCIAL YEAR

During the period under review, the Board of Directors of the Company duly met 4 (four) times on May 18, 2017, September 13, 2017, October 10, 2017 and February 05, 2018. The details of which are summarized below.

The provisions of Companies Act, 2013 read with Secretarial Standards 1 were adhered to while considering the time gap between two meetings of the Board.

S.No.	Name of Directors	No. of meetings entitled to attend	No. of meetings attended by him/her during the year
1.	Pavan Chauhan	4	4
2.	Ritesh Hemrajani	4	4
3	Ranjit Singh Yadav	3	3
4	Kaushik Dutta	4	4
5	Naveen Saraff	4	1
6	Sudhir Bhargava	1	1

In addition to the above, a meeting of the Independent Directors was held on 24th March, 2018 in compliance with the Section 149(8) read with Schedule IV to the Companies Act, 2013. The said meeting was attended by both Independent Directors Mr. Kaushik Dutta and Mr. Naveen Saraff.

It is confirmed that there is no relationship between the Directors inter-se.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review, Mr. Ranjit Singh Yadav was appointed as the Nominee Director of the Company w.e.f 24th July, 2017 and Mr Sudhir Bhargava resigned from the post of Nominee Director w.e.f. 14th June, 2017.

Further, as per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors (other than the Independent Directors) shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Ritesh Hemrajani (DIN 00283248) is liable to retire by rotation at the forthcoming annual general meeting and being eligible, offer himself for re-appointment.

8. COMMITTEES OF THE BOARD

Information on the Audit Committee, the Nomination and Remuneration Committee and meetings of those committees held during the year is as under:

a. Audit Committee

During the year, Audit Committee was reconstituted on 21st August, 2017 pursuant to the provision of Section 177 of Companies Act, 2013. The Audit committee comprises of the following members:

i. Mr. Pavan Chauhan, Managing Director

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

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

During the year under review, 4 (Four) meeting of the Audit Committee were held on 18th May, 2017, 13th September, 2017, 10th October, 2017 and 24th March, 2018.

The Company is not required to establish a vigil mechanism in pursuant to the provisions of section 177(9) and (10) of the Act, read with the Companies (Meetings of Board and its Powers) Rules, 2014.

b. Nomination and Remuneration Committee

The Company had re-constituted the Nomination and Remuneration Committee consisting of non-executive directors on August 21, 2017, pursuant to the provision of Section 178 of Companies Act, 2013. Nomination and Remuneration Committee consist of following members:

i. Mr. Ranjit Singh Yadav, Nominee Director

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

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

During the year under review, 2 (Two) meetings of the Nomination and Remuneration Committee were held on 18th May, 2017 and 10th October, 2017.

None of recommendations made by the Audit Committee and the Nomination and Remuneration Committee were rejected by the Board.

9. ANNUAL EVALUATION OF DIRECTORS, BOARD AND CHAIRMAN

The performance of the Board of Directors, Individual Director, and Chairman was evaluated on annual basis in the meeting and the same was recorded as satisfactory.

10. DECLARATION FROM INDEPENDENT DIRECTORS

The independent Directors have individually declared to the Board that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 at the time of their respective appointment and there is no change in the circumstances as on the date of this report which may affect their status as an Independent Director.

11. 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 2018 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.

12. AUDITORS

Statutory Auditors

The Statutory Auditors [i.e. M/s MSKA & Associates. (Firm Registration No. 105047W)], were appointed in the annual general meeting held on September 29, 2017, for a period of 5 (five) years, subject to ratification by the shareholders at every general meeting are eligible for re-appointment. They have confirmed their eligibility under section 141 of the Companies Act, 2013 and the rules framed there under for re-appointment as Auditors of the Company.

Cost Auditors

The provisions related to appointment of Cost Auditors are not applicable on the Company.

13. 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.

14. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company.

15. 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.

16. PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS

The particulars of every contract or 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 arm's length transactions under third proviso thereto is annexed hereto as **Annexure- II** in prescribed **Form AOC-2** and forms part of this report.

17. PARTICULARS OF EMPLOYEE

None of the employees were in receipt of an aggregate 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 per month under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014 are as follows:

a) Conservation of energy – *Not Applicable as the Company is not a manufacturing company*

b) Technology Absorption – *Not Applicable as the Company is not a manufacturing company*

c) Foreign Exchange Earnings and Outgo

The details of foreign exchange earnings and outgo during the financial year are given below:

Particulars	**For the FY 2017-18**
Foreign Exchange Earnings	NIL
Foreign Exchange Outgo	**Amount in Rs.**
Server Hire Charges	827,727
Advertisement Expenses	16,178
Others Expense	1,298,687

19. 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.

20. 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.

21. DEPOSITS

The Company has not accepted any deposit within the meaning of the Chapter V to Companies Act, 2013. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the year under report.

22. 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.

23. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year, the Company has not received any complaint of harassment.

24. 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 576 (five hundred and seventy six) stock options and 30 (thirty) stock option were exercised by a stock option holder.

(c) Issue of Equity Shares with Differential Rights

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

(d) Alteration of Nature of Optionally Convertible Cumulative Redeemable Preference Shares into Compulsorily Convertible Preference Shares

During the year. Company has altered the nature of all 249,974,932 Optionally Convertible Cumulative Redeemable Preference Shares to Compulsorily Convertible Preference Shares.

(e) Issue of Compulsorily Convertible Debenture

During the year, Company made a preferential allotment of 379,329 0.01% Compulsorily Convertible Debentures at a face value of Rs. 1,000/- each amounting to Rs. 37.9 cr to Info Edge (India) Limited and Startup Investments (Holding) Limited, which is a 100% subsidiary of Info Edge (India) Limited.

25. INFORMATION ABOUT SUBSIDIARY/ JOINT VENTURE / ASSOCIATE COMPANY

The Company do not have any Subsidiary, Joint Venture or Associate Company.

26. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of 7 (seven) years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

27. MISCELLANEOUS DISCLOSURES

During the year under report:

(a) there was no change in the general nature of business of your Company;

(b) no material change or commitment has occurred which would have affected the financial position of your Company between the end of the financial year of your Company to which the financial statements relate and the date of the report;

(c) no significant and material order was passed by the regulators or courts or tribunals which would have impacted the going concern status and your Company's operations in future; and

(d) your Company has not made any provision of money for the purchase of, or subscription for, shares in your Company or its holding company, to be held by or for the benefit of the employees of your Company and hence the disclosure as required under Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is not required.

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: 21.05.2018	Ritesh Hemrajani	Pavan Chauhan
Place: New Delhi	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, 2018

[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	37.68	-

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.	-	249,974,932	249,974,932	100	-	249,974,932	249,974,932	100	
d)Banks/FI	-	-	-	-	-	-	-	-	-
e)Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(1)	**-**	**249,974,932**	**249,974,932**	**100**	**-**	**249,974,932**	**249,974,932**	**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	**-**	**249,974,932**	**249,974,932**	**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	-	525	525	1.47	-
ii) Individual Shareholders holding nominal share Capital excess 1 lakh	-	-	-	-	-	-	-	-	-
e) Others (Specify)	-	4,082	4,082	11.45	-	4,052	4,052	11.37	-
Sub-Total B(2)	-	**4,577**	**4,577**	**12.84**	**-**	**4,577**	**4,577**	**12.84**	-
Total of (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	37.68	-	13,429	37.68	-	-
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)**

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)**

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**

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		236,500,000		236,500,000
ii) Interest due but not paid				
iii) Interest accrued but not due		69,158,109		69,158,109
Total(i+ii+iii)		305,658,109		305,658,109
Change in Indebtedness during the financial year				
- Addition		63,500,000		63,500,000
- Interest addition		11,892,487		11,642,826
- Reduction		378,699,385		378,699,385
Net Change		-303,306,898		-303,306,898
Indebtedness at the end of the financial year				
i) Principal Amount		0		0
ii) Interest due but not paid		0		0
iii) Interest accrued but not due*		2,351,211		2,351,211
Total(i+ii+iii)		2,351,211		2,351,211

***Out of Rs. 2,351,211 interest accrued but not due, Rs. 2,101,550 is Liability component of convertible preference shares and Rs. 249,661 is Liability component of compulsorily convertible debentures under note 18 of financial statement. This liability is on account of Ind-AS accounting treatment of compulsorily convertible instruments.

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-MD 60,00,000	Mr. Ritesh Hemrajani-WTD 30,00,000	90,00,000
2.	Stock Option	-	-	
3.	Sweat Equity	-	-	
4.	Commission - as % of profit - others, specify	-	-	
5.	Others, please specify	-	-	
	Total (A)	60,00,000	30,00,000	90,00,000
	Ceiling as per the Act (Through Special Resolutions)	60,00,000	60,00,000	

Note: - The above remuneration does not include provision for Leave encashment.

B. Remuneration to Other Directors-

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
1.	Independent Directors	Kaushik Dutta	Naveen Saraff	
	• Fee for attending board committee meetings • Commission • Others, please specify	80,000 60,000	20,000 30,000	1,00,000 90,000
	Total (1)	1,40,000	50,000	1,90,000
2.	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify		-	-
	Total (2)		-	-
	Total (B)=(1+2)	1,40,000	50,000	1,90,000
	Total Managerial Remuneration	1,40,000	50,000	1,90,000
	Overall Ceiling as per the Act	1,00,000 per meeting	1,00,000 per meeting	

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	-	287,981 P.A.	5,200,000 P.A.	5,471,663 PA
2.	Stock Option*	-	-	721	721
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - Others, specify	-	-	-	
5.	Others, please specify	-	-	800,000	800,000
	Total	-	287,981	6,000,000	6,287,981

*Out of 721 stock option, 143 Stock Option granted at a price of Rs 10/- each having vesting period 3 years 4 month, 178 Stock Option granted at a price of Rs 10/- each having vesting period 3 years 6 month, 222 Stock Option granted at a price of Rs. 77,898/- each having vesting period 3 years 4 month and 178 stock option granted at a price of Rs.10/- each having vesting period 4 years.

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: 21.05.2018
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

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	Ultimate Holding Company	Recruitment Services	216,246	-	As per agreement	18.05.2017	-
2	Info Edge (India) Limited	Ultimate Holding Company	Resdex Premium plus 1 Year	330,400		As per agreement	18.05.2017	
3	Oyster Learning Pvt Ltd	Holding Company KMP relative with reference to Company	Professional services	177,000		As per agreement	13.09.2017	

Details of related party transactions i.e. transaction of the Company with its promoters, Directors or the management are present under Note no 37 to Financial Statement.

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

Date: 21.05.2018
Place: New Delhi

Ritesh Hemrajani
Whole Time Director
DIN: 00283248

Pavan Chauhan
Managing Director
DIN: 00283074

INDEPENDENT AUDITOR'S 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 2018, 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, profit or loss (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2015, as amended, and the accounting principles generally accepted in India.

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.

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 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 Management, 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, of the financial position of the Company as at 31 March 2018, and its loss (including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Other Matter

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 thousand as at 31 March 2018 (11,632 thousand as at 31 March 2017) and total revenues of INR Nil for the year ended on that date (31 March 2017: INR Nil), as considered in the Ind AS financial statements. The financial statements of the Trust have been audited by the 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.

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.
   (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 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 and Companies (Accounting Standards) Amendment Rules, 2015, as amended.

(f) On the basis of written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) 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'

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

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

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.

2. As required by the Companies (Auditor's 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 MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W

Amit Mitra
Partner
Membership No. 094518
Place: Gurugram
Date: 21 May 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF APPLECT LEARNING SYSTEMS PRIVATE LIMITED FOR THE YEAR ENDED 31 MARCH 2018.

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 2018 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 (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 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 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 Ind AS 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 Ind AS 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 Ind AS 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 2018, 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. We are not reporting on adequacy and operating effectiveness of internal financial controls over financial reporting of Trust, included in the Ind AS financial statements of the Company, as it is not a company under the Act.

For MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W

Amit Mitra
Partner
Membership No. 094518
Place: Gurugram
Date: 21 May 2018

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF APPLECT LEARNING SYSTEMS PRIVATE LIMITED FOR THE YEAR ENDED 31 MARCH 2018.

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report

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 immovable properties are held in the name of the Company.

ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.

iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3(iii), 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the provisions of section 185 of the Act are not applicable to the Company as it has not granted any loan whether directly or indirectly to any of its directors or to any other person in whom the director is interested. Further the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, 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 2018 and the Company has not accepted any deposits during the year.

vi. We have broadly reviewed the books of account relating to cost of services maintained by the Company pursuant as specified by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

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 with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, cess and any other statutory dues applicable to it. Service tax outstanding as at 31 March 2018 for a period of more than six months from the date they became payable are:

Name of the statute	Nature of the dues	Amount INR	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
Finance Act, 1994 as amended	Service tax	340,386	FY 2012- 2017	FY 2012- 2017	18 April 2018	

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, value added tax, service tax, goods and service tax, sales tax, custom duty and excise duty which have not been deposited on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the debenture holders. There are no loans as on 31 March 2018 from financial institutions, banks and government.

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 Ind AS 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 fully compulsory convertible debentures during the year and the requirements of Section 42 of the Act have been complied with. The amount raised has been used for the purposes for which they were raised.

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 MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W

Amit Mitra
Partner
Membership No. 094518
Place: Gurugram
Date: 21 May 2018

BALANCE SHEET

(Amount in INR thousands, unless otherwise stated)

	Notes	As at 31 March 2018	As at 31 March 2017
ASSETS			
Non-current assets			
Property, plant and equipment	5	18,761	26,967
Capital work-in-progress		-	373
Intangible assets	7	30	45
Financial assets			
Security deposits	8	3,054	3,824
Deferred tax asset (net)	32	25,059	26,684
Other non-current assets	9	338	1,285
Total non-current assets		47,242	59,178
Current assets			
Inventories	10	8	-
Financial assets			
Cash and cash equivalents	11	36,388	32,994
Bank balances other than cash and cash equivalent	12	21,627	-
Security deposits	13A	1,674	1,884
Other assets	13B	2,133	2,917
Current tax assets (net)	14	1,629	3,788
Other current assets	15	6,375	4,468
Assets classified as held for sale	6	77	2,303
Total current assets		69,911	48,354
Total assets		**117,153**	**107,532**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	356	356
Other equity	17	(164,488)	(468,724)
Total equity		(164,132)	(468,368)
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18	2,352	58,906
Other financial liabilities	19	1,046	1,114
Provisions	20	9,684	11,205
Other non-current liabilities	21	41,570	25,923
Total non-current liabilities		54,652	97,148
Current liabilities			
Financial liabilities			
Borrowings	22A	-	236,500
Trade payables	22B	9,365	10,879
Other financial liabilities	22C	45,290	61,261
Other current liabilities	23	170,137	168,023
Provisions	20	1,841	2,089
Total current liabilities		226,633	478,752
Total liabilities		281,285	575,900
Total equity and liabilities		**117,153**	**107,532**
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 MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Place: Gurugram
Date: 21 May 2018

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: 21 May 2018

Ritesh Hemrajani
Director
DIN: 00283248

Place: New Delhi
Date: 21 May 2018

Pankaj Mishra
Company Secretary
Membership No: A40550

Place: New Delhi
Date: 21 May 2018

Shwetank Patni
Chief Finance Officer

Place: New Delhi
Date: 21 May 2018

Statement of Profit and Loss
(Amount in INR thousands, unless otherwise stated)

	Notes	Year ended 31 March 2018	Year ended 31 March 2017
Income			
Revenue from operations	24	308,362	362,989
Other income	25	19,870	11,854
Total income		328,232	374,843
Expenses			
Purchase of traded goods	26	14,664	-
Change in Inventories of traded goods	27	(8)	-
Employee benefits expense	28	310,755	427,001
Finance costs	29	14,976	16,866
Depreciation and amortization expense	30	10,123	13,316
Other expenses	31	111,796	162,980
Total expenses		**462,306**	**620,163**
Loss before tax		(134,074)	(245,320)
Income tax expense			
Current tax		-	-
Deferred tax	32	(1,512)	27,004
Total income tax expense		**(1,512)**	**27,004**
Loss for the year		(135,586)	(218,316)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements gain of post-employment benefit obligations		1,207	388
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurements losses of post-employment benefit obligations		(313)	(120)
Other comprehensive income for the year		**894**	**268**
Total comprehensive income for the year		**(134,692)**	**(218,048)**
Loss per share			
Basic loss per share (INR)	33	(3.75)	(7.78)
Diluted loss per share (INR)	33	(3.75)	(7.78)
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 MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Place: Gurugram
Date: 21 May 2018

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: 21 May 2018

Ritesh Hemrajani
Director
DIN: 00283248

Place: New Delhi
Date: 21 May 2018

Pankaj Mishra
Company Secretary
Membership No: A40550

Place: New Delhi
Date: 21 May 2018

Shwetank Patni
Chief Finance Officer

Place: New Delhi
Date: 21 May 2018

STATEMENT OF CASH FLOWS

(Amount in INR thousands, unless otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017
Cash flow from operating activities		
Loss before tax	(134,074)	(245,320)
Adjustments for:		
Depreciation and amortization expenses	10,123	13,316
Share based payment expense	14,499	27,088
Finance cost	12,897	16,855
Interest income	(1,921)	(886)
Impairment of assets classified as held for sale	-	2,990
Liabilities written back	(12,357)	(5,872)
(Gain)/ loss on sale of fixed assets	1,917	(1,046)
Operating loss before working capital changes	(108,916)	(192,875)
Changes in working capital		
Decrease in trade payables	(1,514)	(10,106)
(Decrease)/ increase in other current liabilities	2,113	(14,167)
(Decrease)/ increase in non-current liabilities	15,647	(4,093)
(Decrease)/ increase in provisions	(562)	3,145
(Increase)/ decrease in other financial liabilities	6,571	(2,064)
Decrease/ (increase) in other financial assets	1,985	1,827
Decrease in other current assets	359	4,290
Increase in non-current assets	948	(291)
Increase in Inventories	(8)	-
Increase in non-current assets held for sale	2,227	(5,295)
Cash generated used in operations	(81,150)	(219,629)
Income tax paid	108	-
Net cash flows used in operating activities (A)	(81,258)	(219,629)
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(4,156)	(8,577)
Proceeds from sale/ disposal of fixed assets	711	7,031
Net proceeds/ investment from fixed deposits	(21,627)	5,002
Interest received	1,700	1,230
Net cash flow from investing activities (B)	(23,372)	4,686
Cash flow from Financing activities		
OCCRPS converted into CCPS	(11,672)	-
Proceeds from exercise of share options	1	-
Proceeds from issuance of Debentures	379,344	-
Net proceeds/(repayment) from short-term borrowings	(236,500)	219,500
Interest paid	(23,149)	(1,127)
Net cash flow from financing activities (C)	108,024	218,373
Net increase in cash and cash equivalents (A+B+C)	3,394	3,430
Cash and cash equivalents at the beginning of the year	32,994	29,564
Cash and cash equivalents at the end of the year	36,388	32,994
Cash and cash equivalents comprise (Refer Note 11)		
Balances with banks		
On current accounts	12,569	15,676
Fixed deposits with original maturity of less than 3 months	23,005	16,014
Cash on hand	2	2
Cheques on hand	812	1,302
Total cash and bank balances at end of the year	36,388	32,994
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 MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Place: Gurugram
Date: 21 May 2018

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: 21 May 2018

Ritesh Hemrajani
Director
DIN: 00283248

Place: New Delhi
Date: 21 May 2018

Pankaj Mishra
Company Secretary
Membership No: A40550

Place: New Delhi
Date: 21 May 2018

Shwetank Patni
Chief Finance Officer

Place: New Delhi
Date: 21 May 2018

STATEMENT OF CHANGES IN EQUITY

(Amount in INR thousands, unless otherwise stated)

(A)	Equity share capital	As at 31 March 2018		As at 31 March 2017	
		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 2016	207,372	55,921	709,123	(11,576)	71,846	(1,316,479)	(283,793)
Profit for the year	-	-	-	-	-	(218,316)	(218,316)
Other comprehensive income	-	-	-	-	-	268	268
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(218,048)**	**(218,048)**
Transactions with owners in their capacity as owners							
0.1% Optionally Convertible Cumulative Redeemable Preference Shares	6,029	-	-	-	-	-	6,029
Employee stock option expense	-	27,088	-	-	-	-	27,088
Balance as at 31 March 2017	**213,401**	**83,009**	**709,123**	**(11,576)**	**71,846**	**(1,534,527)**	**(468,724)**

	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 2017	213,401	83,009	709,123	(11,576)	71,846	(1,534,527)	(468,724)
Profit for the year	-	-	-	-	-	(135,586)	(135,586)
Other comprehensive income	-	-	-	-	-	894	894
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(134,692)**	**(134,692)**
Transactions with owners in their capacity as owners							
0.1% Compulsory Convertible Preference Shares	247,747	-	10,993	-	-	-	258,740
0.1% Optionally Convertible Cumulative Redeemable Preference Shares	(213,401)	-	-	-	-	-	(213,401)
Issue of 0.01% Compulsory Convertible Debentures	379,089	-	-	-	-	-	379,089
Employee stock option expense	-	14,499	-	-	-	-	14,499
Exercise of share options	-	(460)	460	1	-	-	1
Transfer from reserve			70,892		(70,892)	-	-
Forfeiture of share options	-	(74,926)	-	-	74,926	-	-
Balance as at 31 March 2018	**626,836**	**22,122**	**791,468**	**(11,575)**	**75,880**	**(1,669,219)**	**(164,488)**
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 MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Place: Gurugram
Date: 21 May 2018

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: 21 May 2018

Ritesh Hemrajani
Director
DIN: 00283248

Place: New Delhi
Date: 21 May 2018

Pankaj Mishra
Company Secretary
Membership No: A40550

Place: New Delhi
Date: 21 May 2018

Shwetank Patni
Chief Finance Officer

Place: New Delhi
Date: 21 May 2018

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(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 caters to classes 1 to 12 and competitive entrance exams for engineering and medical stream.

The financial statements were authorised for issue in accordance with a resolution of the directors on 21 May 2018

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, as amended.

Financial statements for the year ended 31 March 2017 were the first set of financial statements prepared in accordance with 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 and

iii) Asset classified as held for sale

(c) **Current vs. non-current classification**

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.

(d) **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'.

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.

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 and education content loaded on tablets.

Revenue is recognised when the amount of revenue can be reliably measured and 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 goods and services tax (GST), 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.

Sale of services

Revenue from online and offline coaching received in the form of subscription fees is recognised over the period services are rendered.

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".

Consideration in case of bundled sales, i.e. sale of service bundled with tablets, is allocated on the basis of their respective fair values. Fair values are determined in accordance with Ind AS 113, Fair Value Measurement. In case of bundled sales, revenue from sale of tablets is recognised on transfer of risk and rewards of ownership.

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/(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),

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.

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 Inventories

Inventory includes stock in trade. Inventories are values at lower of cost or net realisable value.

Cost includes purchase price, taxes (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Cost is determined using First-in First-out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

2.13 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.

2.14 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.

Amortized 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 amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method (EIR).

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 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.

Fair value through profit or loss: 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.

(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, generally the transaction price, 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.

2.15 Compound financial instrument

Compulsory Convertible Instruments

Compulsory Convertible Preference Shares and Compulsory Convertible Debentures are separated into liability and equity components based on the terms of the contract. At the inception of the Compulsory Convertible Instruments, the following two elements will be separated:

(a) a liability component arising from the interest payments; and

(b) an equity component representing the delivery of fixed number of equity shares in future.

On issuance of the Compulsory Convertible Instrument, the fair value of the liability portion 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 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 equity component is not subsequently re-measured.

Optionally Convertible Instruments

Optionally Convertible Preference Shares are separated into liability and equity components based on the terms of the contract. At the inception of the Optionally Convertible Instruments, the following two elements will be separated:

(a) a liability component arising from the interest payments and redemption of principal amount; and

(b) an equity component representing option with the holder for receiving fixed number of equity shares in future.

On issuance of the optionally 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 instruments based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

2.16 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. 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**

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.

(iii) **Other long term employee benefits**

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 accumulated compensated absences 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 recognised 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 estimated of awards is charged to the Statement of Profit and Loss on 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 other 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 securities premium reserve. Share options exercised during the year are satisfied with treasury shares.

2.17 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.

2.18 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.

2.19 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.

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 35.

(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 32.

(c) Defined benefit plans and other long-term employee benefits

The cost of the defined benefit plans such as gratuity and compensated absences 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 34.

4 Standards (including amendments) issued but not yet effective

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was notified on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company from 1 April 2018 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method).

The Company continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements. The Company's considerations also include, but are not limited to, the comparability of its financial statements and the comparability within its industry from application of the new standard to its contractual arrangements. The Company is still in the process to implement Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary.

5. Property, plant and equipment

	Gross block					Depreciation					Net block	
	As at 1 April 2017	Additions/ Adjustments	Deductions/ Adjustments	Assets classified as held for sale	As at 31 March 2018	As at 1 April 2017	For the year	Deductions/ Adjustments	Assets classified as held for sale	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Owned assets												
Leasehold Improvement	14,533	907	6,834	-	8,606	7,893	2,454	4,925	-	5,422	3,184	6,640
Plant and Machinery	4,010	366	1,075	-	3,301	1,680	273	595	-	1,358	1,943	2,329
Furniture and Fixtures	1,258	-	412	-	846	725	46	248	-	523	323	533
Office Equipment	6,618	329	83	-	6,864	4,368	666	50	-	4,984	1,880	2,251
Computers	19,863	646	106	-	20,403	13,685	4,239	64	-	17,860	2,543	6,178
Server	13,493	2,282	-	-	15,775	4,457	2,430	-	-	6,887	8,888	9,036
	59,775	4,530	8,510	-	55,795	32,808	10,108	5,882	-	37,034	18,761	26,967

	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
Owned assets				(Refer Note 6)					(Refer Note 6)			
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	2,329	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	2,251	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
	65,027	8,203	1,633	11,822	59,775	26,977	13,301	941	6,529	32,808	26,967	38,050

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 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.

As on 31 March 2017, 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.

6. 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 in April 2017, the Company had recognised an impairment loss of INR 2,990 thousand during the previous year. Management has substantially disposed off such assets which have been recorded at fair value less cost to sell under "asset classified as held for sale" in previous year. Management expects the process of sale to be complete for remaining assets within 12 months from 31 March 2018.

7. **Intangible assets**

	Gross block					Depreciation					Net block	
	As at 1 April 2017	Additions/ Adjustments	Deductions/ Adjustments	Assets classified as held for sale	As at 31 March 2018	As at 1 April 2017	For the year	Deductions/ Adjustments	Assets classified as held for sale	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Computer Software	316	-	-	-	316	271	15	-	-	286	30	45
	316	-	-	-	316	271	15	-	-	286	30	45

	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
	316	-	-	-	316	256	15	-	-	271	45	60

As on 1 April 2016, the Company changed its depreciation method from 'written down value' to 'straight line'. During the 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 2018**	**31 March 2017**
	Unsecured, considered good		
	Security deposits	3,054	3,824
		3,054	**3,824**

9	**Other non-current assets**	**31 March 2018**	**31 March 2017**
	Prepaid rent	338	1,285
		338	**1,285**

10	**Inventories**	**31 March 2018**	**31 March 2017**
	(Valued at cost and net realisable value, which is lower)		
	Traded goods (Tablets)	8	
		8	**-**

11	**Cash and bank balances**		**31 March 2018**		**31 March 2017**
	Cash and cash equivalents				
	Balances with banks				
	On current accounts		12,569		15,676
	Fixed deposits with original maturity of less than 3 months		23,005		16,014
	Cheques on hand		812		1,302
	Cash on hand		2		2
			36,388		**32,994**
	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 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.

12	Bank balances other than Cash and cash equivalent	31 March 2018	31 March 2017
	Fixed deposit with maturity of less than 12 months from balance sheet date	21,627	-
		21,627	**-**

13	Current financial assets	31 March 2018	31 March 2017
	Unsecured, considered good		
	(A) Security deposit	1,674	1,884
		1,674	**1,884**
	(B) Others		
	Amount with payment gateway	1,798	2,803
	Interest accrued on fixed deposits	335	114
		2,133	**2,917**

14	Current tax assets	31 March 2018	31 March 2017
	Advance income tax (net of provisions amounting Nil (31 March 2017: Nil)	1,629	3,788
		1,629	**3,788**

15	Other current assets	31 March 2018	31 March 2017
	Advance recoverable in cash or in kind	4,385	3,333
	Balance with government authorities	644	259
	Prepaid rent	771	876
	Other receivables	575	-
		6,375	**4,468**

16. 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 2018	31 March 2017
Authorized		
247,000 (31 March 2017: 247,000) Equity Shares of INR 10 each	2,470	2,470
	2,470	**2,470**
Issued, subscribed and paid up		
35,638 (31 March 2017: 35,638) equity shares of INR 10 each fully paid	356	356
Total	**356**	**356**

(a)	Reconciliation of equity shares outstanding at the beginning and at the end of the year	31 March 2018		31 March 2017	
		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.

(c)	Shares held by holding Company/ultimate holding Company and/ or their subsidiaries/ associates	31 March 2018	31 March 2017
	Holding Company		
	Info Edge (India) Limited	5,871	5,871
	Name of other Subsidiaries/Associate Company of the Ultimate Holding Company		
	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 2018		31 March 2017	
	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%
Startup Investments (Holding) Limited	**13,429**	37.68%	**13,429**	37.68%
Pavan Chauhan	**9,252**	25.96%	**9,252**	25.96%
Treasury share	**4,052**	11.37%	**4,082**	11.45%
Ritesh Hemrajani	**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.

(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 and mandatory conversion of financial instruments**

For details of shares reserved for issue under the Share based payment plan of the company, please refer Note 35.

For details of shares reserved for issue on conversion of Convertible Preference Shares and Convertible Debentures, please refer Note 17 below.

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

17. Other equity

(A) Preference share capital

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

	31 March 2018	31 March 2017
Authorized		
250,030,000 (31 March 2017: 250,030,000) Preference Shares of INR 1 each	250,030	250,030
	250,030	**250,030**
Issued, subscribed and paid up		
Nil (31 March 2017: 249,974,932) 0.1% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of INR 1 each	-	213,401
249,974,932 (31 March 2017: Nil) 0.1% Compulsory Convertible Preference Shares (CCPS) of INR 1 each	247,747	-
	247,747	**213,401**

(ii) **Reconciliation of preference shares outstanding at the beginning and at the end of the year***

	31 March 2018		31 March 2017	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	249,974,932	213,401	249,974,932	207,372
Less: Extinguishment of OCCRPS in Favour of CCPS*	-249,974,932	(213,401)	-	-
Add: CCPS issued against extinguished OCCRPS*	249,974,932	247,747	-	6,029
Outstanding at the end of the year	**249,974,932**	**247,747**	**249,974,932**	**213,401**

* Refer point (vi) below.

(iii) **Rights, preferences and restrictions attached to shares**

Preference Shares: The Company issued 0.1% Compulsory Convertible Preference Shares (CCPS) 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 CCPS is entitled to a preferential dividend of 0.1% per annum payable in Indian Rupees.

Ranking: The CCPS 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 CCPS 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 CCPS. Under no circumstances shall any amounts be paid or dividends declared on any shares other than the CCPS, until all dividends and other amounts due and owing on the CCPS shall have been paid in full.

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

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

	31 March 2018	31 March 2017
Name of other Subsidiaries/Associate Company, subsidiary/associate Company		
Startup Investments (Holding) Limited	249,974,932	249,974,932

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

	31 March 2018		31 March 2017	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
0.1% CCPS of INR 1 each fully paid up				
Startup Investments (Holding) Limited	249,974,932	100%	249,974,932	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.

(vi) Terms of convertible preference shares

i) As regards the 10,000 Series B OCCRPS (0.1% Optionally Convertible Cumulative Redeemable Preference Shares) allotted on 5 December 2013 vide Fifth Investment Agreement dated 26 November 2013, on 31 October 2017, the Company has entered into an addendum amending the terms of fifth Investment Agreement dated 26 November 2013. Fifth Investment Agreement has been amended to change nature of previously issued optionally convertible cumulative redeemable preference shares (OCCRPS) to compulsory convertible preference shares (CCPS) including other relevant consequential changes. Except aforesaid amendment all others terms and conditions as mentioned in the Fifth Investment Agreement remains unchanged. Therefore, a total of 1,334 (One thousand three hundred and thirty four) fully paid equity shares shall be compulsory allotted and issued to the holder on maturity against 10,000 (Ten thousand) Series B CCPS (0.1% Compulsory Convertible Preference Shares) allotted on 5 December 2013. Change in nature of OCCRPS to CCPS has been approved in extra ordinary general meeting held on 20 October 2017 by passing a special resolution.

ii) As regards the 249,964,932 Series C OCCRPS (0.1% Optionally Convertible Cumulative Redeemable Preference Shares) allotted on 12 June 2015 vide Sixth Investment Agreement dated 25 May 2015, on 31 October 2017, the Company has entered into an addendum and amending the terms of the Agreement. Sixth Investment Agreement has been amended to change nature of previously issued optionally convertible cumulative redeemable preference shares (OCCRPS) to compulsory convertible preference shares (CCPS) including other relevant consequential changes. Number of shares to be compulsory allotted and issued upon conversion would be determined as follows: every 59,234 Series C CCPS (31 March 2017: 77,897 Series C OCCRPS) will be converted into 1 ordinary share and thus resulting in an issue of 4,220 equity shares (31 March 2017: 3,209 Equity shares).

Except aforesaid amendment all others terms and conditions as mentioned in the Sixth Investment Agreement remains unchanged. Change in nature of OCCRPS to CCPS has been approved in extra ordinary general meeting held on 20 October 2017 by passing a special resolution.

The Company has accounted change in nature of OCCRPS to CCPS as an extinguishment of the existing financial instrument in favour of new financial instrument issued. Accordingly, OCCRPS are derecognised and CCPS issued are recognized as they were issued on the date of original issue of OCCRPS Series B i.e. 05 December 2013 and 12 June 2015 for OCCRPS Series C. INR 11,666 thousand, being net of financial liability derecognised is recorded as a gain in Statement of Profit and Loss.

(vii) Cumulative preference dividends on CCPS not recognized is as follows:

	31 March 2018	31 March 2017
Opening balance	451	201
Dividend for the year		
0.1% CCPS of INR 1 each fully paid up (series B)	0	0
0.1% CCPS of INR 1 each fully paid up (series C)	250	250
Closing balance*	**701**	**451**

* The company will be liable to pay corporate dividend tax as applicable at the time of payment or declaration as may be applicable.

(viii) 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.

(ix) 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 2018**	**31 March 2017**
Balance at the beginning of the year	83,009	55,921
Add: Employee stock option expense	14,499	27,088
Less: Transferred to securities premium reserve on exercise of stock options	460	-
Less: Transferred to general reserve on forfeiture of stock options	74,926	-
	22,122	**83,009**

*ESOOA recognizes the fair value of options as at the grant date spread over the vesting period. (Refer Note 35)

(C)	Securities premium reserve (SPR)*	31 March 2018	31 March 2017
	Opening balance	709,123	709,123
	Add: Transfer from ESOOA on exercise of stock options	460	-
	Add: Transfer from general reserves on stock options exercised	70,892	-
	Add : Securities premium transferred from financial liability on change in terms of 0.1% CCPS	10,993	-
	Closing balance	**791,468**	**709,123**

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

(D)	General reserve (GR)*	31 March 2018	31 March 2017
	Opening balance	71,846	71,846
	Less: Transfer to securities premium on stock options exercised	70,892	-
	Add: Transfer from ESOOA on forfeiture of stock options	74,926	-
	Closing balance	**75,880**	**71,846**

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

		31 March 2018		31 March 2017	
(E)	Treasury shares	Number of shares	Amount	Number of shares	Amount
	Opening balance	4,082	(11,576)	4,082	(11,576)
	Less: Issued during the year on exercise of share options	(30)	1	-	-
	Closing balance	**4,052**	**(11,575)**	**4,082**	**(11,576)**

(F)	Compulsorily Convertible Debentures	31 March 2018	31 March 2017
	Opening	-	-
	Add: Issue during the year	379,089	-
	Closing Balance	**379,089**	**-**

Terms of compulsory convertible debentures

379,329, Compulsory Convertible debentures (CCD) were allotted on 11 December 2017 vide Debenture subscription agreement dated 31 October 2017, a total of 6,403 (Six thousand four hundred and three) fully paid equity shares shall be allotted and issued to the holder upon maturity i.e. on or before 10 December 2026. CCDs carries a coupon rate of 0.01% (Zero point Zero One percent) per annum computed as simple interest which will accrue from the date of allotment and will become payable upon conversion. The issue of CCD was approved in Extra-ordinary general meeting held on 20 October 2017.

(G)	Surplus/(deficit) in the Statement of Profit and Loss	31 March 2018	31 March 2017
	Opening balance	(1,534,527)	(1,316,479)
	Add: Net loss for the current year	(135,586)	(218,316)
	Less: Re-measurement (gain)/loss on post employment benefit obligation (net of tax)	(894)	(268)
	Closing balance	**(1,669,219)**	**(1,534,527)**
	Total other equity	**(164,488)**	**(468,724)**

18	Borrowings	31 March 2018	31 March 2017
	Unsecured		
	Liability component of convertible preference shares (Refer Note 17A)	2,102	58,906
	Liability component of compulsorily convertible debentures (Refer Note 17F)	250	-
		2,352	**58,906**

19	Non-current financial liabilities	31 March 2018	31 March 2017
	Employee related payable	1,046	1,114
		1,046	**1,114**

20	Provisions	Long term		Short term	
		31 March 2018	31 March 2017	31 March 2018	31 March 2017
	Provision for employee benefits				
	Provision for gratuity (unfunded) (Refer Note 34)	8,690	10,016	1,539	1,449
	Provision for leave encashment (unfunded)	994	1,189	302	640
		9,684	**11,205**	**1,841**	**2,089**

21	Other non-current liabilities	31 March 2018	31 March 2017
	Revenue received in advance	41,570	25,923
		41,570	**25,923**

22. Financial liabilities

(A)	Short -term borrowings	31 March 2018	31 March 2017
	Unsecured		
	Loans from related parties*	-	236,500
	(I)	**-**	**236,500**

*Loan from Info Edge (India) Limited, the Ultimate Holding Company, was 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 was extended by 3 months and thereafter date had been extended to 30 November 2017. The Company repaid entire loan amount including interest on 2 November 2017.

(B)	Trade payables	31 March 2018	31 March 2017
	Total outstanding dues of micro enterprises and small enterprises*	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	9,365	10,879
	(II)	**9,365**	**10,879**

Based on the information presently available with the management, the disclosures required under the Micro, Small and Medium Enterprises Development ("MSMED") Act, 2006 are given below:

Balance of trade payable and other current liabilities as at the end of the year	31 March 2018	31 March 2017
- Principal Amount due to Micro, Small and Medium Enterprises	-	-
- Principal amount due to others	9,365	10,879
	9,365	**10,879**

		31 March 2018	31 March 2017
(a)	Amount remaining unpaid to any supplier at the end of each accounting year:		
	-the principal amount	-	-
	-the interest due thereon	-	-
(b)	the amounts paid by the buyer during the year:		
	-Principle repaid to suppliers beyond the appointed day during each accounting year	-	-
	-Interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006:	-	-
(c)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

(C)	Other financial liabilities	31 March 2018	31 March 2017
	Interest accrued but not due on loan	-	10,252
	Payable for fixed assets	450	-
	Employee related payable	44,840	51,009
	(III)	**45,290**	**61,261**
	Total financial liability (I+II+III)	**54,655**	**308,640**

23	Other current liabilities	31 March 2018	31 March 2017
	Revenue received in advance	157,285	162,994
	Statutory due payable	11,348	4,640
	Advance from customer	1,504	389
		170,137	**168,023**

24	Revenue from operations	31 March 2018	31 March 2017
	Sale of services	298,237	362,989
	Sale of goods	10,125	-
		308,362	**362,989**

25	Other income	31 March 2018	31 March 2017
	Interest income		
	- on fixed deposits	1,083	363
	- on income taxes	838	523
	Interest income on security deposits	592	1,180
	Gain on sale/disposal of fixed assets	-	1,046
	Provisions/ liabilities written back	12,357	5,872
	Miscellaneous income	1,294	1,521
	Revenue from advertisements	3,706	1,349
		19,870	**11,854**

26	Purchase of traded goods	31 March 2018	31 March 2017
	Purchase of traded goods (Tablets)	14,664	-
		14,664	-

27	Changes in inventories of traded goods (Tablets)	31 March 2018	31 March 2017
	At the beginning of the year	-	-
	Less: at the end of the year	8	-
		(8)	-

28	Employee benefits expense	31 March 2018	31 March 2017
	Salaries, wages, bonus and other allowances	271,443	366,113
	Contribution to Provident Fund and ESI	9,953	13,890
	Gratuity and compensated absences (Refer Note 34)	4,615	5,842
	Employee stock option scheme compensation (Refer Note 35)	14,499	27,088
	Staff welfare	10,245	14,068
		310,755	**427,001**

29	Finance costs	31 March 2018	31 March 2017
	Interest on borrowing	12,897	16,855
	Discounting charges	2,073	-
	Interest on delay in payment of taxes	6	11
		14,976	**16,866**

30	Depreciation and amortization expense		
	Depreciation (Refer Note 5)	10,108	13,301
	Amortization (Refer Note 7)	15	15
		10,123	**13,316**

31 Other expenses	31 March 2018	31 March 2017
Electricity and water	7,393	12,145
Recruitment and training	1,476	2,927
Rent (Refer Note 36)	19,937	29,892
Repairs and maintenance - others	2,771	4,834
Payment gateway transaction charges	4,304	4,085
Travel and conveyance	8,114	16,292
Postage and courier	3,361	3,272
Printed educational material	2,751	2,690
Printing & Stationery	720	1,556
Communication, broadband and internet expenses	10,579	19,274
Office expenses	4,282	6,035
Legal and professional charges*	12,511	8,441
Advertisement	5,379	24,850
Commission	10,567	7,610
Loss on sale/disposal of fixed assets	1,917	-
Foreign exchange fluctuation	-	39
Server hire charges	13,418	13,438
Impairment of assets classified as held for sale (Refer Note 6)	-	2,990
Books and periodicals	45	218
Miscellaneous expenses	2,271	2,392
	111,796	**162,980**

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

	31 March 2018	31 March 2017
As auditor:		
Statutory audit	425	425
In other capacity:		
Tax audit	75	75
Other matters	100	100
Reimbursement of expenses	100	100
	700	**700**

32 Income Tax

(A) Deferred tax relates to the following:

	31 March 2018	31 March 2017
Deferred tax assets		
On property, plant and equipment	5,865	6,923
On provision for employee benefits	6,479	7,967
On disallowance u/s 40A of Income Tax Act, 1961	331	343
On unabsorbed depreciation and carry forward business losses		
Current year losses	10,520	67,058
Previous year losses	358,857	356,861
Unabsorbed depreciation	25,059	26,684
On others	-	184
	407,111	466,020
Deferred tax liabilities		
On asset classified as held for sale	20	712
On convertible preference shares	-	200
On re-measurements gain/(losses) of post-employment benefit obligations	434	120
On others	-	187
	454	1,219
Deferred tax income	**406,657**	**464,801**
Less: Deferred tax asset not recognised	(381,598)	(438,117)
Deferred tax asset, net	**25,059**	**26,684**

In absence of reasonable certainty of taxable income in future years, during the year ended 31 March 2018 and 31 March 2017, the Company has created deferred tax asset on unabsorbed depreciation and other items to the extent of deferred tax liability.

(B) Recognition of deferred tax asset to the extent of deferred tax liability

Balance sheet	31 March 2018	31 March 2017
Deferred tax asset	25,513	27,903
Deferred tax liabilities	(454)	(1,219)
Deferred tax assets/ (liabilities), net	**25,059**	**26,684**

(C)

Reconciliation of deferred tax assets/ (liabilities) (net):	31 March 2018	31 March 2017
Opening balance as of 1 April	26,684	-
Tax liability recognized in Statement of Profit and Loss	879	(899)
Tax liability recognized in OCI		
On re-measurements gain/(losses) of post-employment benefit obligations	(313)	(120)
Tax liability recognized directly in equity		
On convertible preference shares	200	(200)
Tax asset recognized in Statement of Profit and Loss	(2,391)	27,903
Closing balance as at 31 March	**25,059**	**26,684**

(D) Deferred tax assets/ (liabilities) to be recognised in Statement of Profit and Loss

	31 March 2018	31 March 2017
Tax liability	879	(899)
Tax asset	(2,391)	27,903
	(1,512)	**27,004**

(E) Tax losses of INR 1,517,062 thousand (31 March 2017: INR 1,458,261 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 381,598 thousand (31 March 2017: INR 438,117 thousand).

33. 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 CCPS) 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 2018	31 March 2017
Loss attributable to equity holders	(134,074)	(245,320)
Less: preference dividend after-tax (Refer Note 17(A)(vii))	250	250
Loss attributable to equity holders after preference dividend	(134,324)	(245,570)
Add: Interest on convertible preference shares	(40)	5,583
Loss attributable to equity holders adjusted for the effect of dilution	(134,364)	(239,987)
Weighted average number of equity shares for basic EPS*	35,838	31,556
Effect of dilution**:		
Share options	1,927	3,289
OCCRPS	2,650	4,543
Weighted average number of equity shares adjusted for the effect of dilution	**40,415**	**39,388**
Basic loss per share (INR)	(3.75)	(7.78)
Diluted loss per share (INR)	(3.75)	(7.78)

* The weighted average number of shares takes into account:

(A) the weighted average effect of changes in treasury share by 30 shares during the year; and

(B) shares that will be issued upon the conversion of a compulsory convertible instrument i.e.

i) 10,000 0.1% CCPS equivalent to 1,334 equity shares allotted to the parent on 5 December 2013 as per Fifth Investment Agreement, as amended on 31 October 2017, and 24,99,64,932 0.1% CCPS equivalent to 4,220 Equity Shares allotted to the parent Company on 12 June 2015 as per Sixth

Investment Agreement, as amended on 31 October 2017.

ii) 379,329, Compulsory Convertible debentures (CCD) equivalent to 6,403 equity shares allotted to the parent on 11 December 2017 vide Debenture subscription agreement dated 31 October 2017.

**The Company is having following potential equity shares:

(A) Shares options granted to employees in pursuance of the Employee Stock Option Plan.

(B) 10,000 0.1% OCCRPS equivalent to 778 (31 March 2017: 1,334) equity shares allotted on 5 December 2013 as per Fifth Investment Agreement and 24,99,64,932 0.1% OCCRPS equivalent to 1872 (31 March 2017: 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 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.

34. 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 2018**	**31 March 2017**
Employers' Contribution to Provident Fund and Employee State Insurance (Refer Note 28)	9,953	13,890

(B) Defined benefit plans

a) Gratuity payable to employees

b) Compensated absences for Employees

i)

Actuarial assumptions	**31 March 2018**	**31 March 2017**
Discount rate (per annum)	7.80%	7.36%
Rate of increase in Salary	7.00%	7.00%
Expected average remaining working lives of employees (years)	30.03	29.73
Attrition rate	1 - 25%	1 - 25%

ii) **Changes in the present value of defined benefit obligation**

	Employee's gratuity	
	31 March 2018	**31 March 2017**
Present value of obligation at the beginning of the year	11,465	8,606
Interest cost	844	689
Past service cost	-	-
Current service cost	2,240	2,888
Curtailments	-	-
Settlements	-	-
Benefits paid	(3,112)	(330)
Actuarial (gain)/ loss on obligations	(1,207)	(388)
Present value of obligation at the end of the year*	**10,230**	**11,465**
*Included in provision for employee benefits (Refer Note 20)		

iii)

Expense recognized in the Statement of Profit and Loss	**Employee's gratuity**	
	31 March 2018	**31 March 2017**
Current service cost	2,240	2,888
Past service cost	-	-
Interest cost	844	689
Expected return on plan assets	-	-
Actuarial (gain) / loss on obligations	(1,207)	(388)
Settlements	-	-
Curtailments	-	-
Total expenses recognized in the Statement Profit and Loss*	**1,877**	**3,189**

*Included in Employee benefits expense (Refer Note 28). Actuarial (gain)/loss of INR 1207 thousand (31 March 2017: INR 388 thousand) is included in other comprehensive income.

iv)

Liabilities recognized in the Balance Sheet:	**Employee's gratuity**	
	31 March 2018	**31 March 2017**
Present value of unfunded obligation as at the end of the year	10,230	11,465
Unrecognized actuarial (gains)/losses	-	-
Unfunded net asset / (liability) recognized in Balance Sheet*	**10,230**	**11,465**

*Included in provision for employee benefits (Refer Note 20) v)

Amounts recognized in current year and previous four years	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
Gratuity					
Defined benefit obligation	10,230	11,465	8,606	6,281	3,227
Plan assets	-	-	-	-	-
Net assets / (liability)	(10,230)	(11,465)	(8,606)	(6,281)	(3,227)

vi)

Expected contribution to the fund in the next year	31 March 2018	31 March 2017
Gratuity	3,687	4,242

vii)

A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below:		
	Employee's gratuity	
Impact on defined benefit obligation	**31 March 2018**	**31 March 2017**
Discount rate		
0.5% increase	(302)	(353)
0.5% decrease	323	377
Rate of increase in salary		
0.5% increase	317	377
0.5% decrease	(301)	(356)

vii)

Maturity profile of defined benefit obligation	Employee's gratuity	
Year	**31 March 2018**	**31 March 2017**
Apr 2018- Mar 2019	1,539	128
Apr 2019- Mar 2020	1,405	152
Apr 2020- Mar 2021	1,223	169
Apr 2021- Mar 2022	878	183
Apr 2022- Mar 2023	705	185
Apr 2023 onwards	4,479	9,200

35. 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

Particulars	31 March 2018		31 March 2017	
	Number	WAEP (INR)	Number	WAEP (INR)
Options outstanding at beginning of year	3,289	578	2,410	10
Add:				
Options granted during the year	576	10	1,552	11,151
Less:				
Options exercised during the year	30	10	-	-
Options forfeited during the year*	1,908	10	673	10
Options outstanding at the end of year	1,927	8,983	3,289	578
Option exercisable at the end of year	668	10	1,346	10

In accordance with the above mentioned ESOP Scheme, INR 14,499 thousand (Previous Year INR 27,088 thousand) has been charged to the Statement of Profit and Loss in relation to the options granted during the year ended 31 March 2018 as Employee Stock Option Scheme Compensation. (Refer Note 28)

The options outstanding at the year ending on 31 March 2018 with exercise price of INR 10 are 1,705 options (31 March 2017: 3,067 options) and with exercise price of INR 77,898 are 222 options (31 March 2017: 222 options) and a weighted average remaining contractual life of all options are 4.61 years (31 March 2017: 3.77 years).

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 2018	31 March 2017
Weighted average fair value of the options at the grant dates (INR)	54,374.17	47,511.89
Dividend yield (%)	0%	0%
Risk free interest rate (%)	7.50%	7.29%
Expected life of share options (years)	7.00	7.00
Expected volatility (%)	42.41%	61.85%
Weighted average share price (INR)	54,380.85	47,517.95

*During the year ended 31 March 2018, the Company has granted Nil (31 March 2017: 673) options which have been forfeited during the year only. No expenses in respect of these options has been recognised in the financial statement.

36. 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 199,373 thousand (31 March 2016: INR 29,892 thousand) included in Note 31.

As on 31 March 2018 and 31 March 2017 there were no non-cancellable operating leases.

37. Related Party Disclosures

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

Holding Company

Info Edge (India) Limited (Refer Note 16(c))

Entity under common control

Startup Investments (Holding) Limited

Oyster Learning Private Limited

Key Management Personnel (KMP)

Mr. Ritesh Hemrajani (Executive director)

Mr. Pavan Chauhan (Executive director)

Mr. Sudhir Bhargava (Non executive director) (upto 14 June 2017)

Mr. Ranjeet Singh Yadav (Non executive director) (w.e.f. 24 July 2017)

Mr. Kaushik Dutta (Independent director)

Mr. Naveen Saraf (Independent director)

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

(i)

Holding Company	31 March 2018	31 March 2017
Recruitment and training expenses	547	288
Loan received during the year	63,500	219,500
Loan repaid during the year	(300,000)	-
Interest on borrowing	12,936	11,437
Equity component of compulsory convertible debentures	189,545	-
Liability component of compulsory convertible debentures	120	-
Interest on liability component of compulsory convertible debentures	5	-

(ii)

Entity under common control	31 March 2018	31 March 2017
Startup Investments (Holding) Limited *		
Preference share capital	34,345	6,030
Securities Premium	81,885	-
Borrowings	-	1,142
Embedded derivative liability	-	(7,290)
Interest expense on liability component of CCPS	(49)	5,501
CCPS liability written back	11,617	-
Interest income on derecognition of liability component of CCPS	-	82
Liability component of compulsory convertible debentures	120	-
Equity component of compulsory convertible debentures	189,544	-
Interest expense on liability component of compulsory convertible debentures	5	
Oyster Learning Private Limited		
Legal And professional	177	-

* The transactions includes non financial transactions arising to comply with Ind AS.

(iii)

Key Management Personnel (KMP)	31 March 2018	31 March 2017
Compensation of key management personnel		
Short term employee benefit		
Remuneration (including employer's contribution to EPF)		
Mr. Ritesh Hemrajani	3,000	3,000
Mr. Pavan Chauhan	6,000	6,000
Long term employee benefit		
Leave encashment		
Mr. Ritesh Hemrajani	63	22
Mr. Pavan Chauhan	127	44
Post-employment benefits		
Employer contribution to EPF		
Mr. Ritesh Hemrajani	22	22
Mr. Pavan Chauhan	22	22
Gratuity		
Mr. Ritesh Hemrajani	102	48
Mr. Pavan Chauhan	204	100

KMP's are not eligible for ESI.

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

(i)

Holding Company	31 March 2018	31 March 2017
Short term borrowing	-	236,500
Interest accrued but not due on loan	-	10,252
Borrowings**	125	-
Entity under common control		
Borrowings**	2,226	58,906

** The transactions includes non financial transactions arising to comply with Ind AS.

(ii)

Key Management Personnel (KMP)	31 March 2018	31 March 2017
Employee related payables		
Mr. Pavan Chauhan	1,344	1,506
Mr. Ritesh Hemrajani	783	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 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2017: 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.

38. 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 2018		31 March 2017	
	Amount	%	Amount	%
Online educational service (Refer A below)	306,532	99.41%	345,686	95.23%
Offline educational service (Refer B below)	1,830	0.59%	17,303	4.77%
	308,362	100.00%	362,989	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:

(A)	Online educational service	31 March 2018		31 March 2017	
		Amount	%	Amount	%
	India	226,593	73.92%	251,464	72.74%
	Outside India	79,939	26.08%	94,222	27.26%
		306,532	100.00%	345,686	100.00%

(B)	Offline educational service	31 March 2018		31 March 2017	
		Amount (INR)	%	Amount (INR)	%
	Chandigarh	-	0.00%	3,710	21.44%
	Gurugram	1,830	100.00%	5,089	29.41%
	Jaipur	-	0.00%	8,504	49.15%
		1,830	100.00%	17,303	100.01%

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

39. 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 of CCPS and CCD. 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 are not significant and therefore the impact of fair value is not considered for above disclosure.

40. 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).

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

	31 March 2018	31 March 2017
Level 3		
Financial assets measured at amortised cost		
Security deposits	4,728	5,708
Financial liabilities measured at amortised cost		
Liability component of convertible preference shares	2,102	58,906
Liability component of convertible debentures	250	-

The carrying amount of cash and cash equivalents, fixed deposits, other assets, trade payables, other payables and short-term borrowings are considered to be the same as their fair values. The fair values of borrowings including liability component of convertible preference shares and convertible debentures 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.

41. 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 borrowings from the Holding 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 as at 31 March 2018 and 31 March 2017 is the carrying amounts as mentioned in Note 8 to 15.

(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 2018					
Short term borrowings	-	-	-	-	-
Long-term borrowings	-	-	-	2,352	2,352
Trade payables	9,365	-	-	-	9,365
Other financial liability	46,336	-	-	-	46,336
	55,701	-	-	2,352	**58,053**
31 March 2017					
Short term borrowings	236,500	-	-	-	236,500
Long-term borrowings	-	-	-	58,906	58,906
Trade payables	10,879	-	-	-	10,879
Other financial liability	62,375	-	-	-	62,375
	309,754	-	-	58,906	**368,660**

42. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, convertible debentures, 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 CCPS and CCD and current borrowing from Holding 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 2018	31 March 2017
Total equity	(i)	(164,132)	(468,368)
Total debt	(ii)	2,352	295,406
Overall financing	(iii) = (i) + (ii)	(161,780)	(172,962)
Gearing ratio	(ii)/ (iii)	(0.01)	(1.71)

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 when compared to 31 March 2017.

43. 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 had filed an appeal to Commissioner of Income Tax (Appeals) in previous year. On 11 September 2017, the Company has received order from Commissioner of Income Tax (Appeals) in its favour and thereby allowing the Company to carried forward its losses amounting to INR 217,030 thousands. No further notice has been received subsequently to the receipt of above order.

44. During the year ended 31 March 2018, 'Office of the Commissioner Central Goods & Services Tax Audit-II' ("Tax Authorities") has conducted verification of the Company's records for the financial years from 2012-13 to 2016-17. Subsequent to 31 March 2018, on 10 April 2018, the Company has received a demand letter wherein the Tax Authorities has determined a taxable value of INR 2,720 thousand on notice period salary recovered by the Company from its employees. On aforesaid taxable value, the Company is required to pay service tax along with penalty as imposed in demand letter. During the current year, the Company has provided for INR 340 thousand towards service tax liability. On 16 April 2018, the Company has made payment of INR 340 thousand towards service tax along with INR 202 thousand towards penalty. On 18 April 2018, the Company has paid an additional penalty amounting INR 17 thousand. Management believes that no additional penalty would be imposed.

45. 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. Thus the Company has continued to adopt the going concern basis of accounting in preparing the financial statements.

46. There are no contingent liabilities and capital commitments as on 31 March 2018 (31 March 2017: Nil).

47. Tablets are covered under manufacturer's warranty (13 months from date of purchase by the Company), no additional warranty has been given by the Company to its customers. Accordingly, no provision has been made for warranty claims in respect of Tablets sold during the current year. The Company doesn't expect any significant claim on tablets post the warranty period is over.

48. 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 MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Place: Gurugram
Date: 21 May 2018

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: 21 May 2018

Ritesh Hemrajani
Director
DIN: 00283248

Place: New Delhi
Date: 21 May 2018

Pankaj Mishra
Company Secretary
Membership No: A40550

Place: New Delhi
Date: 21 May 2018

Shwetank Patni
Chief Finance Officer

Place: New Delhi
Date: 21 May 2018

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 Eleventh Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2018

1. FINANCIAL SUMMARY

INR in Rs. '000s

Particulars	As at the end of current reporting period i.e. year ended 31st March, 2018	As at the end of prior reporting period i.e. year ended 31st March, 2017
Total Revenue (including other income)	418,418	495,999
Total Expenses	687,522	785,168
Profit / (Loss) before Exceptional and Extraordinary items and Tax	**(269,104)**	**(289,169)**
Less: Exceptional Items	-	-
Less: Extraordinary Items	-	-
Profit or Loss before Tax	**(269,104)**	**(289,169)**
Less: Current Tax	-	-
Deferred Tax	(53,085)	(50,539)
Profit or Loss After Tax	**(216,019)**	**(238,630)**
Less: Other comprehensive income/ (loss) i.e. OCI	2,030	1,649
Total comprehensive income/ (loss) for the year	**(213,989)**	**(236,981)**

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 (excluding other income) was at INR 415,674 thousands compared to the revenue of the prior year which was INR 488,909 thousands. Your Company is working towards 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 not less than Rs. One Crore and Two lakhs per annum, or employed for part of the year and in receipt of remuneration not less than Rs. Eight Lakhs Fifty Thousand 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**

In INR '000s

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Expenditure in Foreign Currency		
Royalty	47	345
Technical Fee	-	-
Travelling and Conveyance	108	-
Repairs and maintenance	2,419	1,801
Purchases	2312	2312
Advertisement and marketing expenses	-	-
Earnings in Foreign Currency		
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 30. 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 other 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 27/05/2017, 24/08/2017, 06/09/2017, 03/10/2017, 20/12/2017 and 05/03/2018 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 and Ms. Kitty Agarwal were the Directors of the Company as at 31 March, 2018.

Mr. Sudhir Bhargava and Mr. Mohanjit Singh Jolly have resigned on June 15, 2017 and March 31, 2018 respectively 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 Authorised Share Capital:-Nil

Rights Issue - Nil

Private Placement:

1. The Company has issued and allotted 867,121 Series A2 0.1% Optionally Convertible Cumulative Redeemable 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
Managing Director
DIN: 05230923

Date: 25 May, 2018
Place : Gurgaon

ANNEXURE 1

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

Employee Name	Ranjit Singh Yadav
Designation	Managing Director from 30th August, 2016
Remuneration paid for 2017-18	INR 9,833,333/-
Nature of Employment	Full time employment
Qualifications & Experience	B.A. (Hons), Economics, IIM, Bangalore
Date of commencement of Employment	01/06/2015
Age	56 years
Previous Employment and Designation	Tata Motors , President, International Business
Percentage of Equity Shares held (as on March 31, 2018)	Nil
Relative of any Director or Manager of the Company	Not applicable

For and on behalf of the Board of Directors,

Ranjit Singh Yadav
Managing Director
DIN: 05230923

Date : 25 May, 2018
Place : Gurgaon

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
a)	Name (s) of the related party & nature of relationship	Info (Edge) India Limited
b)	Nature of contracts/arrangements/transaction	Placement services arrangement and e-hire short listing arrangement
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 and e-hire short listing services
e)	Date of approval by the Board	20 December, 2017
f)	Amount paid as advances, if any	Nil

For and on behalf of the Board of Directors,

Ranjit Singh Yadav
Managing Director
DIN: 05230923

Date : 25 May, 2018
Place : Gurgaon

ANNEXURE 3

Form No. MGT 9

EXTRACT OF ANNUAL RETURN FOR THE YEAR ENDED 31/03/2018

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

I. REGISTRATION DETAILS

i. Registration No. U92111KA2007PTC041671

ii. Registration Date 05/02/07

iii. Name of the Company: CANVERA DIGITAL TECHNOLOGIES PRIVATE LIMITED

iv. Category / Sub-Category of the Company :

v. Address of the Registered office and contact details:

531/144, 150 FEET RING ROAD,

AGARA, HSR LAYOUT,

BANGALORE, Karnataka 560102

Telephone: 080 67231111

E-mail Address: mangala.rao@canvera.com

vi Whether listed company ~~Yes~~ / No

vii. 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	18121	92.11%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and address of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of shares held (equity and preference)	Applicable Section
1	Startup Investments (holding) Limited Ground Floor, GF-12A, 94, Meghdoot, Nehru Place, New Delhi- 110020	U74140DL2015PLC277487	Holding	70.47	2(46)

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		1,00,000	1,00,000	9.58		1,00,000	1,00,000	9.58	
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other€.									
Sub Total (A) (1)		**1,00,000**	**1,00,000**	**9.58**		**1,00,000**	**1,00,000**	**9.58**	
(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)		**1,00,000**	**1,00,000**	**9.58**		**1,00,000**	**1,00,000**	**9.58**	-

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	
B. Public Shareholding									
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	-
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds		2,51,192	2,51,192	24.07		2,51,192	2,51,192	24.07	-
i) Others (specify)									
Sub Total (B) (1)		**2,92,010**	**2,92,010**	**27.98**		**2,92,010**	**2,92,010**	**27.98**	-
2. Non - Institutions									
a) Bodies Corp.									
i) Indian		34,711	34,711	3.33		34,711	34,711	3.33	-
ii) Overseas		2,69,327	2,69,327	25.80		2,69,327	2,69,327	25.80	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs.1 lakh		13,714	13,714	1.31		13,714	13,714	1.31	-
ii) Individual Shareholders holding nominal share capital in excess of Rs.1 lakh									
c) Other specify - Trust		3,33,973	3,33,973	32.00		3,33,973	3,33,973	32.00	
Sub Total (B) (2)		**6,51,725**	**6,51,725**	**62.44**		**6,51,725**	**6,51,725**	**62.44**	**-**
Total Public Share holding (B)=(B)(1)+(B)(2)		9,43,735	9,43,735	90.42		9,43,735	9,43,735	90.42	-
C. Shares Custodian for GDRs & ADRs		-	-	-				-	
Grand Total (A+B+C)		**10,43,735**	**10,43,735**	**100.00**		**10,43,735**	**10,43,735**	**100**	-

ii) Share Holding of Promoters

Sl. No	Shareholder"s Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in equity share holding during the year
		No. of equity shares	% of total equity shares of the Company	% of equity shares pledged/ encumbered to total equity shares	No. of equity shares	% of total equity shares of the Company	% of equity shares pledged/ encumbered to total equity shares	
1	Peeyush Rai	50,000	4.79	Nil	50,000	4.79	Nil	-
2	Dhiraj Kacker	50,000	4.79	Nil	50,000	4.79	Nil	-

iii) Change in Promoters Share Holding of Equity shares (Please specify, if there is no change) - NIL

	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				
Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/sweat equity etc):				
At the end of the year				

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

Refer Attachment (i)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 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				
	Date wise Increase / Decrease in Share holding 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 (Equity only) : NIL

Sl. No.	Name of the Director / Key Managerial Personnel	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				
	Date wise Increase / Decrease in Share holding 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)				

(vi) 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	16,76,195			16,76,195
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	-			-
Total (i+ii+iii)	16,76,195			16,76,195
Change in Indebtedness during the financial year - Addition - Reduction	(15,74,379)			(15,74,379)
Net Change	(15,74,379)			(15,74,379)
Indebtedness at the end of the financial year	1,01,816			1,01,816
i) Principal Amount	1,01,816			1,01,816
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	-			-
Total (i+ii+iii)	1,01,816			1,01,816

VII. 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
		Ranjit Singh Yadav				
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	98,33,333	-	-	-	**98,33,333**
	(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	-	-	-	-	-
2	Stock Option	2,24,256 (number of options)	-	-	-	2,24,256 (number of options)
3	Sweat Equity	-				-
4	Commission - as % of profit - others, specify..	-				-
5	Others, Please specify	-				-
	Total (A) [Excl option value]	**98,33,333**				**98,33,333**
	Ceiling as per the Act					

B. Remuneration to other directors: NIL

Sl. No	Particulars of Remuneration	Names of Directors				Total Amount
	1. Independent Directors - Fee for attending board or committee meetings - Commission - Others, please specify					
	Total (1)					
	2. Other Non-Executive Directors - Fee for attending board or 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: NIL

Sl. No	Particulars of Remuneration	Key Managerial Personnel				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					
2	Stock Option					
3	Sweat Equity					
4	Commission - as % of profit - others, specify..					
5	Others, Please specify					
	Total					

VIII. Penalties / Punishment / Compunding of offences: NIL

Type	Section of the Companies Act	Brief Description	Details of penalty/ punish ment / 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					

For and on behalf of the Board of Directors,

Ranjit Singh Yadav
Managing Director
DIN: 05230923

Date : 25 May, 2018
Place : Gurgaon

Shareholding Pattern of top ten Equity Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):
Equity shares of Re. 1/-

Attachment (i) to MGT 9

SL. NO	NAME	FATHER'S/HUSBAND'S NAME	ADDRESS	TYPES OF SHARES	NO OF SHARES	CLASS OF SHARES	% OF HOLDINGS
1	FOOTPRINT VENTURES (MAURITIUS), LTD.	NA	C/O INTER-CONTINENTAL TRUST LIMITED, LEVEL 3, ALEXANDER HOUSE, 35, CYBER CITY, EBENE, MAURITIUS	EQUITY	251,192	B	24.07
2	FOOTPRINT VENTURES TRUSTEE COMPANY PRIVATE LIMITED	NA	#16, 2ND FLOOR, 7TH MAIN, 1ST BLOCK, KORAMANGALA, BANGALORE 560 034	EQUITY	40,818	B	3.91
3	DLTN HOLDINGS LIMITED	NA	C/O SANNE MAURITIUS, IFS COURT, 28, CYBER CITY, EBENE -72201, REPUBLIC OF MAURITIUS	EQUITY	266,099	B	25.49
4	STARTUP INVESTMENTS (HOLDING) LTD (a subsidiary of Info Edge (India) Limited)	NA	GROUND FLOOR, GF-12A, 94, MEGHDOOT, NEHRU PLACE, NEW DELHI- 110020	EQUITY	34,711	A (18100) and B (16611)	3.33
5	CANVERA WELFARE TRUST	NA	# 531/144, 150 FEET RING ROAD, AGARA, HSR LAYOUT, BANGALORE - 560102	EQUITY	333,973	A	32.00
6	SASHA MIRCHANDANI	GULUL MICHANDANI	C/O MIRC ELECTRONICS LTD, ONIDA HOUSE, G1, MIDC, MAHAKALI CAVES ROAD, ANDHERI (EAST), MUMBAI-400 093	EQUITY	4,442	B	0.43
7	JAVED TAPIA	FAIZULLAH TAPIA	#31, BENNET VILLA, 27, WODE HOUSE ROAD, MUMBAI-400001	EQUITY	2,665	B	0.26
8	MANISH CHOKSI	MAHENDRA C CHOKSI	402,SHIRTIRTH-2, BHULABAI, DESAI ROAD,MUMBAI-400026	EQUITY	5,330	B	0.51
9	POTRERO I MAURITIUS PRIVATE LIMITED	NA	443, CONNECTICUT STREET #5 SANFRANCISCO CA 94107	EQUITY	3,228	B	0.31
10	PETER W KNAACK	CARL JOHN KNACK	EGESVINGET, 10, DK 4040, JYLLINGE, DENMARK	EQUITY	1,207	A	0.12
			TOTAL		**943,665**		**90.41**

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 comprises the Balance Sheet as at March 31, 2018, 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, 2018, 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, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 with reference to these Ind AS financial statements 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 28(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.

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 25, 2018

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, goods & services 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 where there was a slight delay in the remittance of professional tax, service tax and withholding tax.

(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, goods & services tax, sales-tax, service 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.

(c) According to the information and explanations given to us, the dues of income tax, goods & services tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute,is as follow:

Name of the Statute	Nature of the dues	Amount (Rs. in thousands)	Period to which the amount relates	Forum where the dispute is pending	Amount paid under protest (Rs. in thousands)
The Finance Act, 1994	Service tax	177,934	2010-11 to 2014-15	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	-

(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) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loan during the year for the purpose for which they were raised. The Company has not raised any money by way of initial public offer / further public offer /debt instruments and hence not commented upon.

(x) 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.

(xi) 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.

(xii) 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.

(xiii) 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.

(xiv) 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.

(xv) 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 25, 2018

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, 2018 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS financial statements 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 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 with reference to these Ind AS financial statements 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 over financial reporting with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reportingwith reference to these Ind AS financial statements 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 over financial reporting with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these Ind AS financial statements 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 with reference to these Ind AS financial statements 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 With Reference to these Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS financial statements, 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 with reference to these Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS financial statements 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 over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at March 31, 2018, 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 25, 2018

Balance sheet as at March 31, 2018
(All amounts in Indian Rupees Thousands)

	Notes	March 31, 2018	March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3	6,573	12,541
Other intangible assets	4	952	2,637
Financial assets			
Loans	5	9,586	9,684
Non current tax assets (net)	6	1,370	937
Other non-current assets	7	328	279
		18,809	**26,078**
Current assets			
Inventories	8	7,459	8,627
Financial assets			
Trade receivables	9	7,165	6,498
Cash and cash equivalents	10	60,170	42,011
Other bank balances	11	10,840	40,840
Loans	5	378	405
Others		225	1,941
Other current assets	7	4,987	7,952
		91,224	**108,274**
Total assets		**110,033**	**134,352**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	1,044	1,044
Instruments entirely equity in nature	12	224	224
Other equity			
Equity component of optionally convertible preference shares	12	721,805	656,748
Securities premium	13	509,286	509,286
Retained earnings	13	(1,976,784)	(1,762,795)
Treasury Shares	13	(334)	(334)
Other reserves	13	419,250	359,440
Total equity		**(325,509)**	**(236,387)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	14	55,506	44,070
Provisions	15	14,599	13,773
Deferred tax liabilities (Net)	19	191,908	215,901
		262,013	**273,744**
Current liabilities			
Financial liabilities			
Borrowings	14	50,000	-
Trade payables	16	62,166	59,681
Other financial liabilities	17	20,993	4,833
Other current liabilities	18	37,841	30,264
Provisions	15	2,529	2,217
		173,529	**96,995**
Total liabilities		**435,542**	**370,739**
Total equity and liabilities		**110,033**	**134,352**
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
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership No.: 208382

Place: Bangalore
Date: 25 May 2018

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

Ranjit Singh Yadav
Managing Director
DIN No. 05230923

Place: Gurgaon
Date: 25 May 2018

Ambarish Raghuvanshi
Director
DIN No. 00233858

Place: Gurgaon
Date: 25 May 2018

Statement of profit and loss for the year ended March 31, 2018
(All amounts in Indian Rupees Thousands, except share data and per share data, and unless otherwise stated)

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations	20	415,674	488,909
Other income	21	2,744	7,090
Total income		**418,418**	**495,999**
Expenses			
Cost of raw materials consumed	22	106,912	117,628
Employee benefits expense	23	342,509	351,777
Depreciation and amortisation expense	24	10,270	18,210
Finance costs	25	9,827	8,267
Other expenses	26	218,004	289,286
Total expense		**687,522**	**785,168**
Loss before tax		**(269,104)**	**(289,169)**
Tax expenses			
Current tax		-	-
Deferred tax	19	(53,085)	(50,539)
Total tax expenses		**(53,085)**	**(50,539)**
Loss for the year		**(216,019)**	**(238,630)**
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		2,030	1,649
Income tax effect		-	-
Other comprehensive income/ (loss) for the year, net of tax		2,030	1,649
Total comprehensive income/ (loss) for the year		**(213,989)**	**(236,981)**
Earnings per equity share (EPS)- (Refer note 37)			
Earnings/ (Loss) per equity share [nominal value of share Re 1 (March 31, 2017: Re 1)]		(206.97)	(336.21)
Weighted average number of equity shares used in calculating basic/diluted EPS		1,043,735	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
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership No.: 208382

Place: Bangalore
Date: 25 May 2018

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

Ranjit Singh Yadav
Managing Director
DIN No. 05230923

Place: Gurgaon
Date: 25 May 2018

Ambarish Raghuvanshi
Director
DIN No. 00233858

Place: Gurgaon
Date: 25 May 2018

Statement of changes in equity for the year ended March 31, 2018
(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, 2016	453,350	453	590,385	590
Issued during the year	-	-	-	-
As at March 31, 2017	453,350	453	590,385	590
Issued during the year	-	-	-	-
As at March 31, 2018	**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, 2016	164,142	164	-	-
Issued during the year	-	-	59,801	60
As at March 31, 2017	164,142	164	59,801	60
Issued during the year	-	-	-	-
As at March 31, 2018	**164,142**	**164**	**59,801**	**60**

c) Other equity

For the year ended March 31, 2018

	Equity component of Compound financial instrument	Reserves and surplus				Total
		Capital reserve	Securities premium account	ESOP reserve	Retained earnings	
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
Share-based payments [Note 12(h)]	-	-	-	53,332	-	53,332
Issue of share capital	188,301	-	6,607	-	-	194,908
Deferred tax liability on equity component	(58,185)	-	-	-	-	(58,185)
Balance as at March 31, 2017	**656,748**	**35**	**509,286**	**359,405**	**(1,762,795)**	**(237,321)**
Balance as at April 1, 2017	656,748	35	509,286	359,405	(1,762,795)	(237,321)
Loss for the year	-	-	-	-	(216,019)	(216,019)
Other comprehensive income/ (loss)	-	-	-	-	2,030	2,030
Share-based payments [Note 12(h)]	-	-	-	59,810	-	59,810
Issue of share capital	94,150	-	-	-	-	94,150
Deferred tax liability on equity component	(29,092)	-	-	-	-	(29,092)
Balance as at March 31, 2018	**721,806**	**35**	**509,286**	**419,215**	**(1,976,784)**	**(326,442)**

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

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

per Aditya Vikram Bhauwala
Partner
Membership No.: 208382

Place: Bangalore
Date: 25 May 2018

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

Ranjit Singh Yadav
Managing Director
DIN No. 05230923

Place: Gurgaon
Date: 25 May 2018

Ambarish Raghuvanshi
Director
DIN No. 00233858

Place: Gurgaon
Date: 25 May 2018

Cash flow statement for the year ended March 31, 2018
(All amounts in Indian Rupees Thousands)

			Year ended March 31, 2018	Year ended March 31, 2017
I	**Operating activities**			
	Loss before tax		(269,104)	(289,169)
	Non-cash adjustments to reconcile loss before tax to net cash flows:			
	Depreciation of property, plant and equipment		8,585	16,034
	Amortisation of intangible assets		1,685	2,176
	Employee stock compensation cost		59,810	53,332
	(Gain)/ Loss on disposal of property, plant and equipment, net		(191)	(517)
	Provision for doubtful trade receivables/advances		-	220
	Others		695	724
	Finance costs		9,710	8,165
	Finance income		(2,553)	(6,560)
	Operating loss before working capital adjustments		**(191,363)**	**(215,595)**
	Working capital adjustments :			
	Movements in provisions, gratuity		2,894	639
	(Increase)/ Decrease in trade and other receivables and prepayments		2,380	9,563
	(Increase)/ Decrease in inventories		1,168	2,815
	Increase/ (Decrease) in trade and other payables		27,582	(17,389)
	Cash used in operations		**(157,339)**	**(219,967)**
	Income tax paid (net of refund)		(433)	(145)
	Net cash flows used in operating activities		**(157,772)**	**(220,112)**
II	**Investing activities**			
	Purchase of property, plant and equipment including capital advances		(2,769)	(5,002)
	Proceeds from sale of property, plant and equipment		234	567
	Interest received (finance income)		3,512	5,006
	Investment made in bank deposits (having original maturity of more than three months)		-	(254)
	Withdrawal from bank deposits (having original maturity of more than three months)		30,000	-
	Withdrawal from bank deposits (having original maturity of more than twelve months)		-	30,000
	Net cash flows from/ (used in) investing activities		**30,977**	**30,317**
III	**Financing activities**			
	Proceeds from borrowings (refer note 14)		50,000	-
	Proceeds from issue of Series A2, 0.1% compulsorily convertible cumulative preference shares		-	6,667
	Proceeds from issue of Series A2, 0.1% optionally convertible cumulative redeemable preference shares		96,666	193,333
	Payment of finance lease liabilities		(1,574)	(5,311)
	Interest paid		(138)	(902)
	Net cash flows from financing activities		**144,954**	**193,787**
IV	**Net increase in cash and cash equivalents (I + II + III)**		18,159	3,992
	Cash and cash equivalents at the beginning of the year		42,011	38,019
V	**Cash and cash equivalents at the end of the year**		**60,170**	**42,011**
	Components of cash and cash equivalents as at the end of the year			
	Cash on hand		20	85
	Balances with banks			
	- in current accounts		21,900	28,870
	- deposits with original maturity of less than 3 months		30,000	10,000
	Remittances in transit		8,250	3,056
	Total cash and cash equivalents		**60,170**	**42,011**
	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
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership No.: 208382

Place: Bangalore
Date: 25 May 2018

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

Ranjit Singh Yadav
Managing Director
DIN No. 05230923

Place: Gurgaon
Date: 25 May 2018

Ambarish Raghuvanshi
Director
DIN No. 00233858

Place:Gurgaon
Date: 25 May 2018

Notes to financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees Thousands, unless otherwise stated)

1. Corporate Information

Canvera Digital Technologies Private Limited ('the Company') is a private company domiciled in India and was incorporated on 5 February 2007under the provisions of Companies Act, 1956. The registered office of the Company is 531/144, 150 Feet Ring Road, Agara, HSR Layout, Bangalore- 560102, Karnataka. 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 is a subsidiary of Startup Investments (Holding) Limited, which is a wholly owned subsidiary of Info Edge (India) Limited.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 25, 2018.

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 (as amended from time to time).

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained further in the accounting policies below.

The financial statements are presented in Indian Rupees Thousands (INR), except when otherwise stated.

b) Going concern

The Company has incurred losses of Rs. 213,989[comprehensive loss] for the year ended March 31, 2018 (March 31, 2017 - Rs. 236,981) and has accumulated losses of Rs. 1,976,784[Retained earnings] as on March 31, 2018 (March 31, 2017 - Rs. 1,762,795). During the year ended March 31, 2018, the Companyentered into new lines of products such as Commercial Printing, Classifieds & Ad-Space and Consumer Range. The Company has substantially improved on its core customer base and has achieved penetration into several different cities within India. Consequently, the management is confident to generate positive cash flows and the Company'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, and during the year ended March 31, 2018 the Company received Rs.96,666 against which the Company allotted the Second Tranche Investment Securities.

Considering management's business plans and the letter of continued financial support received from the ultimate holding company, to provide the necessary financial support as is required, management has prepared these financial statements 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 judgment 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 31.

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 judgment is required in establishing fair values. Judgments 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 33 for 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, 2018 was Rs.4,532 (March 31, 2017: Rs.4,258). 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 an asset'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 is acquired and reviewed at each 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.

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.

Notes to financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees Thousands, unless otherwise stated)

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 judgments	Note 33, 34 & 2.2 (d)
(ii)	Financial Instruments (including at carrying cost)	Note 5, 14, 17, 33 & 34
(iii)	Quantitative disclosure of fair value measurement hierarchy	Note 33

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 other 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 and property, plant and equipment are stated 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 them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance 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 judgments, 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

Notes to financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees Thousands, unless otherwise stated)

Asset	Useful lives (in years)
Computers	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 statement of profit and loss 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 assumed as 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.

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.

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.

Notes to financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees Thousands, unless otherwise stated)

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 credits and 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.

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.

Notes to financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees Thousands, unless otherwise stated)

Sales/ value added/ goods and service 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 of resources 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 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

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.

Notes to financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees Thousands, unless otherwise stated)

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.

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 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.
FVTOCI	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 continued 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 Company treats 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 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

Notes to financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees Thousands, unless otherwise stated)

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.

Notes to financial statements for the year ended March 31, 2018

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

3 Property, plant and equipment

	Leasehold improvements	Plant and machinery	Computers	Office equipment	Furniture & fixtures	Total
Cost						
At April 1, 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**
Additions	268	591	1,046	708	47	**2,660**
Disposals	2,571	-	-	1,284	534	**4,389**
At March 31, 2018	**21,361**	**77,853**	**55,700**	**12,831**	**3,004**	**1,70,749**
Depreciation						
At April 1, 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**
Charge for the year	1,418	910	5,158	1,052	47	**8,585**
Disposals	2,554	-	-	1,258	534	**4,346**
At March 31, 2018	**19,746**	**77,170**	**52,797**	**11,563**	**2,900**	**1,64,176**
Net book value						
At March 31, 2017	**2,782**	**1,002**	**7,015**	**1,638**	**104**	**12,541**
At March 31, 2018	**1,615**	**683**	**2,903**	**1,268**	**104**	**6,573**

Note (i) :- Details of assets taken on finance lease included in:-

	Plant and equipment	Computers	Total
Net Block as at March 31, 2017	93	-	93
Net Block as at March 31, 2018	-	-	-

There are no additions of plant and equipment and computers under finance lease during the year ended March 31, 2017 and March 31, 2018. Leased assets are pledged as security for the related finance lease.

4 Other intangible assets

	Specialised Software Licenses	Other Software	Total
Cost			
At April 1, 2016	**11,385**	**9,014**	**20,399**
Additions	-	234	234
Disposals	-	-	-
At March 31, 2017	**11,385**	**9,248**	**20,633**
Additions	-	-	-
Disposals	-	-	-
At March 31, 2018	**11,385**	**9,248**	**20,633**
Amortisation			
At April 1, 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**
Charge for the year	1,184	501	1,685
Disposals	-	-	-
At March 31, 2018	**10,903**	**8,778**	**19,681**
Net book value			
At March 31, 2017	**1,666**	**971**	**2,637**
At March 31, 2018	**482**	**470**	**952**

Notes to financial statements for the year ended March 31, 2018

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

5 **Financial assets**

Carried at amortised cost

Loans

	Non-current		Current	
	March 31, 2018	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**
Unsecured, considered good				
Security deposits	9,586	9,684	378	405
	9,586	**9,684**	**378**	**405**
Financial assets - Others				
Interest accrued on fixed deposit with bank	-	-	225	1,941
	-	**-**	**225**	**1,941**
Total financial assets	**9,586**	**9,684**	**603**	**2,346**

6 **Non current tax assets (net)**

	March 31, 2018	**March 31, 2017**
Advance income tax	1,370	937
	1,370	**937**

7 **Other assets**

	Non-current		Current	
	March 31, 2018	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**
Unsecured, considered good				
Capital advances	-	56	-	-
Advances other than capital advances				
Advance to suppliers	-	-	1,249	1,185
Employees and other advances	-	-	343	354
Prepaid expenses	328	223	3,395	4,953
Balance with statutory/ government authorities	-	-	-	214
Other receivable	-	-	-	1,246
	328	**279**	**4,987**	**7,952**

8 **Inventories**

	March 31, 2018	**March 31, 2017**
Raw materials (at cost)	7,459	8,627
	7,459	**8,627**

9 **Trade receivables**

	March 31, 2018	**March 31, 2017**
Carried at amortised cost		
Unsecured, considered good	7,165	6,498
Unsecured, considered doubtful	1,171	1,171
	8,336	**7,669**
Less: Allowance for doubtful debts	(1,171)	(1,171)
	7,165	**6,498**
Current	**7,165**	**6,498**
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.

Trade receivables are non-interest bearing and are generally on advance terms or on terms of 0 to 30 days.

Notes to financial statements for the year ended March 31, 2018

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

10 Cash and cash equivalents

	March 31, 2018	March 31, 2017
Balances with banks:		
Current accounts	21,900	28,870
Deposits with original maturity of less than 3 months	30,000	10,000
Remittances in transit	8,250	3,056
Cash on hand	20	85
	60,170	**42,011**

11 Other bank balances

	March 31, 2018	March 31, 2017
Carried at amortised cost		
Bank deposits with original maturity of:		
Less than 12 months but more than 3 months	10,840	40,840
	10,840	**40,840**

12 Share capital

	March 31, 2018	March 31, 2017
Authorised share capital		
Equity share capital of Rs. 1 each		
1,163,670 (March 31, 2017: 1,163,670) Class A equity shares	1,164	1,164
636,330 (March 31, 2017: 636,330) Class B equity shares	636	636
2,800,000 (March 31, 2017: 2,800,000) Class C equity shares	2,800	2,800
	4,600	**4,600**
Optionally convertible cumulative redeemable preference shares (OCCRPS) of Rs. 1 each		
350,000 (March 31, 2017: 350,000) Series A, 0.1% OCCRPS	350	350
150,000 (March 31, 2017: 150,000) Series B, 0.1% OCCRPS	150	150
100,000 (March 31, 2017: 100,000) Series C, 0.1% OCCRPS	100	100
400,000 (March 31, 2017: 400,000) Series A1, 0.1% OCCRPS	400	400
2,700,000 (March 31, 2017: 2,700,000) Series A2, 0.1% OCCRPS	2,700	2,700
	3,700	**3,700**
Compulsorily convertible cumulative preference shares (CCPS) of Rs. 1 each		
200,000 (March 31, 2017: 200,000) Series A, 0.1% CCPS	200	200
100,000 (March 31, 2017: 100,000) Series A2, 0.1% CCPS	100	100
	300	**300**
Issued equity capital		
Equity share of Rs. 1 each issued, subscribed and fully paid		
453,350 (March 31, 2017: 453,350) Class A equity shares	453	453
590,385 (March 31, 2017: 590,385) Class B equity shares	591	591
	1,044	**1,044**
Instruments entirely equity in nature		
CCPS of Rs. 1 each		
164,142 (March 31, 2017: 164,142) Series A, 0.1% CCPS	164	164
59,801 (March 31, 2017: 59,801) Series A2, 0.1% CCPS	60	60
	224	**224**
Equity component of optionally convertible cumulative redeemable preference shares		
OCCRPS of Rs. 1 each		
301,798 (March 31, 2017: 301,798) Series A, 0.1% OCCRPS	2,37,237	2,37,237
149,502 (March 31, 2017: 149,502) Series B, 0.1% OCCRPS	1,21,142	1,21,142
83,056 (March 31, 2017: 83,056) Series C, 0.1% OCCRPS	67,301	67,301
348,837 (March 31, 2017: 348,837) Series A1, 0.1% OCCRPS	1,00,952	1,00,952
2,601,367 (March 31, 2017: 1,734,246) Series A2, 0.1% OCCRPS	1,95,173	1,30,116
	7,21,805	**6,56,748**

During the year ended March 31, 2017, 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.

Notes to financial statements for the year ended March 31, 2018

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

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	March 31, 2018		March 31, 2017	
	Number of shares	Amount	Number of shares	Amount
Class A equity shares				
At the commencement of the year	4,53,350	453	4,53,350	453
Add: shares issued	-	-	-	-
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**

	March 31, 2018		March 31, 2017	
	Number of shares	Amount	Number of shares	Amount
Instruments entirely equity in nature				
0.1% Series A CCPS				
At the commencement of the year	1,64,142	164	1,64,142	164
Add: shares issued	-	-	-	-
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	59,801	60	-	-
Add: shares issued	-	-	59,801	60
Outstanding at the end of the year	**59,801**	**60**	**59,801**	**60**
Equity component of optionally convertible cumulative redeemable preference shares				
OCCRPS of Re. 1 each				
0.1% Series A OCCRPS				
At the commencement of the year	3,01,798	2,37,237	5,34,356	4,25,680
Add: shares issued	-	-	-	-
Reclassified to:-				
0.1% Series B OCCRPS	-	-	(1,49,502)	(1,21,142)
0.1% Series C OCCRPS	-	-	(83,056)	(67,301)
Outstanding at the end of the year	**3,01,798**	**2,37,237**	**3,01,798**	**2,37,237**
0.1% Series B OCCRPS				
At the commencement of the year	1,49,502	1,21,142	-	-
Add: shares issued	-	-	-	-
Arising out of reclassification of 0.1% Series A OCCRPS	-	-	1,49,502	1,21,142
Outstanding at the end of the year	**1,49,502**	**1,21,142**	**1,49,502**	**1,21,142**
0.1% Series C OCCRPS				
At the commencement of the year	83,056	67,301	-	-
Add: shares issued	-	-	-	-
Arising out of reclassification of 0.1% Series A OCCRPS	-	-	83,056	67,301
Outstanding at the end of the year	**83,056**	**67,301**	**83,056**	**67,301**
0.1% Series A1 OCCRPS				
At the commencement of the year	3,48,837	1,00,952	3,48,837	1,00,952
Add: shares issued	-	-	-	-
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	17,34,246	1,30,116	-	-
Add: shares issued	8,67,121	69,671	17,34,246	1,30,116
Outstanding at the end of the year	**26,01,367**	**1,99,787**	**17,34,246**	**1,30,116**

Notes to financial statements for the year ended March 31, 2018

(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 (as defined in the shareholders' agreement), 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 shareholders' 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 allocated 933,973 (March 31, 2017: 933,973) options for issue under the Canvera Stock Option Plan 2007.

Pursuant to an agreement entered between the Company and the shareholders, the shareholders have agreed the participation of employees holding options or shares acquired pursuant to the exercise of the options in the liquidation event as prescribed in the agreement.

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% OCCRPS

ii) Series B, 0.1% OCCRPS

iii) Series C, 0.1% OCCRPS

iv) Series A1, 0.1% OCCRPS

v) Series A, 0.1% CCPS

together or collectively referred as 'Category 1 preference shares'.

i) Series A2, 0.1% CCPS

ii) Series A2, 0.1% OCCRPS

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 into 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 or Class C equity shares, as applicable, at the stipulated redemption amount. These OCCRPS shares were split between equity component and the liability component based on the rate of interest of 20% considering the Company's financial position and terms of the instrument.

(c) Details of shareholders holding more than 5% shares of each class of shares in the Company:

Particulars	March 31, 2018		March 31, 2017	
	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	50,000	11.03%*	50,000	11.03%*
Peeyush Rai	50,000	11.03%*	50,000	11.03%*
Startup Investments (Holding) Limited ["Startup Investments"] (a wholly owned subsidiary of Info Edge (India) Limited) #	18,100	3.99%*	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%

Notes to financial statements for the year ended March 31, 2018

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

Particulars	March 31, 2018		March 31, 2017	
	Number of shares	% holding	Number of shares	% holding
Footprint Ventures (Mauritius) Limited	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%
Instruments entirely equity in nature				
Series A CCPS				
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	1,01,010	61.54%	1,01,010	61.54%
Series A2 CCPS				
Footprint Ventures (Mauritius) Limited	59,801	100.00%	59,801	100.00%
OCCRPS of Rs. 1 each				
Series A OCCRPS				
Startup Investments	2,99,658	99.29%	2,99,658	99.29%
Series B OCCRPS				
Startup Investments	1,49,502	100.00%	1,49,502	100.00%
Series C OCCRPS				
Startup Investments	83,056	100.00%	83,056	100.00%
Series A1 OCCRPS				
Startup Investments	3,48,837	100.00%	3,48,837	100.00%
Series A2 OCCRPS				
Startup Investments	23,32,260	89.66%	15,54,841	89.66%
Ambarish Raghuvanshi (Director)	1,79,405	6.90%	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, another wholly owned subsidiary of Info Edge (India) Ltd.

(d) Shares held by ultimate holding company, holding company and subsidiaries of ultimate holding company

Particulars	March 31, 2018		March 31, 2017	
	Number of shares	% holding	Number of shares	% holding
Startup Investments - holding company, holds the following shares:-				
Class A equity shares	18,100	0.38%	18,100	0.47%
Class B equity shares	16,611	0.35%	16,611	0.43%
Series A OCCRPS	2,99,658	6.31%	2,99,658	7.71%
Series B OCCRPS	1,49,502	3.15%	1,49,502	3.85%
Series C OCCRPS	83,056	1.75%	83,056	2.14%
Series A1 OCCRPS	3,48,837	7.34%	3,48,837	8.98%
Series A CCPS	1,01,010	2.13%	1,01,010	2.60%
Series A2 OCCRPS	23,32,260	49.08%	15,54,841	40.02%

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, 2018		March 31, 2017	
	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	6,00,000	600

(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.

Notes to financial statements for the year ended March 31, 2018

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

(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, 2017: 933,973) 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. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares [also refer note (a) above].

For the year ended March 31, 2018, the Company has recorded stock compensation cost of Rs. 59,810 (March 31, 2017: Rs. 53,332) using fair value method.

Option activity during the year and weighted average exercise price of stock options under the ESOP-2007 is as given below:

Particulars	March 31, 2018		March 31, 2017	
	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	7,05,372	151	5,66,088	198
Granted during the year	1,24,751	56	1,62,163	1
Exercised during the year	-	-	-	-
Forfeited during the year	13,009	38	22,879	269
Cancelled during the year	1,71,496	99	-	-
Options outstanding as at balance sheet date	**6,45,618**	148	**7,05,372**	151
Options exercisable as at balance sheet date	5,37,406		3,45,622	

The Company has extended the exercise period for all the stock options whose expiry date was January 13, 2018 for a period of further 2 years upto January 13, 2020. Such extension has been approved by the members of the Company at the Extra Ordinary General Meeting held on March 06, 2018.

During the year ended March 31, 2018, pursuant to the approval of the Board of Directors at their meeting held on October 03, 2017 and shareholders' approval at the meeting held on March 06, 2018, the Company has modified the terms of the stock options granted to the Managing Director of the Company whereby the exercise price and vesting period has been changed. Cost arising from such modification of the terms of the stock options has been recognised in the Statement of profit and loss for the year ended March 31, 2018 over the revised vesting period. Further, certain stock options which were contractually to be granted to the Managing Director have been considered as granted and the related stock compensation cost has been recognised. As part of the aforesaid modification, certain stock options of the Managing Director have been cancelled on mutual agreement.

Weighted average remaining contractual life of the options outstanding as at March 31, 2018 is 4.72 years (March 31, 2017: 4.92 years).

The range of exercise prices for options outstanding as at March 31, 2018 and March 31, 2017 are as follows:-

Particulars	March 31, 2018		March 31, 2017	
2007 Canvera Stock Option Plan	Number of shares outstanding	Range of exercise prices	Number of shares outstanding	Range of exercise prices
	3,44,912	1-108	3,72,619	1-108
	2,10,234	121-215	2,23,583	121-215
	89,702	228-304	54,200	228-304
	770	430-600	54,970	430-600
	6,45,618		**7,05,372**	

The weighted average fair value of each option granted during the year ended March 31, 2018 computed using Black-Scholes was Rs. 81 (March 31, 2017: Rs. 110.78).

The following table list the inputs to the model used for the Stock option plan for the years ended March 31, 2018 and March 31, 2017 :

Particulars	March 31, 2018	March 31, 2017
Dividend yield %	0%	0%
Expected volatility	40%	40%
Risk free interest rate	6.82%	6.82%
Expected life of options	8 years	8 years
Weighted average share price	111	111
Exercise price range	1-111	1
Model used	Black- scholes	Black- scholes

Notes to financial statements for the year ended March 31, 2018

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

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, 2018	March 31, 2017
Equity component of optionally convertible preference shares	7,21,805	6,56,748
Securities premium	5,09,286	5,09,286
Retained earnings	(19,76,784)	(17,62,795)
Treasury Shares	(334)	(334)
Other reserves		
Capital reserves	35	35
Employee Stock Options Outstanding reserve	4,19,215	3,59,405
	(3,26,777)	**(2,37,655)**

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, 2018	March 31, 2017
Carried at amortised cost		
Non Current Borrowing		
Secured borrowings		
Finance lease obligations (secured)*	-	122
Liability component of OCCRPS [refer note 12 (b)]	55,506	43,948
	55,506	**44,070**
Current Borrowings		
Unsecured borrowings		
Loan from related parties**	50,000	-
Current maturity of finance lease obligation*	102	1,554
Total current borrowing	**50,102**	**1,554**
Less : Amount clubbed under other current financial liabilities	**(102)**	**(1,554)**
Net current borrowings	**50,000**	**-**

* (secured against underlying computers, plant and machinery obtained on finance lease basis)

**The Company obtained an unsecured loan of Rs. 50,000 from Smartweb Internet Services Limited ("the lender"), fellow subsidiary carrying an interest rate of 8% p.a. to meet its working capital requirement. The loan is repayable as a bullet repayment on August 31, 2018. Further, the lender has the right, not an obligation, to convert, at its sole option, the amount of loan, including interest thereon, into fully paid-up equity shares of the Company at Rs.111.48 per share.

15 Provision

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Provision for employee benefits				
Provision for gratuity (refer note 31)	10,067	9,515	1,688	1,316
Provision for compensated absences	-	-	841	901
Others				
Provision for decommissioning liability *	4,532	4,258	-	-
	14,599	**13,773**	**2,529**	**2,217**

* Additional provision made during the year ended March 31, 2018 is Rs. 274 (March 31, 2017: Rs. 308).

16 Trade payables

	March 31, 2018	March 31, 2017
Carried at amortised cost		
- Dues of micro and small enterprises (refer note 29)	2,369	-
- Dues of creditors other than micro and small enterprises	59,797	59,681
	62,166	**59,681**

Notes to financial statements for the year ended March 31, 2018

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

17 Other financial liabilities

	March 31, 2018	March 31, 2017
Carried at amortised cost		
Current maturity of finance lease obligation	102	1,554
Interest accrued but not due on borrowings	256	-
Payable for capital goods	-	165
Accrued salaries and benefits	20,635	3,114
	20,993	**4,833**

18 Other current liabilities

	March 31, 2018	March 31, 2017
Advances from customers	24,951	16,490
Deferred revenue	7,103	6,476
Statutory dues**	5,787	7,298
	37,841	**30,264**

** Statutory dues include provident fund, employee state insurance, professional tax, goods and service tax, withholding taxes payables and other indirect taxes payable.

19 Income tax

Deferred tax

Deferred tax relates to the following:

	Balance sheet		Statement of profit and loss	
	March 31, 2018	March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
OCCRPS [refer note (a) below]	2,64,419	2,87,953	(52,626)	(2,149)
Losses available for offsetting against future taxable differences [refer note (b) below]	(72,511)	(72,052)	(459)	(48,390)
Net deferred tax liabilities, net	**1,91,908**	**2,15,901**		
Deferred tax charge/(credit)			**(53,085)**	**(50,539)**

Note:-

a) Deferred tax liability on OCCRPS adjusted with the equity component of OCCRPS are as follows:-

	As at	
	March 31, 2018	March 31, 2017
Adjusted with equity	3,22,775	2,93,683

Below table summarises the details of creation/reversal of deferred tax assets:-

Particulars	Year ended	
Deferred tax assets relating to:	March 31, 2018	March 31, 2017
Business loss	2,810	44,816
Unabsorbed depreciation	(2,351)	3,574
	459	**48,390**

b) The Company has unused tax losses (including unabsorbed depreciation) of Rs. 502,404 (March 31, 2017: Rs. 305,753) 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.

c) Reconciliation of tax expense and accounting loss for the year ended March 31, 2018 and March 31, 2017

	March 31, 2018	March 31, 2017
Accounting loss before tax	**(2,69,104)**	**(2,89,169)**
Computed expected tax expense @ 30.9% (March 31, 2017- 30.9%)	-	-
Tax effect on changes in enacted tax rate to 26% from 30.9%	(38,849)	-
Tax effect on interest of OCCRPS	(2,351)	(2,149)
Tax effect on losses available for offsetting against future taxable differences	(11,885)	(48,390)
Income tax expense reported in the statement of profit and loss	**(53,085)**	**(50,539)**

Notes to financial statements for the year ended March 31, 2018

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

20 Revenue from operations (net)

	March 31, 2018	March 31, 2017
Sale of products		
Sale of photo books	3,82,888	4,63,619
Sale of services -Designing charges	13,446	24,508
Others	19,340	782
	4,15,674	**4,88,909**

21 Other income

	March 31, 2018	March 31, 2017
Gain on sale of fixed assets (net)	191	517
Miscellaneous income	-	13
Interest income on fixed deposits	1,796	5,777
Unwinding of discount on security deposit	757	783
	2,744	**7,090**

22 Cost of raw materials consumed

	March 31, 2018	March 31, 2017
Raw materials		
Inventory at the beginning of the year	8,627	11,442
Add: Purchases	1,05,744	1,14,813
Less: inventory at the end of the year	(7,459)	(8,627)
	1,06,912	**1,17,628**

23 Employee benefits expenses

	March 31, 2018	March 31, 2017
Salaries, wages and bonus	2,57,742	2,70,394
Contribution to provident and other funds	14,743	14,262
Gratuity expense (refer note 31)	4,717	3,787
Employee stock compensation cost	59,810	53,332
Staff welfare expenses	5,497	10,002
	3,42,509	**3,51,777**

24 Depreciation and amortisation expense

	March 31, 2018	March 31, 2017
Depreciation of property, plant and equipment	8,585	16,034
Amortisation of intangible assets	1,685	2,176
	10,270	**18,210**

25 Finance costs

	March 31, 2018	March 31, 2017
Interest expenses and finance charges payable under finance lease	109	902
Interest on loan from related party	285	-
Bank charges	117	103
Unwinding of discount on provision	274	308
Interest expense on liability component of compound financial instrument	9,042	6,954
	9,827	**8,267**

Notes to financial statements for the year ended March 31, 2018

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

26 Other expenses

	March 31, 2018	March 31, 2017
Photo printing charges	23,935	28,527
Contract/ outsourced manpower cost	18,636	34,068
Power and fuel	8,508	11,294
Rent	23,669	25,516
Rates and taxes	375	1,400
Repairs and maintenance		
Buildings	7,767	15,389
Plant and machinery	6,084	6,396
Others	3,537	3,908
Insurance	516	609
Travelling and conveyance	9,621	12,611
Advertisement and marketing expenses	23,939	20,774
Legal and professional charges including software consultancy	37,726	58,092
Payments to auditors **	1,970	1,953
Printing and stationery	896	1,272
Communication	13,240	21,128
Postage and courier	27,506	35,865
Payment processor fees	5,713	5,473
Royalty expenses	47	345
Security charges	3,827	3,884
Provision for doubtful trade receivables/advances	-	220
Foreign exchange loss, net	4	7
Miscellaneous expenses	488	555
	2,18,004	**2,89,286**
** **Payments to auditors:**		
As auditor		
Audit fee	1,650	1,400
Tax audit fee	150	150
Service tax on above	-	233
Reimbursement of expenses	170	170
	1,970	**1,953**

27 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief opertaing decision maker. The Board of Directors of the Company assesses the financial performance and position of the Company. The Managing Director has been identified as the chief operating decision maker.

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. This being a single segment, no additional segment disclosure has been made for business segment.

The Company is domiciled in India. The Company's revenue from operations from external customers primarily relate to operations in India and all the assets of the Company are located in India.

28 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, 2018**		**March 31, 2017**	
	Minimum payment	**Present value of MLP**	**Minimum payment**	**Present value of MLP**
Within one year	112	102	1,792	1,554
Later than one year and not later than 5 years	-	-	127	122
Total minimum lease payments	**112**	**102**	**1,919**	**1,676**
Less: amount representing finance charges	10	**-**	243	**-**
Present value of MLP	**102**	**102**	**1,676**	**1,676**

Notes to financial statements for the year ended March 31, 2018

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

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 plant and 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. 22,975 for the year ended March 31, 2018 (March 31, 2017: Rs. 24,792).

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

	March 31, 2018	March 31, 2017
Not later than one year	-	190
Later than one year and not later than five years	-	-

c) Contingent liabilities

	March 31, 2018	March 31, 2017
Service tax disputed matter [Refer note (i) below]	1,77,934	1,77,934

(i) 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, 2017: Rs. 177,934). The Company had filed a response with the Commissioner of Service Tax against the said Show Cause Notice and received a favourable order during the year. However, the department has appealed to Customs, Excise & Service Tax Appellate Tribunal.

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.

(ii) During the year ended March 31, 2018, the Company has received assessment order from the Income Tax Department for the AY 2015-16 wherein the department has considered share premium of Rs. 97,173 received from certain shareholders towards issuance of shares, as amounts in excess of the fair market value of the shares as computed by the tax department as the income of the assessee under section 56(2)(viib) of the Income Tax Act, 1961. This has lead to reduction of the available carry forward of business losses. The Company has contested the aforesaid computation before the Commissioner of Income Tax (Appeals)-2 and is pending settlement.

d) Commitments

	March 31, 2018	March 31, 2017
Arrears of dividend on cumulative preference shares	7	4

29 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	March 31, 2018	March 31, 2017
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	2,369	-
Interest due on above	2	-
	2,371	**-**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-
	-	**-**

30 Related party disclosures

(i) Names of related parties and related party relationship

(a1) Related parties where control exist irrespective of whether transactions have occurred or not :

Name of the entity	Name of relationship
Info Edge (India) Ltd	Ultimate holding company, since August 30, 2016
Startup Investments (Holding) Ltd (a wholly owned subsidiary of Info Edge (India) Ltd.)	Holding company, since August 30, 2016

(a2) Other shareholders

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, 2018

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

b) Name of the Key management personnel

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
Ambarish Raghuvanshi	Director

(c) Others

Canvera Welfare Trust	ESOP Trust
Smartweb Internet Services Limited (a wholly owned subsidiary of Info Edge (India) Limited)	Fellow subsidiary

* 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, 2018	March 31, 2017
**Issue of OCCRPS ** **		
Ranjit Singh Yadav	1,667	3,333
Startup Investments (Holding) Ltd.	86,667	1,73,333
Ambarish Raghuvanshi	6,667	13,333
** Also refer note 12 and 14.		
**Issue of CCPS ** **		
Footprint Ventures (Mauritius) Limited	-	6,667
Professional charges		
Info Edge (India) Ltd	325	1,818
Peeyush Rai	-	1,145
Interest on loan from related party		
Smartweb Internet Services Limited	285	-
Trade Payables		
Info Edge (India) Ltd	-	289
Peeyush Rai	1,832	1,832
Interest accrued but not due on borrowings		
Smartweb Internet Services Limited	256	-
Loan from related party		
Smartweb Internet Services Limited (Refer note 14)	50,000	-
Loan granted and outstanding		
Canvera Welfare Trust [Refer note 12(h)]	334	334
Accrued salaries and benefits		
Ranjit Singh Yadav	511	-
Compensation of key management personnel:		
Salaries and allowances	9,833	16,696
Post-employment gratuity and medical benefits	397	665
Share-based payment transactions	54,906	60,991
Professional charges	-	1,145
Total compensation paid to key management personnel	**65,136**	**79,497**

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, 2018

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

31 Employee benefits plan

Defined Contribution plans

The Company makes contributions to Provident Fund, Employee State Insurance Scheme contributions which are defined contribution plan for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs. 12,418 (March 31, 2017: Rs. 13,198) for Provident Fund contributions and Rs. 2,325 (March 31, 2017: Rs. 1,060) for Employee State Insurance scheme contribution in the statement of profit and loss.

Defined Benefit plans

The Company has a defined benefit gratuity plan for retirement benefit of employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. 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, 2018**	**March 31, 2017**
Defined Benefit Plan	**11,755**	**10,831**
Non Current	10,067	9,515
Current	1,688	1,316
Post employment defined benefit plan		
Net benefit expense recognised in statement of profit and loss		
Current service cost	3,294	3,034
Past service costs	705	-
Interest cost on benefit obligation	718	753
Net benefit expense	**4,717**	**3,787**
Post employment defined benefit plan		
Changes in benefit obligation		
Benefit obligation at the beginning of the year	10,831	11,597
Current service cost	3,294	3,034
Past service costs	705	-
Interest cost	718	753
Benefits paid	(1,764)	(2,904)
Actuarial (gain) / loss on obligation	(2,030)	(1,649)
Benefit obligation at the end of the year	**11,754**	**10,831**
Remeasurement (gain)/ loss in other comprehensive income (OCI)		
Actuarial changes arising from changes in financial assumptions	(386)	439
Experience adjustments	(1,644)	(2,088)
Included in OCI	**(2,030)**	**(1,649)**
Actual return on plan assets	**-**	**-**

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	March 31, 2018	**March 31, 2017**
Retirement age	58	58
Discount rate	7.22%	6.68%
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, 2018

(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, 2018 and March 31, 2017 are as shown below:

Assumptions	Sensitivity Level	March 31, 2018	March 31, 2017
Discount Rate	Increase by 1%	11,177	10,244
Discount Rate	Decrease by 1%	12,390	11,483
Further Salary Increase	Increase by 1%	12,243	11,293
Further Salary Increase	Decrease by 1%	11,293	10,399
Employee turnover	Increase by 1%	11,599	10,666
Employee turnover	Decrease by 1%	11,918	11,010
Mortality Rate	Increase by 10%	11,757	10,836

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 average duration of the defined benefit plan obligation at the end of the reporting period is 4.46 years (March 31, 2017 : 4.46 years)

32 Changes in liabilities arising from financing activities

	Finance lease obligations	Non-current portion of borrowings	Current portion of borrowings	Total
Balance as on April 01, 2017	6,987	-	-	6,987
Cash inflows/ (outflows)	(5,311)	-	-	(5,311)
Net debt as at March 31, 2017	**1,676**	-	-	**1,676**
Cash inflows/ (outflows)	(1,574)	-	50,000	48,426
Net debt as at March 31, 2018	**102**	-	**50,000**	**50,102**

33 Fair value hierarchy

The carrying value of financial instruments by categories is as follows :-

	March 31, 2018	March 31, 2017
Financial assets measured at amortized cost:		
Loans - non current (Note 5)^	9,586	9,684
Loans - current (Note 5)^	378	937
Trade receivables (Note 9)*	7,165	279
Cash and cash equivalents (Note 10)	60,170	26,078
Other bank balances (Note 11)#	10,840	-
Other financial assets (Note 5)*	225	8,627
	88,364	**45,605**
Financial liabilities measured at amortized cost:		
Borrowings - non current (Note 14)^	55,506	44,070
Borrowings - current (Note 14)*	50,000	-
Trade payables (Note 16)*	62,166	59,681
Other financial liabilities (Note 17)*	20,993	4,833
	1,88,665	**1,08,584**

Notes :-

* The carrying value of these accounts are considered to be the same as their fair value, due to their short term in nature. Accordingly, these are classified as level 3 of fair value hierarchy.

These accounts are considered to be highly liquid/ liquid and the carrying amount of these are considered to be the same as their fair value.

^ The fair value of these accounts was calculated based on cash flow discounted using a current lending/ borrowing rate, they are classified as level 3 fair value hierarchy due to inclusion of unobservable inputs including counterparty credit risk.

34 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.

Notes to financial statements for the year ended March 31, 2018

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

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, 2018 and March 31, 2017. 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, 2018 and March 31, 2017.

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

Every 2% increase or decrease in interest rates on that portion of loans and borrowings affected by the Company would cause the loss before tax to decrease or increase respectively by 0.38% (loss before tax for the year ended March 31, 2017 by 0.24%).

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, except in respect of few customers to whom a credit is offered.

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, 2018 and March 31, 2017 is the carrying amounts as illustrated in Note 9.

iii. Liquidity risk

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows:

	Less than 1 year	1 to 3 years	More than 5 years	Total
March 31, 2018				
Borrowings (other than convertible preference shares)	50,102	-	-	50,102
Convertible preference shares [refer note 12(b)]	-	-	10,72,500	10,72,500
Other financial liabilities	20,891	-	-	20,891
Trade and other payables	62,166	-	-	62,166
	1,33,159	-	**10,72,500**	**12,05,659**
March 31, 2017				
Borrowings (other than convertible preference shares)	1,554	122	-	1,676
Convertible preference shares [refer note 12(b)]	-	-	9,75,833	9,75,833
Other financial liabilities	3,279	-	-	3,279
Trade and other payables	59,681	-	-	59,681
	64,514	**122**	**9,75,833**	**10,40,469**

35 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, 2018	March 31, 2017
Borrowings other than convertible preference shares (Note 14)	50,102	1,676
Trade payables (Note 16)	62,166	59,681
Other payables (Note 17-18)	58,476	33,543
Less: Cash and cash equivalents and other bank balances (Note 10 and Note 11)	(71,010)	(82,851)
Net Debt	**99,734**	**12,049**
Liability component of OCCRPS (Note 14)	55,506	43,948
Equity	(3,25,509)	(2,36,387)
Total capital	**(2,70,003)**	**(1,92,439)**
Capital and net debt	**(1,70,269)**	**(1,80,390)**
Gearing ratio	**-59%**	**-7%**

36. 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.

The Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) amendment Rules, 2018 with effect from April 1, 2018. Companies (Indian Accounting Standards) amendment Rules, 2018 includes Ind AS 115 Revenue from Customers, Appendix D to Ind AS 115 Service Concession Arrangements and Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration. Ind AS 11 Construction Contracts and Ind AS 18 Revenue will be omitted from April 1, 2018

i) Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on 28 March, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospectove application is required for annual periods beginning on or after 1 April, 2018.

The Company is currently evaluating the requirements of the amendment and the impact on its financial statements.

ii) Ind AS 21- Appendix B

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration. Entity may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all the assets, expenses and income in its scope that are initially recognized on or after :

(i) The beginning of the reporting period in which the entity first applies the Appendix, or

(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix. The Appendix is effective for annual periods beginning on or after 1 April, 2018.

The Company's operation primarily relate to operations in India. The directors of the Company do not anticipate that the application of the new standard in future will have significant impact on the financial statements.

37. The calculation of diluted earnings/ (loss) per share for the year ended March 31, 2018 and March 31, 2017 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.

Notes to financial statements for the year ended March 31, 2018

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

38. Prior Year Comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

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

per Aditya Vikram Bhauwala
Partner
Membership No.: 208382

Place: Bangalore
Date: 25 May 2018

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

Ranjit Singh Yadav
Managing Director
DIN No. 05230923

Place: Gurgaon
Date: 25 May 2018

Ambarish Raghuvanshi
Director
DIN No. 00233858

Place: Gurgaon
Date: 25 May 2018

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 19th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2018.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company made a loss of ₹ 89,373 thousand in the financial year 2017-18 as compared to a loss of ₹ 44,566 thousand in the Financial Year 2016-2017.

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.

It owns and operates the website www.zomato.com. It generates revenue from advertisements of restaurants and lead sales.

During the year under review, the Company, consequent to the approval of the Board of Directors and Shareholders of the Company, approved to divest 32,629 equity shares held by it in Zomato Media Pvt. Ltd. (being 98% of its equity shareholding) by way of sale to Alipay Singapore Holding Pte. Ltd. for consideration of ₹ 3,284.07 million. The said transfer was completed on April 20, 2018 (i.e. in FY 19). After the aforesaid divestment, the Company holds 0.13% of the paid up capital of Zomato Media Pvt. Ltd. on fully converted & diluted basis.

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. MSKA & Associates (FRN-105047W), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 18th Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 subject to ratification by members at every Annual General Meeting.

The Companies (Amendment) Act, 2017, effective May 7, 2018 has done away with the requirement of annual ratification of appointment of Statutory Auditors. However, as a measure of good corporate governance practice, the Company shall be putting the matter before shareholders for seeking their approval for ratification of appointment of the Statutory Auditors for F.Y. 2019 and affirmation that the Statutory Auditors of the Company, shall not require any annual ratification for remaining period of their appointment from the conclusion of the twentieth Annual General Meeting till the conclusion of twenty third Annual General Meeting of the Company.

INTERNAL AUDITOR

During the year under review, Mr. Mohit Kumar Agarwal, a qualified Chartered Accountant, was designated as Internal Auditor of the Company w.e.f. February 1, 2018, to conduct internal audit of the functions and activities 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 2018. 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 Managements' explanations are given below:

Pursuant to Companies (Appointment and Qualification of Directors) Amendment Rules, 2017 dated 5th July, 2017 & the Companies (Meeting of Board and its powers) Second Amendment Rules, 2017 dated 13th July, 2017, the Company being wholly owned Subsidiary has been exempted from the provisions related to the appointment of Independent Directors on the Board of the Company and constitution of the Audit Committee under section 177 and the Nomination & Remuneration Committee under Section 178 of the Act.

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, Ms. Sharmeen Khalid, Director (DIN: 07228396), retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Mr. Chintan Thakkar resigned from the office of directorship of the Company w.e.f. April 27, 2018.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 5 (Five) times during the year on May 26, 2017, July 22, 2017, October 5, 2017, January 22, 2018 and February 1, 2018. The maximum time gap between any two meetings was not more than 120 days. The details of Director's attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2017-18

Name of the Director	Position	No of Meetings Held during the year.	No of Meetings Attended during the year
Mr. Sanjeev Bikhchandani	Director	5	5
Mr. Chintan Thakkar	Director	5	5
Mr. Hitesh Oberoi	Director	5	5
Mr. Saurabh Srivastava	Independent Director	5	5
Ms. Sharmeen Khalid	Director	5	5

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, the 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 designated as an Internal Auditor of the Company, to meet the requirements of Section 138 of the Companies Act, 2013. No remuneration is paid to such appointee.

Details of all other related party transactions are present under Note No. 17 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 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.

PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

Section 134 of the Companies Act, 2013 states that a formal evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Further, Schedule IV to the Companies Act, 2013 states that performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

In accordance with the aforesaid provisions, the Board has carried out the annual performance evaluation of its own performance and the evaluation of the Directors individually.

Some of the performance indicators based on which the evaluation takes place are- attendance in the meetings and quality of preparation/participation, ability to provide leadership, work as team player.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

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, 2018 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	Hitesh Oberoi
(Director)	(Director)
DIN: 00065640	DIN: 01189953

Place: Noida
Date: May 29, 2018

ANNEXURE-A

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

[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]

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, 2018**, complied with the statutory provisions listed hereunder and also that the Company has 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, 2018 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 Secretarial Standards is to be observed by the Company. The Company being an unlisted entity, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable.

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 was not in compliance with Section 149 of the Act as there was 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 and under Section 178 of the Act. The Company could also not hold the Meeting of Independent Directors required under Schedule IV to the said Act. Further, pursuant to the Companies (Appointment and Qualification of Directors) Amendment Rules, 2017 dated July 5, 2017 & the Companies (Meeting of Board and its Powers) Second Amendment Rules, 2017 dated July 13, 2017 the Company being wholly owned Subsidiary was exempted from the provisions related to the appointment of Independent Directors on the Board of the Company and constitution of the Audit Committee under Section 177 and the Nomination & Remuneration Committee and under Section 178 of the Act.***

(b) ***The Internal Auditor was appointed by the Company on February 1, 2018.***

We further report that

- The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except that during the part of the period under review ***there was only one Independent director on the Board of the Company. Accordingly the Board of the Directors of the Company was not duly constituted.***
- Adequate notice(s) and Agenda were given to all directors to schedule the Board Meetings generally seven days in advance.
- As per the minutes of the meetings of the Board 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 Secretaries

CS Manish Gupta
Partner
FCS : 5123; C.P. No.: 4095

Place : New Delhi
Date : 29.05.2018

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

Our Secretarial Audit Report for the financial year ended 31st March, 2018 of even date is to be read along with this letter:

Management's Responsibility

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.

6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For RMG & Associates
Company Secretaries

CS Manish Gupta
Partner
FCS : 5123; C.P. No.: 4095

Place : New Delhi
Date : 29.05.2018

ANNEXURE-B

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

[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(46)

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)	100	-	34,324,000 (Preference Shares)	34,324,000 (Preference Shares)	100	-
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 ₹ 10 each.*

***No. of shares refers to 0.0001% Cumulative Redeemable Preference Shares (CRPS) of ₹ 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.

For and on behalf of Board of Directors

Sanjeev Bikhchandani (Director) DIN: 00065640

Hitesh Oberoi (Director) DIN: 01189953

Place: Noida
Date: May 29, 2018

INDEPENDENT AUDITOR'S REPORT

To The Members of Naukri Internet Services Limited

Report on the Indian Accounting Standards (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, 2018, 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 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), cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended, and the accounting principles generally accepted in India.

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 the 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 including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matters

The Ind AS financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who vide, their report dated May 26, 2017 expressed an unmodified opinion on those financial statements.

Our report is not qualified 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.
    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow 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) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 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 reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

2. As required by the Companies (Auditor's 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 MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Amit Mitra
Partner
Membership No. 094518
Place: Gurugram
Date: May 29, 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF NAUKRI INTERNET SERVICES LIMITED

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in 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, 2018 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 March 31, 2018, 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 MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Amit Mitra
Partner
Membership No. 094518
Place: Gurugram
Date: May 29, 2018

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF NAUKRI INTERNET SERVICES LIMITED FOR THE YEAR ENDED MARCH 31, 2018

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. The Company does not have any Fixed Assets. Accordingly, the provisions stated in paragraph 3(i) of the Order are not applicable to 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 loans, secured or unsecured to Companies/ Firms/ Limited Liability Partnerships (LLP's) / or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions stated in paragraph 3(iii) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act. Accordingly, provisions of Section 185 are not applicable to the Company. Company has complied with the provisions of section 186 of the Act, in respect of investments, guarantees and security made.

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

vi. The Company is not required to maintain the cost records and accounts prescribed by the Central Government of India under section 148(1) of the Companies Act, 2013. 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 regular in depositing with appropriate authorities 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.

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

viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders 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, no managerial remuneration is paid to directors. Accordingly, the provisions stated in paragraph 3(xi) of the Order are not applicable to the Company.

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 MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Amit Mitra
Partner
Membership No. 094518
Place: Gurugram
Date: May 29, 2018

BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Notes	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
ASSETS			
Non-current assets			
Financial assets			
Investments	3(a)	73,272	3,396,329
Non-current tax assets	4	25	-
Total non-current assets		**73,297**	**3,396,329**
Current assets			
Financial assets			
Cash and cash equivalents	3(b)	3,711	3,596
Other financial assets	3(c)	31	148
Other current assets	5	5	-
Assets classified as held for sale	6	3,284,070	-
Total current assets		**3,287,817**	**3,744**
Total assets		**3,361,114**	**3,400,073**
EQUITY & LIABILITIES			
Equity			
Equity share capital	7	100	100
Other equity	8	2,913,565	3,002,938
Total equity		**2,913,665**	**3,003,038**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	9(a)	447,226	396,890
Non-current tax liabilities	10	-	38
Total non-current liabilities		**447,226**	**396,928**
Current liabilities			
Financial liabilities			
Trade payables	9(b)	193	103
Other current liabilities	11	30	4
Total current liabilities		**223**	**107**
Total liabilities		**447,449**	**397,035**
Total equity and liabilities		**3,361,114**	**3,400,073**

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 MSKA & Associates
Registration Number: 105047W
Chartered Accountants

Amit Mitra
Partner
Membership No.- 094518

Place: Gurugram
Date: May 29, 2018

For and on behalf of Board of Directors

Sanjeev Bikhchandani
Director
DIN: 00065640

Hitesh Oberoi
Director
DIN: 01189953

Murlee Manohar Jain
Company Secretary

Chintan Thakkar
Chief Financial Officer

Place: Noida
Date: May 29, 2018

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Notes	Year ended March 31, 2018 (₹ 000)	Year ended March 31, 2017 (₹ 000)
Income			
Revenue from operations	12	75	100
Other income	13	269	186
Total Income		**344**	**286**
Expenditure			
Finance costs	14	50,336	44,670
Other expenses	15	394	137
Total Expense		**50,730**	**44,807**
Loss before exceptional items and tax		**(50,386)**	**(44,521)**
Exceptional items [Refer Note 18 (a) and (b)]		38,987	-
Loss before tax		**(89,373)**	**(44,521)**
Tax expense			
Current tax expense	21	-	45
Loss for the year		**(89,373)**	**(44,566)**
Other comprehensive income		-	-
Other comprehensive income/(loss) for the year, net of income tax		**-**	**-**
Total comprehensive loss for the year		**(89,373)**	**(44,566)**

Loss per equity share			
Basic earnings per share	16	(8,937)	(4,457)
Diluted earnings per share	16	(8,937)	(4,457)

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 MSKA & Associates
Registration Number: 105047W
Chartered Accountants

Amit Mitra
Partner
Membership No.- 094518

Place: Gurugram
Date: May 29, 2018

For and on behalf of Board of Directors

Sanjeev Bikhchandani
Director
DIN: 00065640

Hitesh Oberoi
Director
DIN: 01189953

Murlee Manohar Jain
Company Secretary

Chintan Thakkar
Chief Financial Officer

Place: Noida
Date: May 29, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Year ended March 31, 2018 (₹ 000)	Year ended March 31, 2017 (₹ 000)
Cash flow from operating activities:		
Loss before exceptional items and tax	**(50,386)**	**(44,521)**
Adjustments for:		
Finance cost	50,336	44,670
Other Income (Interest income on fixed deposits)	(269)	(186)
Operating loss before working capital changes	**(319)**	**(37)**
Changes in operating assets & liabilities		
(Increase)/ Decrease in other current assets	(5)	(126)
Increase/(Decrease) in trade payables	90	(65)
Increase / (Decrease) in other financial liabilities	26	3
Cash used in operating activities	**(208)**	**(225)**
Income taxes paid	(63)	-
Net cash outflow from operating activities	**(271)**	**(225)**
Cash flow from investing activities:		
Other Income (Interest income on fixed deposits)	386	186
Net cash inflow from investing activities	**386**	**186**
Cash flow from financing activities:		
Net cash inflow/outflow from financing activities	**-**	**-**
Net decrease in cash & cash equivalents	**115**	**(39)**
Cash and cash equivalents at the beginning of the financial year	**3,596**	**3,635**
Cash and cash equivalents at the closing of the financial year	**3,711**	**3,596**
Cash and cash equivalents as per above comprise of the following [Note 4(a)]		
Cash in hand#	0	0
Balance with banks in current accounts	3,711	3,596
Total cash and cash equivalents	**3,711**	**3,596**

0 represents amount is below the rounding off norms adopted by the Company

Notes :

1. **Amendment to Ind AS 7**
   Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require 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 adoption of amendment did not have any material impact on the financial statements.
2. The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
3. Figures in brackets indicate cash outflow.
4. 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 MSKA & Associates
Registration Number: 105047W
Chartered Accountants

Amit Mitra
Partner
Membership No.- 094518

Place: Gurugram
Date: May 29, 2018

For and on behalf of Board of Directors

Sanjeev Bikhchandani
Director
DIN: 00065640

Hitesh Oberoi
Director
DIN: 01189953

Murlee Manohar Jain
Company Secretary

Chintan Thakkar
Chief Financial Officer

Place: Noida
Date: May 29, 2018

STATEMENTS OF CHANGES IN EQUITY

a. Equity share capital

Particulars	No. of shares	Amount (₹ '000)
As at April 1, 2016	**10,000**	**100**
Changes in equity share capital during the year	-	-
As at March 31, 2017	**10,000**	**100**
Changes in equity share capital during the year	-	-
As at March 31, 2018	**10,000**	**100**

b. Other Equity

Particulars	Reserves & Surplus		Total (₹ '000)
	Equity component of compounded financial instruments (₹ '000)	Retained Earnings (₹ '000)	
Balance as at April 1, 2016	3,117,286	(69,782)	**3,047,504**
Loss for the year	-	(44,566)	**(44,566)**
Balance as at March 31, 2017	**3,117,286**	**(114,348)**	**3,002,938**

Particulars	Reserves & Surplus		Total (₹ '000)
	Equity component of compounded financial instruments (₹ '000)	Retained Earnings (₹ '000)	
Balance as at April 1, 2017	3,117,286	(114,348)	**3,002,938**
Loss for the year	-	(89,373)	**(89,373)**
Balance as at March 31, 2018	**3,117,286**	**(203,721)**	**2,913,565**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the statement of changes in equity referred to in our report of even date.

For and on behalf of Board of Directors

For MSKA & Associates
Registration Number: 105047W
Chartered Accountants

Amit Mitra
Partner
Membership No.- 094518

Place: Gurugram
Date: May 29, 2018

Sanjeev Bikhchandani
Director
DIN: 00065640

Hitesh Oberoi
Director
DIN: 01189953

Murlee Manohar Jain
Company Secretary

Chintan Thakkar
Chief Financial Officer

Place: Noida
Date: May 29, 2018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

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. Its registered and principal office of business is located at GF-12A, 94, Meghdoot Building, Nehru Place, New Delhi-110019. The company is a wholly owned subsidiary of Info Edge (India) Ltd. The Company is primarily engaged in the business of providing services of licensing of brand name to Info Edge (India) Limited.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 29, 2018.

2 Significant Accounting Policies

Significant accounting policies adopted by the company are as under:

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) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Financial statements for the year ended March 31, 2017 were the first set of financial statements prepared in accordance with 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.

(ii) Current vs non-current classification:

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.

(iii) 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:

- Certain financial assets and liabilities
- Asset classified as held for sale

(iv) 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.

B. 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 entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) 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.

C. Revenue Recognition

Revenue is recognised when the amount of revenue can be reliably measured and 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 consideration received or receivable. Amount disclosed as revenue are net of goods and service tax (GST), 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.

D. Other Income

Interest 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.

E. 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/(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.

F. 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.

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.

G. 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.

H. Earnings Per Share (EPS)

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.

I. Financial Instruments

(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 two 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) Financial Liabilities

Financial liabilities are classified, at initial recognition, as loans and borrowings, payables, as appropriate.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short term maturity of these instruments.

(vi) 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.

Dividends

Dividends are recognized in profit or loss only when the right to receive the payments is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably, which is generally when the shareholders approve the dividend.

J. Assets classified as held for sale

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction 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),
- 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.

K. Compound financial instrument

Compulsory Convertible Instruments

Compulsory Convertible Preference Shares are separated into liability and equity components based on the terms of the contract. At the inception of the Compulsory Convertible Instruments, the following two elements wil be seperated:

- a liability component arising from the interest payments; and
- an equity component representing the delivery of fixed number of equity shares in future.

On issuance of the Compulsory Convertible Instrument, the fair value of the liability portion is determined using a market interest rate for an equivalent non-compulsory convertible bonds. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion 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 equity component is not subsequently re-measured.

Optionally Convertible Instruments

Optionally Convertible Preference Shares are separated into liability and equity components based on the terms of the contract. At the inception of the Optionally Convertible Instruments, the following two elements wil be seperated:

- a liability component arising from the interest payments and redemption of principal amount; and
- an equity component representing option with the holder for receiving fixed number of equity shares in future.

On issuance of the optionally 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 instruments based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

L. 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.

M. 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

N. 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 March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Investments in Equity instruments (fully paid)		
Unquoted in fellow subsidiaries		
Shares in Allcheckdeals India Private Limited		
1 (Previous year 1) Equity Share of ₹ 10/- #	0	0
Shares in Makesense Technologies Private Limited		
1 (Previous year 1) Equity Share of ₹ 10/- #	0	0
Unquoted in jointly controlled entity		
Shares in Zomato Media Private Limited [Refer Note 18(a) and (b)]		
33,357 (Previous year 3,279) Equity Share of ₹ 1/-	3,396,329	240,301
Less : Diminution in value of investment [33,357 Equity shares (Previous year Nil)]	(38,987)	-
Less: 32,629 Equity shares reclassified to 'Assets held for sale'	(3,284,070)	-
Investments in preference shares (fully paid)		
Unquoted in jointly controlled entity		
Shares in Zomato Media Private Limited [Refer Note 18(a) and (b)]		
Nil (Previous Year 16,395) Class B 0.0001% compulsorily convertible cumulative preference shares of ₹ 10/-	-	1,602,009
Nil (Previous Year 13,663) Class C 0.0001% compulsorily convertible cumulative preference shares of ₹ 10/-	-	1,554,019
Nil (Previous Year 201,358,542) Class E 0.0001% compulsorily convertible cumulative preference shares of ₹ 10/-	-	-
	73,272	**3,396,329**

0 represents amount is below the rounding off norms adopted by the Company

Aggregate amount of quoted investments & market value thereof	-	-
Aggregate amount of unquoted investments	73,272	3,396,329
Aggregate amount for impairment in value of investments	38,987	-

3(b). Cash & cash equivalents

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Cash in Hand #	0	0
Balance with bank in current account	3,711	3,596
	3,711	**3,596**

0 represents amount is below the rounding off norms adopted by the Company

Balance with bank in current account includes the fixed deposits which are in the nature of sweep in facility.

3(c). Other financial assets

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Interest accrued on fixed deposits	31	148
	31	**148**

4. Non-current tax assets

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
(Unsecured considered good)		
Advance Tax (including TDS Recoverable)	350	-
Less: Provision for Income Tax	(325)	-
	25	**-**

5. Other current assets

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Prepaid Expenses	5	-
	5	**-**

6. Assets classified as held for sale

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Equity shares in Zomato Media Private Limited [Refer Note 18(a) and (b)] 32,629 (Previous year Nil) Equity Share of ₹ 1/-	3,284,070	-
	3,284,070	**-**

7. Equity share capital

Authorized equity share capital

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
50,000 Equity Shares of ₹ 10/- each (Previous Year - 50,000 Equity Shares of ₹ 10/- each)	**500**	**500**
35,000,000 Preference Shares of ₹ 100/- each (Previous Year - 35,000,000 Shares of ₹ 100/- each)	**3,500,000**	**3,500,000**
Issued, subscribed & paid-up		
10,000 Equity Shares of ₹ 10/- each, fully paid up (Previous Year - 10,000 Equity Shares of ₹ 10/- each)	100	100
34,324,000 0.0001% Cumulative Redeemable Preference Shares (CRPS) of ₹ 100/- each (Previous Year- 34,324,000 0.0001% Cumulative Redeemable Preference Shares (CRPS) of ₹ 100/- each)	3,432,400	3,432,400
	3,432,500	**3,432,500**

a. Movement in equity share capital

Particulars	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ 000)	As at March 31, 2017 No of Shares	As at March 31, 2017 (₹ 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 year	**10,000**	**100**	**10,000**	**100**

Particulars	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ 000)	As at March 31, 2017 No of Shares	As at March 31, 2017 (₹ 000)
Preference shares				
At the beginning of the year	34,324,000	3,432,400	34,324,000	3,432,400
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**34,324,000**	**3,432,400**	**34,324,000**	**3,432,400**

b. **Terms/Rights attached to equity shares**

Equity share capital

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, and upon a poll each share is entitled to one vote.

Preference share capital

Rights attached to preference shares

The Company issued 0.0001% Cumulative Redeemable Preference Shares (CRPS) having a par value of Rs 100 per share. Each holder of CRPS shall be entitled to receive notice of and vote on all the matters that are submitted to the vote of the CRPS holder of the Company and shall carry voting rights as per provision of Section 47(2) of the Act.

Dividends:

Each CRPS is entitled to a preferential dividend rate of 0.0001% (Zero point zero zero zero 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.

Terms of convertible preference shares

The holder of preference shares and Board/Company have the option to redeem such preference shares at any time prior to their maturity provided one month notice is served.

Tenure of CRPS

Not exceeding 20 years.

c. **Details of shareholders holding more than 5% shares in the Company**

Particulars	FY 2017-18		FY 2016-17	
	No of Shares	% Holding	No of Shares	% Holding
Info Edge (India) Limited	9,994	99.94%	9,994	99.94%
	9,994	**99.94%**	**9,994**	**99.94%**

8. **Other equity**

Particulars	As at March 31, 2018 (₹ 000)		As at March 31, 2017 (₹ 000)	
Retained earnings				
Opening Balance	(114,348)		(69,782)	
Net loss for the year	(89,373)	(203,721)	(44,566)	(114,348)
Equity component of compounded financial instruments		3,117,286		3,117,286
		2,913,565		**3,002,938**

9. Financial Liabilities

(a) Borrowings

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Unsecured				
34,324,000 nos 0.0001% Cumulative redeemable preference shares*	3,432,400	3,432,400	-	-
(Previous Year - 34,324,000 nos. Preference Shares of ₹ 100/- each)				
Less : Equity component of preference shares	(3,117,286)	(3,117,286)	-	-
Add : Interest expense on Present value	132,112	81,776	-	-
	447,226	**396,890**	**-**	**-**

* Category of shares	Issue date	Maturity not exceeding	Amount (₹ '000)
0.0001% Cumulative redeemable preference shares	2/11/2015	2/10/2035	400
0.0001% Cumulative redeemable preference shares	3/4/2015	3/3/2035	1,862,000
0.0001% Cumulative redeemable preference shares	6/8/2015	6/7/2035	1,565,500
0.0001% Cumulative redeemable preference shares	9/3/2015	9/2/2035	4,500
			3,432,400

Terms of repayment:

At the time of any repayment of capital by the Company, holders of CRPS shall be entitled, to rank as regards repayment of capital in priority to the equity shares but shall not be entitled to any further participation in profits or assets or surplus fund.

(b) Trade payables

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Trade payable*	-	-	193	103
	-	**-**	**193**	**103**

*There are no micro enterprises and small enterprises to which the Company owes dues as at March 31, 2018 and March 31, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

10. Non-current tax liabilities

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Provision for Income Tax	-	325
Less: Advance Tax (including TDS Recoverable)	-	(287)
	-	**38**

11. Other current liabilities

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Statutory dues (Tax deducted at source)	30	4
	30	**4**

12. Revenue from operations

Particulars	For the year ended March 31, 2018 (₹ 000)	For the year ended March 31, 2017 -
Sale of services (License Fees)	75	100
	75	**100**

13. Other income

Particulars	For the year ended March 31, 2018 (₹ 000)	For the year ended March 31, 2017 (₹ 000)
Interest income on fixed deposits (sweep in facility with bank)	269	186
	269	**186**

14. Finance costs

Particulars	For the year ended March 31, 2018 (₹ 000)	For the year ended March 31, 2017 (₹ 000)
Interest cost on financial liabilities at amortized cost	50,336	44,670
	50,336	**44,670**

15. Other expenses

Particulars	For the year ended March 31, 2018 (₹ 000)	For the year ended March 31, 2017 (₹ 000)
Rental charges	24	24
Professional charges	251	60
Payment to auditors (Refer annexure below)	118	46
Bank charges #	0	-
Rates and taxes	1	7
	394	**137**

0 represents amount is below the rounding off norms adopted by the Company

Details of payment to auditors

Particulars	For the year ended March 31, 2018 (₹ 000)	For the year ended March 31, 2017 (₹ 000)
As auditor:		
Audit Fees	100	40
Taxes	18	6
	118	**46**

16. Earnings per share

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Loss attributable to Equity Shareholders	(89,373)	(44,566)
Basic		
Weighted average number of equity shares outstanding during the year (Nos.)	10,000	10,000
Basic earnings per equity share of ₹ 10 each (₹)	(8,937)	(4,457)
Diluted		
Weighted average number of equity shares outstanding during the year (Nos.)	10,000	10,000
Add : Weighted average number of potential equity shares on account of compulsorily convertible preference shares	0.00	0.00
Diluted earnings per equity share of ₹ 10 each (₹)	(8,937)	(4,457)

17. Related party transaction

A) Name of related parties and description of relationship

Name of relationship	Name of the Company
Holding Company	Info Edge (India) Limited
Jointly controlled entity	Zomato Media Private Limited

B) Transactions with related parties:

Nature of relationship / transaction	Holding Company (₹ 000)	Jointly Controlled Entity (₹ 000)	Total (₹ 000)
Sale of services (License Fees)	75	-	75
	(100)	-	(100)
Rental charges	24	-	24
	(24)	-	(24)
16,395 Class B 0.0001% compulsorily convertible cumulative preference shares converted into equity shares	-	1,602,009	1,602,009
	-	-	-
13,663 Class C 0.0001% compulsorily convertible cumulative preference shares converted into equity shares	-	1,554,019	1,554,019
	-	-	-

Figures in parenthesis represents previous year figure

During the year 201,358,542 Class E 0.000% compulsorily convertible cumulative preference (bonus) shares were converted into 20 equity shares of ₹ 1/-.

C) Details of balance with related parties

Nature of relationship / transaction	Holding Company	Jointly Controlled Entity	Total
	(₹ 000)	(₹ 000)	(₹ 000)
Debit Balances			
Outstanding Advances	-	-	-
	-	-	-
Credit Balances			
Outstanding Payable	-	-	-
	(66)	-	(66)

Figures in parenthesis represents previous year figure

18. Conversion of preference shares into equity shares and its disposal

(a) In pursuant to the agreement dated November 14, 2014 and March 17, 2015, Company has exercised its right to convert Class B, Class C and Class E 0.0001% compulsorily convertible cumulative preference shares during the year. Company has converted 16,395 Class B and 13,663 Class C 0.0001% compulsorily convertible cumulative preference shares of ₹ 10/- each of Zomato Media Private Limited into equal number of equity shares of ₹ 1/- per share. Also they have converted 201,358,542 Class E 0.0001% compulsorily convertible cumulative preference shares of ₹ 10/- each into equity shares of ₹ 1/- per share as per the conversion ratio defined in the agreement.

(b) During the year, the Company (the Seller) has entered into a Share Purchase Agreement between Alipay Singapore Holding Pte. Ltd (the Purchaser), Info

Edge (India) Limited, and Zomato Media Private Limited dated February 1, 2018 for sale of 32,629 equity shares of Re. 1/- of Zomato Media Private Limited. Price have been mutually agreed between purchaser and seller at fair market value. Subsequent to year end, the transaction is completed and causing loss of ₹ 38,136 thousands on shares subsequently sold and ₹ 851 thousands on shares in hand aggregating to ₹ 38,987 thousands arrived at calculating difference between carrying value and sale price fetched pursuant to this transaction. Hence, carrying value of 32,629 equity shares of Zomato Media Private Limited which has been subsequently sold is shown as "Assets classified as held for sale" as on March 31, 2018.

19. Segment reporting

No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standards (IND AS)) Rules 2015, as amended by notification dated March 31, 2016, as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

20. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Indian Accounting Standards (IND AS)) Rules 2015, as amended by notification dated March 31, 2016, are not applicable on the company since there was no employee employed by the company during the year & previous year.

21. Income tax expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognized 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, 2018 (₹ 000)	Year ended March 31, 2017 (₹ 000)
Current tax for the year	-	45
Income tax expense	**-**	**45**

b) Reconciliation of tax expense and the accounting loss multiplied by tax rate:

Particulars	Year ended March 31, 2018 (₹ 000)	Year ended March 31, 2017 (₹ 000)
Loss before tax	(89,373)	(44,521)
Tax @ 25.75% (Previous Year 29.87%)	**(23,013)**	**(13,298)**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Interest cost on financial liabilities at amortized cost	12,961	13,343
Exceptional Item	10,039	-
Other items	13	-
Total	**-**	**45**

22. Financial instruments and Risk management

Fair value hierarchy

a) Financial instruments by category

	March 31, 2018 (₹ 000)		March 31, 2017 (₹ 000)	
	Fair value through profit or loss	**Amortized cost**	**Fair value through profit or loss**	**Amortized cost**
Financial Assets				
Cash and cash Equivalents	-	3,711	-	3,596
Other financial assets	-	31	-	148
Total Financial Assets	**-**	**3,742**	**-**	**3,744**
Financial Liabilities				
Borrowings	-	447,226	-	396,890
Trade payables		193		103
Total Financial Liabilities	**-**	**447,419**	**-**	**396,993**

b) Financial assets and liabilities measured at amortized cost

Fair value of financial assets and liabilities measured at amortized cost

	March 31, 2018 (₹ 000)		March 31, 2017 (₹ 000)	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Cash and cash Equivalents	3,711	3,711	3,596	3,596
Other financial assets	31	31	148	148
Total Financial Assets	**3,742**	**3,742**	**3,744**	**3,744**
Financial Liabilities				
Borrowings	447,226	447,226	396,890	396,890
Trade payables	193	193	103	103
Total Financial Liabilities	**447,419**	**447,419**	**396,993**	**396,993**

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 2(ii) and 2(iv).

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 analyze 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 amortized 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.

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 (₹ 000)
March 31, 2018	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Borrowings	447,226	-	-	-	447,226
Trade and other payables	193	193	-	-	-

			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	396,890	-	-	-	396,890
Trade and other payables	103	103	-	-	-

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.

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

	31 March 2018	31 March 2017
Fixed-rate instruments		
Financial assets	-	-
Financial liabilities	447,226	396,890
Total	**447,226**	**396,890**

B) Capital management

a) Risk management

The Company'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 declared during the current and previous financial year.

24. Previous year figures have been regrouped/reclassified to confirm presentation as per IndAS as required by Schedule III of the act.

For MSKA & Associates
Registration Number: 105047W
Chartered Accountants

Amit Mitra
Partner
Membership No.- 094518

Place: Gurugram
Date: May 29, 2018

For and on behalf of Board of Directors

Sanjeev Bikhchandani
Director
DIN: 00065640

Hitesh Oberoi
Director
DIN: 01189953

Murlee Manohar Jain
Company Secretary

Chintan Thakkar
Chief Financial Officer

Place: Noida
Date: May 29, 2018

STARTUP INVESTMENTS (HOLDING) LIMITED

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 3rd Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2018.

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 ₹ 724,316 thousand in the financial year 2017-18 as compared to a loss of ₹ 184,743 thousand in the Financial Year 2016-17.

SHARE CAPITAL

There has been no change in the Capital Structure of the Company during the year under review.

During the year under review, the Company issued and allotted 1,20,92,269- 0.0001% Compulsory Convertible Debentures (CCDs) of ₹ 100/- each aggregating to ₹ 1,209 million to Info Edge (India) Ltd., Holding company of the Company.

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. During the year, Company has acquired 189,664 Compulsory Convertible Debentures (CCDs) for a consideration of about ₹ 189.66 million. The Company together with its existing holding, holds 46.61% 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. During the year under review, Company has acquired 1,868 Preference Shares of ₹ 10/- each for a consideration of about ₹ 50 million. The Company together with its existing holding, holds 47.21% in HUM, 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 acquired 500,000 0.001% Compulsorily Convertible Debentures of ₹ 100 each for a consideration of ₹ 50 million The Company together with existing holding, holds 49.56% on fully converted and diluted basis.

Canvera Digital Technologies Pvt. Ltd. (Canvera)

The website www.canvera.com is owned & operated by this company. The website is operational since 2008 and offers solutions to professional photographers. Revenues are generated primarily from sale of printed photo books. During the year under review, the Company has acquired 777,419 preference shares of Canvera for a consideration of about ₹ 86.67 million. Your Company has invested an aggregate amount of ₹ 1211 million in Canvera for a 70.47% stake, out of which ₹ 1060 million has been booked as loss on account of diminution in value/provision for impairment.

Wishbook Infoservices Pvt. Ltd. (Wishbook)

Wishbook runs a business which offers "Wishbook catalog App", allowing catalog distribution from manufacturers to distributors to wholesalers to retailers and allowing the salesperson to show catalogs & take orders.

During the year under review, the Company has acquired 182,292, preference shares of ₹ 1 in Wishbook Infoservices Pvt. Ltd. for a consideration of about ₹ 35 million.

The Company holds 25.74% in Wishbook, on fully converted and diluted basis.

Etechaces Marketing and Consulting Pvt. Ltd. (Etechaces/Policybazaar)

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.

During the year under review, the Company has acquired 5 Equity Shares and 1,949 preference shares in Etechaces Marketing and Consulting Pvt. Ltd. for a consideration of about ₹ 507. 1 million.

The Company holds 1.63% in Policybazaar, on fully converted and diluted basis.

Nopaperforms Solution Pvt. Ltd. (Nopaperforms)

Nopaperforms runs a business of providing a SaaS platform (via website namely www.nopaperforms.com) which has a suite of software products including lead management system, application management system, campaign management etc. The site aims to create IP out of providing an end-to-end solution to institutions and individuals, as the case may be, for managing their leads and workflows.

During the year under review, the Company has acquired 5,663,826 Preference Shares of ₹ 10 each in Nopaperforms Solution Pvt. Ltd. for a consideration of about ₹ 56.64 million.

The Company holds 39.89% in Nopaperforms, on fully converted and diluted basis.

International Education Gateway Pvt. Ltd. (Univariety)

Univariety is engaged in an educational business of providing products and services and counselling to students, schools, colleges and educators. These enable students and parents take better informed decisions on higher education and related products and services. The products and services are provided through physical connects, an online portal named as www.univariety.com and through third party portals of partner entities.

During the year under review, the Company has acquired 8,855 Preference Shares of ₹ 100 each in International Education Gateway Private Ltd. for a consideration of ₹ 125 million.

The Company holds 31.39% in Univariety, on fully converted and diluted basis.

Agstack Technologies Pvt. Ltd. (Gramophone)

Gramophone is a technology enabled marketplace (operated through a website www.gramophone.in and its app 'Gramophone') for enabling efficient farm management. Farmers can buy quality agricultural input products like seeds, crop protection, nutrition and equipment directly from its m-commerce platform.

During the year under review, the Company has acquired 6,382,530 Preference Shares of ₹ 10/- each in Agstack Technologies Pvt. Ltd. for a consideration of ₹ 63.83 million.

The Company holds 27.78% in Gramophone, 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.

Your company had invested an aggregate amount of ₹ 270 million in Mydala for a 42.18% stake, however, the Company has made provision for impairment of full amount.

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.

The Company holds 26.10% in Vacation Labs, 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.

The Company holds 34.90% in Bluedolph, 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.

The Company holds 15.06% in DIRO, on fully converted and diluted basis.

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.

The Company holds 31.64% in Unnati, on fully converted and diluted basis.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 2nd Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2020-21 subject to ratification by members at every Annual General Meeting.

The Companies (Amendment) Act, 2017, effective May 7, 2018 has done away with the requirement of annual ratification of appointment of Statutory Auditors. However, as a measure of good corporate governance practice, the Company shall be putting the matter before shareholders for seeking their approval for ratification of appointment of the Statutory Auditors for F.Y. 2019 and affirmation that the Statutory Auditors of the Company, shall not require any annual ratification for remaining period of their appointment from the conclusion of the fourth Annual General Meeting till the conclusion of sixth Annual General Meeting 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 (DIN: 00678173) 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 10 (Ten) times during the year on May 26, 2017, May 29, 2017, July 22, 2017, September 19, 2017, October 5, 2017, November 3, 2017, December 13, 2017, January 12, 2018, February 1, 2018 and February 27, 2018. The maximum time gap between any two meetings was not more than 120 days. The details of Director's attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2017-18

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Sanjeev Bikhchandani	Director	10	10
Mr. Chintan Thakkar	Director	10	10
Mr. Hitesh Oberoi	Director	10	10

INVESTMENT AND ALLOTMENT COMMITTEE

The Board in its meeting held on May 26, 2017 constituted Investment and Allotment Committee of the Board to invest funds of the Company, issue and allot shares/debentures and issue Share Certificate/ Debenture Certificates to the shareholders of the Company.

Composition, Meetings & Attendance during the Year

During the year under review, 12 (Twelve) Investment and Allotment Committee meetings were held on July 15, 2017, July 24, 2017, July 31, 2017, August 30, 2017, September 7, 2017, October 13, 2017, November 1, 2017, November 6, 2017, November 7, 2017, December 19, 2017, January 17, 2018 and March 1, 2018. The details of the composition, meetings & attendance at the Investment and Allotment Committee meetings are given as under:

ATTENDANCE DETAILS OF INVESTMENT AND ALLOTMENT COMMITTEE FOR FY 2017-18

Name of the Member	Position	No of Meetings Held	No of Meetings Attended
Mr. Sanjeev Bikhchandani	Member	12	12
Mr. Chintan Thakkar	Member	12	12

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

During the year, the 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 all other related party transactions are present under Note No. 14 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.

PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

Section 134 of the Companies Act, 2013 states that a formal evaluation needs to be made by the Board of its own performance and that of its committees and individual directors.

In accordance with the aforesaid provisions, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committee.

Some of the performance indicators based on which the evaluation takes place are- attendance in the meetings and quality of preparation/participation, ability to provide leadership, work as team player.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

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, 2018 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
(Director)
DIN: 01189953

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date : May 29, 2018

ANNEXURE-A

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

[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(46)
2.	Happily Unmarried Marketing Pvt. Ltd.	U51909DL2007PTC167121	Associate	47.21	2(6)
3.	Applect Learning Systems Pvt. Ltd.	U99999DL2001PTC110324	Associate	46.61	2(6)
4.	Canvera Digital Technologies Private Limited	U92111KA2007PTC041671	Subsidiary	70.47	2(87)(ii)
5.	Green Leaves Consumer Services Private Limited	U74999MH2015PTC266415	Associate	49.56	2(6)
6.	Wishbook Infoservices Private Limited	U74994GJ2016PTC091745	Associate	25.74	2(6)
7.	Nopaperforms Solution Pvt. Ltd.	U72900DL2017PTC312499	Associate	39.89	2(6)
8.	International Education Gateway Pvt. Ltd.	U74200TG2015PTC098960	Associate	31.39	2(6)
9.	Agstack Technologies Private Limited	U74999MP2016PTC040803	Associate	27.78	2(6)
10.	Kinobeo Software Private Limited	U72900DL2007PTC157471	Associate	42.18	2(6)
11.	MintBird Technologies Private Limited	U72900DL2012PTC235129	Associate	26.10	2(6)
12.	Rare Media Company Private Limited	U72900DL2012PTC234028	Associate	34.90	2(6)
13.	Unnati Online Private Limited	U72900HR2015PTC054797	Associate	31.64	2(6)

All Holdings are on fully converted and diluted basis.

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	-
	-	24,32,346 (Preference Shares)	24,32,346 (Preference Shares)	100	-	24,32,346 (Preference Shares)	24,32,346 (Preference Shares)	100	-
Grand Total	-	**50,000* (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**	**50,000* (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**
	-	**24,32,346 (Preference Shares)**	**24,32,346 (Preference Shares)**	**100**	**-**	**24,32,346 (Preference Shares)**	**24,32,346 (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.	50,000 (Equity Shares)	100	0.00	50,000 (Equity Shares)	100	0.00	-
		24,32,346 (Preference Shares)	100	0.00	24,32,346 (Preference 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.	Info Edge (India) Ltd.	50,000 (Equity Shares)	100	-	-	-	50,000	100
		24,32,346 (Preference Shares)	100	-	-	-	24,32,346 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 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 ₹

	Secured Loans excluding deposits	Unsecured Loans	Deposits/Debentures	Total Indebtedness
Indebtedness at the beginning 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**
Change in Indebtedness during the financial year				
Addition	-	-	**1,209,226,900**	**1,209,226,900**
Reduction	-	-	-	-
Net Change	-	-	**1,209,226,900**	**1,209,226,900**

	Secured Loans excluding deposits	Unsecured Loans	Deposits/Debentures	Total Indebtedness
Indebtedness at the end of the financial year				
(i) Principal Amount	-	-	**2,904,370,800**	**2,904,370,800**
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	**2,904,370,800**	**2,904,370,800**

*Note: *During the year under review, the Company allotted 1,20,92,269 -0.0001% Compulsory Convertible Debentures of ₹ 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.

For and on behalf of Board of Directors

Hitesh Oberoi
(Director)
DIN: 01189953

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date : May 29, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of **STARTUP INVESTMENTS (HOLDING) LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of Startup Investment (Holding) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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 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 financial statements that give a true and fair view of the financial position, financial performance (including other Comprehensive Income) ,Cash flows and change 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 the Companies (Accounts) Rules, 2015 (as amended).

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 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 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 there under and the order issued under section 143(11) of the Act.

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 these financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the 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 financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2018, and its profit, total comprehensive Income, the change in equity and its cash flows 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.
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 financial statements dealt with by this report are in agreement with the books of account
   d. in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Accounts) Rules, 2015 (as amended);
   e. on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
   f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 29 May 2018 as per Annexure-B.
   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 (as amended), 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 litigation 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};

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 29, 2018

Annexure-A to the Independent Auditor's Report of even date to the members of Startup Investment (Holding) Limited, on the financial statements for the year ended March 31, 2018

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i) The company does not have any Fixed Assets. Accordingly, the provisions of clause 3(i) of the order is not applicable.

ii) The company does not have any inventory. Accordingly, the provisions of 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, the provisions of clause 3(iii)(a), 3(iii)(b) and 3(iii)(c), 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) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable

vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii) a) The Company is 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 other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.

viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year.

ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

xi) The company has not paid or provided for any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order is not applicable.

xii) In our opinion the Company is not a Nidhi company. Accordingly, the provisions of clause 3(xii) of the Order is not applicable.

xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., 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 and the amount raised have been used for the purposes for which the funds were raised.

xv) In our opinion the company has not entered into non-cash transactions with directors or persons connected with them covered under section 192 of the Act.

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 29, 2018

Annexure-B to the Independent Auditor's Report of even date to the members of Startup Investment (Holding) Limited, on the financial statements for the year ended

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the financial statements of Startup Investment (Holding) Limited "the Company") as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors 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 the company's 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 IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 IFCoFR 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

A company's IFCoFR 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 IFCoFR 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 IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR 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, to the best of our information and according to the explanation given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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 29, 2018

BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31,2018 (₹ 000)	As at March 31,2017 (₹ 000)
ASSETS			
Non-current assets			
Financial assets			
(i) Investments	3(a)	2,822,516	2,352,570
Non-current tax assets (net)	4	23	14
Total non-current assets		**2,822,539**	**2,352,584**
Current assets			
Financial assets			
(i) Other financial assets	3(b)	7,010	1,876
(ii) Cash and cash equivalents	3(c)	8	8
Total current assets		**7,018**	**1,884**
Total assets		**2,829,557**	**2,354,468**
EQUITY & LIABILITIES			
Equity			
Equity share capital	5	500	500
Other equity	6	2,123,401	1,743,645
Total equity		**2,123,901**	**1,744,145**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	7(a)	322,058	186,839
Total non-current liabilities		**322,058**	**186,839**
Current liabilities			
Financial liabilities			
(i) Trade payables	7(b)	153	52
(ii) Other financial liabilities	7(c)	383,424	423,423
Other current liabilities	8	21	9
Total current liabilities		**383,598**	**423,484**
Total liabilities		**705,656**	**610,323**
Total equity and liabilities		**2,829,557**	**2,354,468**

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)

Sanjeev Bikhchandani
(Director)

Place: New Delhi
Date: May 29, 2018

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2018

Particulars	Note	Year ended March 31,2018 (₹ 000)	Year ended March 31,2017 (₹ 000)
Income			
Other income	9	(367,491)	149,904
Total Income		**(367,491)**	**149,904**
Expenditure			
Finance costs	10	30,064	8,232
Administration and other expenses	11	556	2,552
Total Expense		**30,620**	**10,784**
Profit / (Loss) before exceptional items and tax		**(398,111)**	**139,120**
Exceptional items (Refer Note 32)		326,205	323,863
Profit / (Loss) before tax		**(724,316)**	**(184,743)**
Tax expense			
Current tax		-	-
Profit / (Loss) for the year		**(724,316)**	**(184,743)**
Earnings per share:	13		
Basic earnings per share (face value INR 10)		(14,486)	(3,695)
Diluted earnings per share (face value INR 10)		(14,486)	(3,695)

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)

Sanjeev Bikhchandani
(Director)

Place: New Delhi
Date: May 29, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

S.No.	Particulars	Year ended March 31,2018 Amount (₹ 000)	Year ended March 31,2017 Amount (₹ 000)
A.	**Cash flow from operating activities:**		
	Profit / (Loss) before exceptional items and tax	**(398,111)**	**139,120**
	Adjustments for:		
	Interest received on fixed deposits	(207)	(129)
	Net gain/(loss) on financial assets mandatorily measured at fair value through profit or loss	367,730	(149,775)
	Interest cost on financial liabilities	30,064	8,232
	Operating profit before working capital changes	**(524)**	**(2,552)**
	Adjustments for changes in working capital :		
	(Increase)/Decrease in Other Current Financial Assets	(1,967)	(81)
	Increase/(Decrease) in Trade payables	101	35
	Increase/(Decrease) in Other financial liabilities	(39,988)	(744,601)
	Cash used in operating activities	**(42,378)**	**(747,199)**
	Taxes Paid (net)	(9)	(14)
	Net cash outflow from operating activities	**(42,387)**	**(747,213)**
B.	**Cash flow from investing activities:**		
	Investment in group companies / fellow subsidiaries	(1,163,880)	(1,070,519)
	Maturity of/(Investment in) fixed deposits (net)	(3,167)	(1,795)
	Interest received on fixed deposits	207	129
	Net cash outflow from investing activities	**(1,166,840)**	**(1,072,185)**
C.	**Cash flow from financing activities:**		
	Proceeds from fresh issue of Share Capital	-	120,000
	Proceeds from long term borrowings	1,209,227	1,695,144
	Net cash inflow from financing activities	**1,209,227**	**1,815,144**
	Net increase/decrease in cash & cash equivalents	**-**	**(4,254)**
	Opening balance of cash and cash equivalents	**8**	**4,262**
	Closing balance of cash and cash equivalents	**8**	**8**
	Cash and cash equivalents comprise		
	Cash in hand	8	8
	Balance with scheduled banks		
	in current accounts	-	-
	in fixed deposits accounts with original maturity of less than 3 months	-	-
	Total cash and cash equivalents	**8**	**8**
	Total	**8**	**8**

Notes:

1 Reconciliation of liabilities arising from financing activities

Particulars	As at 31st March 2017	Cash Flows	Non cash changes Finance cost	As at 31st March 2018
Long term borrowings (including current maturities)	1,947,264	1,209,227	30,064	3,186,555
	1,947,264	**1,209,227**	**30,064**	**3,186,555**

2 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 .

3 Figures in brackets indicate cash outflow.

4 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 29, 2018

STATEMENTS OF CHANGES IN EQUITY

a. Equity Share Capital

Particulars	Amount (₹ 000)
As at April 01, 2016	**500**
Changes in equity share capital during the year	-
As at March 31, 2017	**500**
Changes in equity share capital during the year	-
As at March 31, 2018	**500**

b. Other Equity

Amount (₹ 000)

Particulars	Equity component of compound financial instruments	Reserves & Surplus General reserve	Total
Balance as at 01 April 2016	**111,921**	**167,963**	**279,884**
Loss for the year	-	(184,743)	**(184,743)**
Equity Component of Debt Instrument t/f during the year	1,648,504	-	**1,648,504**
Balance as at 31 March 2017	**1,760,425**	**(16,780)**	**1,743,645**

Amount (₹ 000)

Particulars	Equity component of compound financial instruments	Reserves & Surplus General reserve	Total
Balance as at 31 March 2017	**1,760,425**	**(16,780)**	**1,743,645**
Loss for the year	-	(724,316)	**(724,316)**
Equity Component of Debt Instrument t/f during the year	1,104,072	-	**1,104,072**
Balance as at 31 March 2018	**2,864,497**	**(741,096)**	**2,123,401**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the statement of changes in 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 29, 2018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

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.

(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, 2018				As at March 31, 2017			
	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 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 (Previous Year - 13,429 nos) Equity Share of Rs 10/- fully paid up								
Smartweb Internet Services Limited	1,000	10	10		1,000	10	10	
1,000 nos. (Previous Year - 1,000 nos) Equity Share of Rs 10/- fully paid up								
Canvera Digital Technologies Private Limited [Refer note 15(a) & (b)]	34,711	1	14,963		34,711	1	14,963	
34,711 nos (Previous Year - 34,711 nos) Equity Share of Re. 1/- fully paid up								
Add/(Less) : Diminution in value of investment (Refer note 32)			(14,963)				(11,056)	
				571,008				574,915

Particulars	As at MARCH 31, 2018				As at March 31, 2017			
	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)
Investments in equity instruments of jointly controlled company								
Happily Unmarried Marketing Private Limited	275	10	3,506		275	10	3,506	
275 nos (Previous Year - 275 nos) 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 (Previous Year - 24,99,74,932 nos) - 0.1% optionally convertible cumulative redeemable preference share of Re. 1/- fully paid up								
Add/(Less) : Profit/(Loss) on measurement at FVTPL			(22,586)				(61,776)	
Canvera Digital Technologies Private Limited [Refer note 15(a) & (b)]	3,314,323	1	682,859		2,536,904	1	596,193	
33,14,323 nos (Previous Year - 25,36,904 nos) – 0.1% optionally convertible cumulative redeemable preference shares of Re 1/- fully paid up								
Add/(Less) : Profit/(Loss) on measurement at FVTPL			(266,508)				172,882	
Add/(Less) : Diminution in value of investment (Refer note 32)			(312,807)				(312,807)	
				431,798				745,332
Investments in preference shares of jointly controlled companies								
Happily Unmarried Marketing Private Limited (Refer note 16)	12,426	10	260,232		10,558	10	210,245	
12,426 nos (Previous Year - 10,558 nos) - 0.1% optionally convertible cumulative redeemable preference shares of Rs 10/- fully paid up								
Add/(Less) : Profit/(Loss) on measurement at FVTPL			201,999				201,999	
Kinobeo Software Private Limited (Refer note 17)	107,801	10	270,338		107,801	10	270,338	
1,07,801 nos (Previous Year - 1,07,801 nos) - 0.1% optionally convertible cumulative redeemable preference shares of Rs 10/- fully paid up								
Add/(Less) : Profit/(Loss) on measurement at FVTPL			(128,520)				(128,520)	

Particulars	As at MARCH 31, 2018				As at March 31, 2017			
	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)
Add/(Less) : Diminution in value of investment (Refer note 32)			(141,818)				-	
Mint Bird Technologies Private Limited (Refer note 26)	6,000,000	10	60,000		6,000,000	10	60,000	
60,00,000 nos (Previous Year - 60,00,000 nos) - Optionally convertible cumulative redeemable preference shares of Rs 10/- fully paid up								
Add/(Less) : Profit/(Loss) on measurement at FVTPL			41,400				49,560	
Unnati Online Private Limited (Refer note 27)	39,998,395	1	39,998		39,998,395	1	39,998	
39,998,395 nos (Previous Year - 3,99,98,395) Preference Share of Re 1/- fully paid up								
Add/(Less) : Profit/(Loss) on measurement at FVTPL			34,879				18,799	
Vcare Technologies Private Limited (Refer note 28)	400,000	100	40,000		400,000	100	40,000	
4,00,000 nos (Previous Year - 4,00,000 nos) - 0.01% optionally convertible cumulative redeemable preference shares of Rs 100/- fully paid up								
Add/(Less) : Profit/(Loss) on measurement at FVTPL			41,608				22,703	
Rare Media Company Private Limited (Refer note 29)	743,808	100	74,381		743,808	100	74,381	
7,43,808 nos (Previous Year - 7,43,808 nos) - 0.01% optionally convertible cumulative redeemable preference shares of Rs 100/- fully paid up								
Add/(Less) : Profit/(Loss) on measurement at FVTPL			44,480				38,834	
Wishbook Infoservices Private Limited (Refer note 20)	182,292	1	35,000		-	-	-	
1,82,292 nos (Previous Year - Nil) - Compulsorily convertible preference shares of Re 1/- fully paid up								
NoPaperForms Solutions Private Limited (Refer note 21)	5,663,826	10	56,638		-	-	-	
56,63,826 nos (Previous Year - Nil) - 0.01% Compulsorily convertible preference shares of Rs 10/- fully paid up								
International Educational Gateway Private Limited (Refer note 22)	8,855	100	125,003		-	-	-	

Particulars	As at MARCH 31, 2018				As at March 31, 2017			
	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)
8,855 nos (Previous Year - Nil) - 0.01% Series 'A' Compulsorily convertible preference shares of Rs 100/- fully paid up								
Agstack Technologies Private Limited (Gramophone) (Refer note 23)	6,382,530	10	63,825		-	-	-	
63,82,530 nos (Previous Year - Nil) - 0.01% Compulsorily convertible preference shares of Rs 10/- fully paid up								
				1,119,443				898,337
Investments in debentures of subsidiary and fellow subsidiary companies								
Applect Learning Systems Private Limited (Refer note 25)	189,664	1,000	189,664		-	-	-	
1,89,664 nos (Previous Year - Nil) Compulsory convertible debentures of Rs 1000/- each								
Add/(Less) : Profit/(Loss) on measurement at FVTPL			-				-	
				189,664				-
Investments in debentures of jointly controlled company								
Green Leaves Consumer Services Private Limited (Refer note 24)	1,740,000	100	174,000		1,240,000	100	124,000	
17,40,000 nos (Previous Year - 12,40,000 nos) Compulsory convertible debentures of Rs 100/- each								
Add/(Less) : Profit/(Loss) on measurement at FVTPL			6,480				6,480	
Add/(Less) : Diminution in value of investment (Refer note 32)			(180,480)				-	
				-				130,480
Other investments								
Shares in eTechAces Marketing and Consulting Private Limited (Refer note 18)	5	10	1,298		-	-	-	
5 nos (Previous Year - Nil) Equity Share of Rs 10/- fully paid up								
Shares in eTechAces Marketing and Consulting Private Limited (Refer note 19)	1,949	100	505,799		-	-	-	
1,949 nos (Previous Year - Nil) Preference Share of Rs 100/- fully paid up								
				507,097				-

Particulars	As at MARCH 31, 2018				As at March 31, 2017			
	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)
				2,822,516				**2,352,570**

* Unless otherwise stated

Aggregate amount of quoted investments & market value thereof	-		-
Aggregate amount of unquoted investments	2,822,516		2,352,570
Aggregate amount for impairment in value of investments	650,068		323,863

(b) Other financial assets

Particulars (Unsecured, considered good unless otherwise stated)	Non-Current As at March 31,2018 (₹ 000)	Non-Current As at March 31,2017 (₹ 000)	Current As at March 31,2018 (₹ 000)	Current As at March 31,2017 (₹ 000)
Interest accrued on fixed deposits	-	-	19	81
Inter-corporate deposit	-	-	2,029	-
Balance in fixed deposit accounts with original maturity more than 12 months	-	-	4,962	1,795
	-	**-**	**7,010**	**1,876**

(c) Cash & cash equivalents

Particulars	Non-Current As at March 31,2018 (₹ 000)	Non-Current As at March 31,2017 (₹ 000)	Current As at March 31,2018 (₹ 000)	Current As at March 31,2017 (₹ 000)
Cash on hand	-	-	8	8
	-	**-**	**8**	**8**

4. Non-current tax assets (net)

Particulars (Unsecured, considered good unless otherwise stated)	Non-Current As at March 31,2018 (₹ 000)	Non-Current As at March 31,2017 (₹ 000)	Current As at March 31,2018 (₹ 000)	Current As at March 31,2017 (₹ 000)
Advance tax (including TDS receivable)	23	14	-	-
	23	**14**	-	**-**

5. Share capital

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
AUTHORISED CAPITAL		
50,000 Equity Shares of ₹ 10/- each		
(Previous Year - 50,000 Equity Shares of Rs 10/- each)	500	500
24,95,000 0.0001% Cumulative Redeemable Preference Shares of ₹ 100/- each		
(Previous Year - 24,95,000 Preference Shares of Rs 100/- each)	249,500	249,500
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
50,000 Equity Shares of Rs 10/- each, fully paid up	500	500
(Previous Year - 50,000 Equity Shares of Rs 10/- each fully paid)		
2,432,346 0.0001% Cumulative Redeemable Preference Shares of ₹ 100 each, fully paid up , (Previous year - 2,432,346) maturity not exceeding 20 years from the date of issue	243,235	243,235
	243,735	**243,735**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ 000)	As at March 31, 2017 No of Shares	As at March 31, 2017 (₹ 000)
Equity Shares				
At the beginning of the period	50,000	500	50,000	500
Add: Issued during the period	-	-	-	-
Outstanding at the end of the period	**50,000**	**500**	**50,000**	**500**

Particulars	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ 000)	As at March 31, 2017 No of Shares	As at March 31, 2017 (₹ 000)
Preference Shares				
At the beginning of the period	2,432,346	243,235	1,232,346	123,235
Add: Issued during the period	-	-	1,200,000	120,000
Outstanding at the end of the period	**2,432,346**	**243,235**	**2,432,346**	**243,235**

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. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2018		As at March 31, 2017	
	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**

	As at March 31, 2018 (₹ 000)		As at March 31, 2017 (₹ 000)	
Retained earnings				
Opening Balance	(16,780)		167,963	
Add: Transfer from Statement of Profit and Loss under Companies (Transfer of Profit to Reserves Rules), 1975	(724,316)		(184,743)	
Add: Loss for the year		(741,096)		(16,780)
Equity Component of financial liability - Debentures		2,643,592		1,539,520
Equity Component of financial liability - Preference shares		220,905		220,905
		2,123,401		**1,743,645**

7. **Financial liabilities**

(a) **Borrowings**

Particulars	**Non-Current**		**Current**	
	As at March 31,2018 (₹ 000)	**As at March 31,2017 (₹ 000)**	**As at March 31,2018 (₹ 000)**	**As at March 31,2017 (₹ 000)**
Debentures issued to holding company				
Info Edge India Ltd	1,695,144	1,695,144	-	-
(0.0001% compulsory convertible debentures into cumulative redeemable preference shares 1,69,51,439 nos (Previous Year - 1,69,51,439 nos) of face value of ₹ 100/- each, maturity not exceeding 20 years from the date of issue				
Add: Addition during the year(Refer note 30)				
(0.0001% compulsory convertible debentures into cumulative redeemable preference shares 1,14,54,016 nos of face value of ₹ 100/- each, maturity not exceeding 20 years from the date of issue	1,145,402	-	-	-
(0.0001% compulsory convertible debentures into compulsorily convertible preference shares 6,38,253 nos (Previous Year - Nil) of face value of ₹ 100/- each, maturity not exceeding 20 years from the date of issue	63,825	-	-	-
Less : Equity component of debt instruments	(2,643,592)	(1,539,520)	-	-
Add: Interest Expense on financial liability	32,429	5,612	-	-
Liability component of debentures	**293,208**	**161,236**	**-**	**-**
Preference shares issued to holding company				
Info Edge India Ltd (Refer note 31)				
24,32,346 nos 0.0001% Cumulative Redeemable Preference Shares of ₹ 100 each, fully paid up , (Previous year - 24,32,346 nos) maturity not exceeding 20 years from the date of issue	243,235	243,235	-	-
Less: Equity Component of Preference shares	(220,905)	(220,905)	-	-
Add: Interest Expense on financial liability	6,520	3,273	-	-
Liability component of preference shares	**28,850**	**25,603**	**-**	**-**
Total borrowings	**322,058**	**186,839**	**-**	**-**

(b) Trade payables

Particulars	Non-Current		Current	
	As at March 31,2018 (₹ 000)	As at March 31,2017 (₹ 000)	As at March 31,2018 (₹ 000)	As at March 31,2017 (₹ 000)
Trade payables*	-	-	153	52
	-	**-**	**153**	**52**

*There are no micro enterprises and small enterprises to which the Company owes dues as at March 31, 2018 and March 31, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(c) Other financial liabilities

Particulars	Non-Current		Current	
	As at March 31,2018 (₹ 000)	As at March 31,2017 (₹ 000)	As at March 31,2018 (₹ 000)	As at March 31,2017 (₹ 000)
Payable to Holding Company	-	-	269,380	269,379
Payable to Fellow Subsidiaries	-	-	114,044	154,044
	-	-	383,424	423,423

8. Other current liabilities

Particulars	Non-Current		Current	
	As at March 31,2018 (₹ 000)	As at March 31,2017 (₹ 000)	As at March 31,2018 (₹ 000)	As at March 31,2017 (₹ 000)
TDS payable	-	-	21	9
	-	**-**	**21**	**9**

9. Other income

Particulars	Year ended March 31,2018 (₹ 000)	Year ended March 31,2017 (₹ 000)
Interest income on fixed deposits with banks	207	129
Interest income on inter corporate deposit	32	-
Net gain/(loss) on financial assets mandatorily measured at FVTPL	(367,730)	149,775
	(367,491)	**149,904**

10. Finance costs

Particulars	Year ended March 31,2018 (₹ 000)	Year ended March 31,2017 (₹ 000)
Interest expense on financial liabilities at amortized cost	30,064	8,232
	30,064	**8,232**

11. Administration and other expenses

Particulars	Year ended March 31,2018 (₹ 000)	Year ended March 31,2017 (₹ 000)
Auditors remuneration	118	58
Legal and professional charges	243	2,294
Miscellaneous expenses	171	176
Rent	24	24
	556	**2,552**

12. Auditors remuneration

Particulars	Year ended March 31,2018 (₹ 000)	Year ended March 31,2017 (₹ 000)
Audit fees	100	50
Goods & services tax (previous year service tax)	18	8
	118	**58**

13. Basic & diluted earnings per share (EPS)

Particulars	Year ended March 31,2018 (₹)	Year ended March 31,2017 (₹)
Profit / (loss) attributable to equity shareholders (Rs.)	(724,316,426)	(184,742,138)
Weighted average number of equity shares outstanding during the year (nos.)	50,000	50,000
Basic & diluted earnings per equity share of ₹ 10 each (Rs.)	(14,486)	(3,695)

14 (1) Related party disclosures for the year ended March 31, 2018

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

Canvera Digital Technologies Private Limited

b) Details of transactions with related party for the year ended March 31, 2018 in the ordinary course of business:

Amount (₹ 000)

Nature of relationship / transaction	Holding Company	Fellow Subsidiary Company	Jointly Controlled Entity	Total
1. Rent Expense	24	-	-	24
2. Issue of Debentures to Info Edge India Limited	1,209,227	-	-	1,209,227
3. Investment in Preference Shares of Happily Unmarried Marketing Private Limited	-	-	49,987	49,987
4. Investment in Preference Shares of Wishbook Private Limited	-	-	35,000	35,000
5. Investment in Preference Shares of Info Edge (India) Limited	280,466	-	-	280,466
6. Investment in Preference Shares of Canvera Digital Technologies Private Limited	-	86,667	-	86,667
7. Investment in Debentures of Green Leaves Consumer Services Private Limited	-	-	50,000	50,000
8. Investment in Preference Shares of Nopaperforms Solutions Private Limited	-	-	56,638	56,638
9. Investment in Preference Shares of Applect Learning Systems Private Limited	-	189,664	-	189,664
10. Repayment of loan from Smartweb Internet Service Limited	-	40,000	-	40,000
11. Investment in Preference Shares of Agstack Technologies Private Limited	-	-	63,825	63,825
12. Investment in Preference Shares of International Educational Gateway Private Limited	-	-	125,003	125,003

c) Amount due to/from related parties as at March 31, 2018

Amount (₹ 000)

Nature of relationship / transaction	Holding Company	Fellow Subsidiary Company	Jointly Controlled Entity	Total
Debit balances				
Outstanding advances	-	-	-	-
Credit balances				
Outstanding payable	269,379	114,044	-	383,423

14 (2) 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

Canvera Digital Technologies Private 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 Private Limited	-	-	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 Private Limited	-	14,963	-	14,963
6. Investment in Preference Shares of Canvera Digital Technologies Private Limited	-	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 Private Limited	-	-	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 Limited	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	-	-	-	-
Credit balances				
Outstanding payable	269,379	154,044	-	423,424

15. (a) During the year the Company has invested in Nil (Previous year - 34,711 nos) equity shares and 7,77,419 nos (Previous year - 25,36,904 nos) optionally convertible cumulative redeemable preference shares of face value of Re.1 at premium of ₹ 110.48 per share in Canvera Digital Technologies Private Limited amounting to Rs Nil (Previous year - ₹ 14,963.04 thousands) and ₹ 86,666.53 thousands (Previous year - ₹ 596,192.62 thousands) respectively.

(b) The Company has written down the carrying value of optionally convertible cumulative redeemable preference shares by computing loss on financial asset measured at fair value through profit or loss (FVTPL) amounting to ₹ 4,39,390 (Previous year ₹ 1,72,882 thousands Profit on measurement at FVTPL)

16. During the year the Company has invested in 1,868 nos (Previous year - 1,868 nos) optionally convertible cumulative redeemable preference shares of face value of ₹ 10 at premium of ₹ 26,749.43 per share in Happily Unmarried Marketing Private Limited aggregating to ₹ 49,986.62 thousands (Previous year - 49,985.40 thousands).

17. During the year the Company has invested in Nil (Previous year - 73,150 nos) optionally convertible cumulative redeemable preference shares of face value of ₹ 10 per share in Kinobeo Software Private Limited (MYDALA) aggregating to Rs Nil (Previous year - ₹ 1,34,998.66 thousands).

18. During the year the Company has invested in 5 nos equity shares of face value ₹ 10 at premium of Rs 2,59,507.01 per share in eTechAces Marketing and Consulting Private Limited amounting to ₹ 1,297.59 thousands.

19. During the year the Company has invested in 1,949 nos Compulsorily convertible preference share of face value ₹ 100 at premium of Rs 2,59,417.01 per share in eTechAces Marketing and Consulting Private Limited amounting to ₹ 5,05,798.65 thousands.

20. During the year the company has invested in 1,82,292 nos Compulsorily convertible preference shares of face value of Re. 1 at premium of ₹ 191 per share in Wishbook Infoservices Private Limited amounting to ₹ 35,000.06 thousands.

21. During the year the Company has invested in 56,63,826 nos Compulsorily convertible preference shares of face value ₹ 10 per share in NoPaperForms Solutions Private Limited amounting to ₹ 56,638.26 thousands.

22. During the year the Company has invested in 8,855 nos Compulsorily convertible preference shares of face value ₹ 100 at premium of ₹ 14,016.63 per share in International Educational Gateway Private Limited amounting to ₹ 1,25,002.85 thousands.

23. During the year the Company has invested in 63,82,530 nos Compulsorily convertible preference shares of face value ₹ 10 per share in Agstack Technologies Private Limited (Gramophone) amounting to ₹ 63,825.30 thousands.

24. During the year the Company has invested in 5,00,000 nos (Previous year - 6,00,000 nos) Compulsory convertible debentures of face value of ₹ 100 per debenture in Green Leaves Consumer Services Private Limited amounting to ₹ 50,000 thousands (Previous year - ₹ 60,000 thousands).

25. During the year the Company has invested in 1,89,664 nos Compulsory convertible debentures of face value of ₹ 1000 per debenture in Applect Learning Systems Private Limited amounting to ₹ 1,89,664 thousands.

26. During the year the company has invested in Nil (Previous year - 60,00,000 nos) optionally convertible cumulative redeemable preference shares of face value ₹ 10 per share in Mint Bird Technologies Private Limited amounting to Rs Nil (Previous year - ₹ 60,000 thousands).

27. During the year the company has invested in Nil (Previous year - 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 Nil (Previous year - ₹ 39,998.40 thousands).

28. During the year the company has invested in Nil (Previous year - 4,00,000 nos) optionally convertible cumulative redeemable preference shares of face value of ₹ 100 per share in VCare Technologies Private Limited amounting to Rs Nil (Previous year - ₹ 40,000 thousands).

29. During the year the Company has invested in Nil (Previous year - 7,43,808 nos) optionally convertible cumulative redeemable preference shares of face value ₹ 100 per share in Rare Media Company Private Limited amounting to ₹ Nil (Previous year - ₹ 74,380.80 thousands).

30. (a) During the year ended March 31st, 2018, the holding company has invested into 1,14,54,016 nos (Previous year - 1,69,51,439 nos) Compulsory Convertible Debentures into Cumulative Redeemable Preference Shares of ₹ 100 each of the Company. As per IND AS 109, the said borrowing amount has been segregated into equity component and liability component of debentures; and appropriately classified under 'Note 6 - Other equity' & Note 7(a) - Borrowings' respectively.

(b) Also during the year ended March 31st, 2018, the holding company has invested into 6,38,253 nos (Previous Year - Nil) Compulsory Convertible Debentures into Compulsorily Convertible Preference Shares of ₹ 100 each of the Company amounting ₹ 63,825.30 thousands.

31. During the year ended March 31st, 2018, the holding company has invested into Nil (Previous year - 12,00,000 nos) Cumulative Redeemable Preference Shares of face value of ₹ 100/- each of the Company. As per IND AS 109, the said borrowing amount has been segregated into equity component and liability component of debentures; and appropriately classified under 'Note 6 - Other equity' & Note 7(a) - Borrowings' respectively.

32. During the year ended, the Company has written down the carrying value of investments in following investee companies namely (a) Kinobeo Software Private Limited ₹ 1,41,818 thousands (Previous year - ₹ Nil) (b) Green Leaves Consumer Services Private Limited ₹ 1,80,480 thousands (Previous year - ₹ Nil); and a subsidiary company (c) Canvera Digital Technologies Private Limited ₹ 3,907 thousands (Previous year - ₹ 11,056 thousands) aggregating to ₹ 3,26,205 thousands.

33. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standard(IND AS)) Rules, 2015 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

34. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Indian Accounting Standard(IND AS)) Rules, 2015 are not applicable on the company since there was no employee employed by the company during the year.

35. 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, 2018 (₹ 000)	Year ended March 31, 2017 (₹ 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, 2018 (₹ 000)	Year ended March 31, 2017 (₹ 000)
Loss before tax	(724,316)	(184,743)
Tax @ 25.75% (Previous Year 29.87%)	**(186,511)**	**(55,183)**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
-Interest Cost on Financial Liabilities	7,741	2,459
-Net gain on Fair value of instruments	94,690	(44,738)
-Exceptional Items	83,998	96,738
-Others	82	724
Total (b)	-	-

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

FAIR VALUE HIERARCHY

a) Financial instruments by category

(₹ 000)

Particulars	March 31, 2018		March 31, 2017	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Investments	1,833,149	989,367	1,643,669	708,901
Cash and cash Equivalents	-	8	-	8
Other financial assets	-	7,010	-	1,876
Total Financial Assets	**1,833,149**	**996,385**	**1,643,669**	**710,785**
Financial Liabilities				
Borrowings	-	322,058	-	186,839
Trade payables	-	153	-	52
Other financial liabilities	-	383,424	-	423,423
Total Financial Liabilities	**-**	**705,635**	**-**	**610,314**

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, 2018 (₹ 000)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	-	-	1,833,149	1,833,149

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

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, 2018		March 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Investments	989,367	989,367	708,901	708,901
Cash and cash Equivalents	8	8	8	8
Other financial assets				
-Interest accrued on fixed deposits	7,010	7,010	1,876	1,876
Total Financial Assets	**996,385**	**996,385**	**710,785**	**710,785**
Financial Liabilities				
Borrowings	322,058	322,058	186,839	186,839
Trade payables	153	153	52	52
Other financial liabilities	383,424	383,424	423,423	423,423
Total Financial Liabilities	**705,635**	**705,635**	**610,314**	**610,314**

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 2016	817,625
Acquisitions	682,749
Unrealised gain/loss recognised in profit/loss	143,295
As at March 31, 2017	1,643,669
Acquisitions	557,209
Unrealised gain/loss recognised in profit/loss	(367,729)
As at March 31, 2018	1,833,149

(f) Valuation inputs and relationships to fair value

Particulars	Fair value as at		Significant unobservable inputs*	Probability-weighted range		Sensitivity
	31-Mar 2018	31-Mar 2017		31-Mar 2018	31-Mar 2017	
Unquoted preference shares			Weighted Average Cost of Capital (WACC)	15% to 35%	15% to 35%	Increased WACC by 1% and keeping other key inputs constant would change FV by ₹ (11,058 thousand) (Previous year - ₹ (25940) thousand in FY 2017) Increase in WACC by 2% and keeping other key inputs constant would change FV by ₹ 63,825 (Previous year - ₹ 207,085 thousand in FY 2017)
	1,833,149	1,643,669	EBITDA Margin in Perpetuity	-170% to 60%	-170% to 60%	Decrease in EBITDA Margin in Perpetuity by 1% and keeping other key inputs constant would change FV by ₹ (9326 thousand) (Previous year - ₹ 19,600 thousand in FY 2017) Decrease in EBITDA Margin in Perpetuity by 2% and keeping other key inputs constant would change FV by ₹ 11763 thousand (Previous year - ₹ 103,687 thousand in FY 2017)
			Revenue growth rate	40% to 80%	40% to 80%	Decrease in Revenue Growth by 5% and keeping other key inputs constant would change FV by (₹ 10,336 thousand) (Previous year - ₹ (2,732) thousand in FY 2017) Decrease in Revenue growth by 10% and keeping other key inputs constant would change FV by ₹ 14,130 (Previous year - ₹ 60,393 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.

37. 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 – interest rate	Long-term borrowings at variable rate	Sensitivity analysis	Interest rate swaps

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, 2018	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Borrowings	322,058	-	-	-	322,058
Trade and other payables	153	153	-	-	-
Other financial liabilities	383,424	383,424	-	-	-

		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	-	-	-

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

	31-Mar-18	31-Mar-17
Fixed-rate instruments		
Financial assets	4,962	1,795
Financial liabilities	322,058	186,839
Total	**327,020**	**188,634**

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

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 29, 2018

MAKESENSE TECHNOLOGIES LTD.

DIRECTORS' 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, 2018.

FINANCIAL RESULTS & STATE OF AFFAIRS

During the year under review, the company had a profit of ₹ 165 thousand as compared to a profit of ₹ 294 thousand in the financial year of 2016-17.

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 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/Policybazaar)

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 holds 16.42% in Policybazaar on fully converted and diluted basis. However, since 49.99% of the company's capital held by MacRitchie Investment Pte. Ltd., company's relevant economic interest in Etechaces is 8.21%.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 7th Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 subject to ratification by members at every Annual General Meeting.

The Companies (Amendment) Act, 2017, effective May 7, 2018 has done away with the requirement of annual ratification of appointment of Statutory Auditors. However, as a measure of good corporate governance practice, the Company shall be putting the matter before shareholders for seeking their approval for ratification of appointment of the Statutory Auditors for F.Y. 2019 and affirmation that the Statutory Auditors of the Company, shall not require any annual ratification for remaining period of their appointment from the conclusion of the ninth Annual General Meeting till the conclusion of twelfth Annual General Meeting 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, Director (DIN: 00065640), 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 4 (Four) times during the year on May 26, 2017, July 22, 2017, October 5, 2017 and February 1, 2018. The maximum time gap between any two meetings was not more than 120 days. The details of Director's attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2017-18

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Sanjeev Bikhchandani	Director	4	4
Mr. Chintan Thakkar	Director	4	4
Mr. Mohit Naresh Bhandari	Nominee Director	4	1

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, the 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 all 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.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

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, 2018 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 29, 2018

ANNEXURE-A

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

[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(46)

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)	50.01	-	500,000* (Equity Shares)	500,000 (Equity Shares)	50.01	-
Foreign Body Corporate	-	499,900 (Equity Shares)	499,900 (Equity Shares)	49.99	-	499,900 (Equity Shares)	499,900 (Equity Shares)	49.99	-
Total	-	**999,900 (Equity Shares)**	**999,900 (Equity Shares)**	**100**		**999,900 (Equity Shares)**	**999,900 (Equity Shares)**	**100**	**-**

**6 (six) shares were held by one body corporate and five 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.	500,000 (Equity Shares)	100	0.00	500,000 (Equity Shares)	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, 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.

For and on behalf of Board of Directors

Sanjeev Bikhchandani
(Director)
DIN: 00065640

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 29, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of MAKESENSE TECHNOLOGIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Makesense Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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 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 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 the Companies (Accounts) Rules, 2015 (as amended).

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 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 and the order issued under section 143(11) of the Act.

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 these 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 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 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, 2018 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2015 (as amended);
    e) on the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
    f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 29 May 2018 as per **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.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 29, 2018

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, 2018, 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, 2018 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 2018 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) 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 29, 2018

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, 2018 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, 2018, 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 29, 2018

BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31,2018 (₹ '000)	As at March 31,2017 (₹ '000)
ASSETS			
Non-current assets			
Financial assets			
Investments	3(a)	1,325,138	1,325,138
Non-current tax asset (net)	4	117	-
Current assets			
Financial assets			
(i) Other financial assets	3(b)	10,818	10,443
(ii) Cash and cash equivalents	3(c)	1	200
TOTAL ASSETS		**1,336,074**	**1,335,781**
EQUITY & LIABILITIES			
EQUITY			
Equity share capital	5	9,999	9,999
Other equity	6	1,325,853	1,325,688
LIABILITIES			
Non-current liabilities			
Non-current tax liability (net)	7	-	59
Current liabilities			
Financial liabilities			
Trade payables	8	190	35
Other current liabilities	9	32	-
TOTAL EQUITY AND LIABILITIES		**1,336,074**	**1,335,781**

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 29, 2018

Jaya Bhatia
(Company Secretary)

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2018

Particulars	Note	Year ended March 31,2018 (₹ '000)	Year ended March 31,2017 (₹ '000)
Revenue			
Revenue from operations		-	-
Other income	10	785	494
Total Revenue		**785**	**494**
Expenditure			
Finance costs	11	1	1
Administration and other expenses	12	562	91
Total Expense		**563**	**92**
Profit/(Loss) before tax		**222**	**402**
Tax expense			
Current tax		57	108
Profit/(Loss) for the year		**165**	**294**
Earnings per share:	14		
Basic earnings per share (face value INR 10)		0.16	0.58
Diluted earnings per share (face value INR 10)		0.16	0.58

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 29, 2018

Jaya Bhatia
(Company Secretary)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

S.No.	Particulars	Year ended March 31,2018 (₹ '000)	Year ended March 31,2017 (₹ '000)
A.	**Cash flow from operating activities:**		
	Net profit/(loss) before exceptional items and tax	**222**	**294**
	Adjustments for:		
	- Interest received on Fixed Deposits	(785)	(494)
	Operating profit before working capital changes	**(563)**	**(200)**
	Adjustments for changes in working capital :		
	- Increase in Other Current Financial Assets	(375)	(10443)
	- Increase/(Decrease) in Trade payables	155	(16)
	- Increase in Other current liabilities	32	(29)
	Cash used in operating activities	**(751)**	**(10688)**
	- Taxes Paid (Net of TDS)	(233)	59
	Net cash outflow from operating activities	**(984)**	**(10629)**
B.	**Cash flow from Investing activities:**		
	Adjustments for changes in :		
	- Interest received on Fixed Deposits	785	494
	Net cash inflow from investing activities	**785**	**494**
C.	**Cash flow from financing activities:**		
	Net cash inflow/outflow from financing activities	**-**	**-**
	Net increase/decrease in cash & cash equivalents	**(199)**	**(10135)**
	Opening balance of cash and cash equivalents	**200**	**10335**
	Closing balance of cash and cash equivalents	**1**	**200**
	Cash and cash equivalents comprise		
	- Cash in hand	1	1
	Balance with scheduled banks		
	- In current accounts	-	199
	Total cash and cash equivalents	**1**	**200**

Notes :

1 **Amendment to Ind AS 7**

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require 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 adoption of amendment did not have any material impact on the financial statements.

2 The above Cash flow statement has been prepared under the “Indirect Method” as set out in Indian Accounting Standard-7, “Statement of Cash Flows”.

3 Figures in brackets indicate cash outflow.

4 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

Place: New Delhi
Date: May 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

Jaya Bhatia
(Company Secretary)

STATEMENTS OF CHANGES IN EQUITY

a. Equity share capital

Particulars	Amount (₹ '000)
As at April 01, 2016	**5,000**
Changes in equity share capital during the year	4,999
As at March 31, 2017	**9,999**
Changes in equity share capital during the year	-
As at March 31, 2018	**9,999**

b. Other Equity (₹ '000)

	Reserve & Surplus		Total
	Share premium account	Retained Earnings	
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/(Loss) for the year	-	294	**294**
Balance as at 31 March 2017	**1,336,651**	**(10,963)**	**1,325,688**

(Rs. '000)

	Reserve & Surplus		Total
	Share premium account	Retained Earnings	
Balance as at 31 March 2017	**1,336,651**	**(10,963)**	**1,325,688**
Profit/(Loss) for the year	-	165	**165**
Balance as at 31 March 2018	**1,336,651**	**(10,798)**	**1,325,853**

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 29, 2018

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, 2018

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 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

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
- 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 be available against which such temporary differences 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, 2018				As at March 31, 2017			
	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)								
Investments in Equity instruments								
eTechAces Marketing and Consulting Private Limited -Share premium of ₹ 16726.40/-/- per share (Previous Year- ₹ 16726.40/-) computed on average basis	11,950	10.00	700,200		11,950	10.00	700,200	
				700,200				700,200
Investments in Preference shares								
eTechAces Marketing and Consulting Private Limited -0.1% compulsorily convertible preference shares with share premium of ₹ 26,755.94/- (Previous Year- ₹ 26,755.94/-) per share computed on average basis	7,740	100.00	624,938		7,740	100.00	624,938	
				624,938				624,938
				1,325,138				**1,325,138**

** Unless otherwise stated

Aggregate amount of quoted investments & market value thereof	**-**		**-**
Aggregate amount of unquoted investments	**1,325,138**		**1,325,138**
Aggregate amount for impairment in value of investments	**-**		**-**

(b) OTHER FINANCIAL ASSETS

Particulars	Non-Current		Current	
(Unsecured, considered good unless otherwise stated)	As at March 31,2018 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2018 (₹ '000)	As at March 31,2017 (₹ '000)
In fixed deposit accounts with original maturity of more than 12 months	-	-	10,762	9,999
Interest accrued on fixed deposits	-	-	56	444
	-	**-**	**10,818**	**10,443**

(c) CASH & BANK BALANCES

Particulars	Non-Current		Current	
	As at March 31,2018 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2018 (₹ '000)	As at March 31,2017 (₹ '000)
Cash & cash equivalents				
Cash on hand	-	-	1	1
Balances with bank - current account	-	-	-	199
	-	**-**	**1**	**200**

4. NON-CURRENT TAX ASSET (NET)

Particulars	Non-Current		Current	
	As at March 31,2018	As at March 31,2017	As at March 31,2018	As at March 31,2017
(Unsecured, considered good unless otherwise stated)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)
Advance tax (including TDS recoverable)	282	-	-	-
Less: Provision for tax	(165)	-	-	-
	117	**-**	**-**	**-**

5. SHARE CAPITAL

Particulars	As at March 31, 2018 (₹ '000)	As at March 31, 2017 (₹ '000)
AUTHORISED CAPITAL		
25,500,000 Equity Shares of ₹ 10/- each		
(Previous Year - 25,500,000 Equity Shares of Rs 10/- each)	255,000	255,000
3,000,000 0.0001% Cumulative Redeemable Preference Shares of ₹ 100 each		
(Previous Year - 3,000,000 Preference Shares of Rs 100/- each)	300,000	300,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
999,900 Equity Shares of Rs 10/- each, fully paid up	9,999	9,999
(Previous Year - 999,900 Equity Shares of Rs 10/- each)		
	9,999	**9,999**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ '000)	As at March 31, 2017 No of Shares	As at March 31, 2017 (₹ '000)
Equity Shares				
At the beginning of the period	999,900	9,999	500,000	5,000
Add: Converted during the period	-	-	499,900	4,999
Outstanding at the end of the period	**999,900**	**9,999**	**999,900**	**9,999**

Particulars	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ '000)	As at March 31, 2017 No of Shares	As at March 31, 2017 (₹ '000)
Preference Shares				
At the beginning of the period	-	-	499,900	49,990
Less: Converted during the period	-	-	(499,900)	(49,990)
Outstanding at the end of the period	**-**	**-**	**-**	**-**

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, 2018		As at March 31, 2017	
	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	50.00%
MacRitchie Investments Pte. Ltd.	499,900	49.99%	499,900	49.99%
	999,894	**99.99%**	**999,894**	**99.99%**

6. OTHER EQUITY

Particulars	As at March 31, 2018		As at March 31, 2017	
	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)
Securities Premium Account				
Opening Balance	1,336,651		1,291,660	
Add : Addition during the year	-		44,991	
		1,336,651		1,336,651
Statement of Profit & Loss				
Opening Balance	(10,963)		(11,257)	
Add: Profit/(Loss) for the year	165		294	
		(10,798)		(10,963)
		1,325,853		**1,325,688**

7. NON-CURRENT TAX LIABILITY (NET)

Particulars	Non-Current		Current	
(Unsecured, considered good unless otherwise stated)	As at March 31,2018 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2018 (₹ '000)	As at March 31,2017 (₹ '000)
Provision for tax	-	108	-	-
Less: Advance tax (including TDS recoverable)	-	(49)	-	-
	-	**59**	**-**	**-**

8. FINANCIAL LIABILITIES

TRADE PAYABLES

Particulars	Non-Current		Current	
	As at March 31,2018 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2018 (₹ '000)	As at March 31,2017 (₹ '000)
Trade Payables				
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	190	35
	-	**-**	**190**	**35**

There are no micro enterprises and small enterprises to which the Company owes dues as at March 31, 2018 and March 31, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

9. OTHER LIABILITIES

Particulars	Non-Current		Current	
	As at March 31,2018 (₹ '000)	As at March 31,2017 (₹ '000)	As at March 31,2018 (₹ '000)	As at March 31,2017 (₹ '000)
TDS payable	-	-	32	-
	-	**-**	**32**	**-**

10. OTHER INCOME

Particulars	Year ended March 31,2018 (₹ '000)	Year ended March 31,2017 (₹ '000)
Interest income on fixed deposits with banks	785	494
	785	494

11. FINANCE COSTS

Particulars	Year ended March 31,2018 (₹ '000)	Year ended March 31,2017 (₹ '000)
Bank charges	1	1
	1	**1**

12. ADMINISTRATION AND OTHER EXPENSES

Particulars	Year ended March 31,2018 (₹ '000)	Year ended March 31,2017 (₹ '000)
Auditor's Remuneration	177	35
Legal and professional charges	357	26
ROC Charges	4	6
Rent	24	24
	562	**91**

13. AUDITORS REMUNERATION

Particulars	Year ended March 31,2018 (₹ '000)	Year ended March 31,2017 (₹ '000)
Audit Fees	150	30
Goods & Service Tax (Previous Year Service Tax)	27	5
	177	**35**

14. BASIC & DILUTED EARNINGS PER SHARE (EPS)

Particulars	Year ended March 31,2018 (₹)	Year ended March 31,2017 (₹)
Profit / (Loss) attributable to Equity Shareholders (Rs.)	164,544	294,000
Weighted average number of Equity Shares outstanding during the year (Nos.)	999,900	504,109
Basic & Diluted Earnings Per Equity Share of ₹ 10 each (Rs.)	0.16	0.58

15. RELATED PARTY DISCLOSURES

(1) Related Party Disclosures for the year ended March 31, 2018

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2018:

Holding Company

Info Edge (India) Limited

B) Details of transactions with related party for the year ended March 31, 2018 in the ordinary course of busines **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, 2018 **Amount (₹ '000)**

Nature of relationship / transaction	Holding Company	Associate Company	Total
Debit Balances			
Outstanding Advances	-	-	-
Credit Balances			
Outstanding Payable	-	-	-

(2) Related Party Disclosures for the year ended March 31, 2017

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2017:

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 (₹ '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	-	-	-
Credit Balances			
Outstanding Payable	-	-	-

16. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standards (IND AS)) Rules 2015, as amended by notification dated March 31, 2016, 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 (Indian Accounting Standards (IND AS)) Rules 2015, as amended by notification dated March 31, 2016, are not applicable on the company since there was no employee employed by the company during the year & previous year.

18. 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, 2018 (₹ '000)	Year ended March 31, 2017 (₹ '000)
Current tax on profit for the year	57	108
Total current tax expenses	**57**	**108**
Deferred Tax	-	-
Total (a)	**57**	**108**

b) **Reconciliation of tax expense and the accounting profit multiplied by tax rate:**

Particulars	**Year ended March 31, 2018 (₹ '000)**	**Year ended March 31, 2017 (₹ '000)**
Profit before tax	222	403
Tax @ 25.75% (Previous year 29.87%)	**57**	**120**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Unabsorbed Depreciation	-	(12)
Total (b)	57	108
Difference (a-b)	**-**	**-**

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value Hierarchy

a) **Financial instruments by category**

(Amount ₹ '000)

	March 31, 2018		**March 31, 2017**	
	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
Cash and cash Equivalents	-	1	-	200
Other financial assets	-	10,818	-	10,443
Total Financial Assets	**-**	**1,335,957**	**-**	**1,335,781**
Financial Liabilities				
Trade payables	-	190	-	35
Total Financial Liabilities	**-**	**190**	**-**	**35**

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

(Amount ₹ '000)

	March 31, 2018		**March 31, 2017**	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial Assets				
Investments	1,325,138	1,325,138	1,325,138	1,325,138
Cash and cash Equivalents	1	1	200	200
Other financial assets				
Interest accrued on fixed deposits	10,818	10,818	10,443	10,443
Total Financial Assets	**1,335,957**	**1,335,957**	**1,335,781**	**1,335,781**
Financial Liabilities				
Trade payables	190	190	35	35
Total Financial Liabilities	**190**	**190**	**35**	**35**

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.

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 – interest rate	Long-term borrowings at variable rate	Sensitivity analysis	Interest rate swaps

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 ₹ '000
	31 March 2018	31 March 2017
Fixed-rate instruments		
Financial assets	10,762	9,999
Financial liabilities	-	-
Total	**10,762**	**9,999**

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, 2018	**Total ₹ '000**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**
Non-derivative financial liabilities					
Trade and other payables	190	190	-	-	-

		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	-	-	-

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

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

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 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

Jaya Bhatia
(Company Secretary)

ALLCHECKDEALS INDIA PVT. LTD.

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 10th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2018.

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 ₹ 4.20 million as against ₹ 5.22 million during the previous financial year. The company made a loss of ₹ 0.87 million in FY 2018 as compared to a profit of ₹ 1.99 million in FY 2017.

SHARE CAPITAL

There has been no change in the Capital Structure of the Company during the year under review.

During the year under review, the Company issued and allotted 1,00,000 - 0.0001% Compulsory Convertible Debentures (CCDs) of ₹ 100/- each aggregating to ₹ 10 million to Smartweb Internet Services Ltd., a fellow subsidiary of the Company.

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 ₹ 7 thousand only as compared to ₹ 38 thousand in FY 2017.

2. **NewInc Internet Services Private Limited**

   It is engaged in the business of providing all kinds and types of internet, computer and electronics data processing services.

   NewInc Internet Services Private Limited had a total loss of ₹ 8,005 thousand as compared to a loss of ₹ 1034 thousand in FY 2017.

Associate Companies

1. **Ideaclicks Infolabs Private Limited**

   The company holds 28.90% in Ideaclicks Infolabs Private Limited on fully converted and diluted basis which owns and operates a website www.zippserv.com. Zippserv is an online platform which provides risk assessment for safeguarding real estate investments, including legal and civil engineering due-diligence, fraud and forgery detection and technology to ascertain encroachments & city planning violations.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 9th Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 subject to ratification by members at every Annual General Meeting.

The Companies (Amendment) Act, 2017, effective May 7, 2018 has done away with the requirement of annual ratification of appointment of Statutory Auditors. However, as a measure of good corporate governance practice, the Company shall be putting the matter before shareholders for seeking their approval for ratification of appointment of the Statutory Auditors for F.Y. 2019 and affirmation that the Statutory Auditors of the Company, shall not require any annual ratification for remaining period of their appointment from the conclusion of the eleventh Annual General Meeting till the conclusion of fourteenth Annual General Meeting 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, Director (DIN: 01189953) 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 (Five) times during the year on May 29, 2017, July 22, 2017, July 31, 2017, October 5, 2017 and February 1, 2018. The maximum time gap between any two meetings was not more than 120 days. The details of Director's attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2017-18

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Sanjeev Bikhchandani	Director	5	5
Mr. Hitesh Oberoi	Director	5	5
Mr. Chintan Thakkar	Director	5	5

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, the 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 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.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

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, 2018 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 29, 2018		

ANNEXURE-A
FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

[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(46)
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)

All Holdings are on fully converted and diluted basis.

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* (equity shares)	9,847,500 (equity shares)	100	-	9,847,500* (equity shares)	9,847,500 (equity shares)	100	-
Grand Total	-	**9,847,500* (equity shares)**	**9,847,500 (equity shares)**	**100**	**-**	**9,847,500* (equity shares)**	**9,847,500 (equity shares)**	**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 (equity shares)	100	0.00	9,847,500 (equity shares)	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 ₹**

	Secured Loans excluding deposits	Unsecured Loans	Deposits/ Debentures	Total Indebtedness
Indebtedness at the beginning 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
Change in Indebtedness during the financial year		-		
Addition	-	-	1,00,00,000*	1,00,00,000
Reduction	-	-	-	-
Net Change	-	-	1,00,00,000	1,00,00,000
Indebtedness at the end of the financial year				
(i) Principal Amount	-	-	8,08,55,000	8,08,55,000
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	8,08,55,000	8,08,55,000

*Note: *During the year under review, the Company allotted 1,00,000 -0.0001% Compulsory Convertible Debentures of ₹ 100 each to Smartweb Internet Services 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.

For and on behalf of Board of Directors

Hitesh Oberoi (Director) DIN: 01189953

Chintan Thakkar (Director) DIN: 00678173

Place: Noida
Date: May 29, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of **ALLCHECKDEALS INDIA PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of ALLCHECKDEALS INDIA PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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 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 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 the Companies (Accounts) Rules, 2015 (as amended).

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 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 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 and the order issued under section 143(11) of the Act.

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 these 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 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 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, 2018 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 the Companies (Accounts) Rules, 2015 (as amended);
   e) on the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
   f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 29 May 2018 as per **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.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 29, 2018

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditor's Report to the members of **ALLCHECKDEALS INDIA PRIVATE LIMITED ("the company")** on the financial statement of the year ended March 31, 2018, 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, 2018 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 2018 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 29, 2018

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 **ALLCHECKDEALS INDIA PRIVATE LIMITED** ("the Company") as of March 31, 2018 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, 2018, 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 29, 2018

BALANCE SHEET AS AT MARCH 31, 2018

Particulrs	Notes	As at March 31, 2018 (₹ '000)	As at March 31, 2017 (₹ '000)
Assets			
Non-current assets			
Property, plant and equipment	3	1	1
Financial assets			
Investments	4(a)	95,878	95,158
Non-current tax assets (net)	5	51,984	51,645
Deferred tax assets (net)	6	21,384	21,384
Total non-current assets		**169,247**	**168,188**
Current assets			
Financial assets			
i. Trade receivables	4(c)	6,980	3,387
ii. Cash and cash equivalents	4(d)	2,617	700
iii. Other financial assets	4(b)	7,023	2,970
Other current assets	7	57	66
Assets classified as held for sale	8	8,879	8,879
Total current assets		**25,556**	**16,002**
Total assets		**194,803**	**184,190**
Equity & Liabilities			
Equity			
Equity share capital	9	98,475	98,475
Other equity	10	44,408	36,198
Total equity		**142,883**	**134,673**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	11(a)	8,492	6,655
Total non-current liabilities		**8,492**	**6,655**
Current liabilities			
Financial liabilities			
Trade payables	11(b)	36,688	35,767
Provisions	12	512	574
Other current liabilities	13	6,228	6,521
Total current liabilities		**43,428**	**42,862**
Total liabilities		**51,920**	**49,517**
Total equity and liabilities		**194,803**	**184,190**

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 : Noida
Date : May 29, 2018

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, 2018

Particulars	Notes	Year ended March 31, 2018 (₹ '000)	Year ended March 31, 2017 (₹ '000)
Income			
Revenue from operations	14	4,203	5,221
Other income	15	1,177	6,319
I Total income		**5,380**	**11,540**
Expenditure			
Employee benefits expense	16	2,596	3,867
Finance costs	17	919	621
Depreciation and amortisation expense	18	0*	0*
Administration and other expenses	19	2,737	5,895
Network, internet and other direct charges	20	-	5
II Total expense		**6,252**	**10,388**
III. Profit / (Loss) before tax (I-II)		**(872)**	**1,152**
IV. Income tax expense			
(1) Current tax		-	247
(2) Deferred tax		-	(1,082)
Total tax expense		**-**	**(835)**
V. Profit / (Loss) for the year (III-IV)		**(872)**	**1,987**
Other comprehensive income for the year, net of income tax		**-**	**-**
Total comprehensive income/loss for the year		**(872)**	**1987**
Earnings per share:	25		
Basic earnings per share		(0.09)	0.20
Diluted earnings per share		(0.09)	0.20

* 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 and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place : Noida
Date : May 29, 2018

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, 2018

S.No.	Particulars	Year ended March 31, 2018 (₹ '000)	Year ended March 31, 2017 (₹ '000)
A.	**Cash flow from operating activities:**		
	Profit / (Loss) before tax	**(872)**	**1,152**
	Adjustments for:		
	Depreciation	0*	0*
	Interest income from financial assets measured at amortised cost		
	- on fixed deposits with banks	(269)	(279)
	- on other financial assets	(637)	(997)
	Finance cost	919	621
	Gain on measurement at FVTPL	(266)	(3,957)
	Diminution in value of investments	-	-
	Profit on sale of fixed assets (net)	(6)	(15)
	Liabilities written back to the extent no longer required	-	(1,071)
	Provision for doubtful debts	313	4,184
	Operating profit/loss before working capital changes	**(817)**	**(362)**
	Adjustments for changes in working capital :		
	- (Increase) / Decrease in Trade receivables	(3,905)	(3,237)
	- (Increase) / Decrease in Loans	-	1,654
	- (Increase) / Decrease in Current - Other financial assets	(4,053)	6,839
	- (Increase) / Decrease in Other current assets	9	95
	- Increase / (Decrease) in Trade payables	921	(57)
	- Increase / (Decrease) in Other financial liabilities	-	(163)
	- Increase / (Decrease) in Provisions	(62)	(946)
	- Increase / (Decrease) in Other current liabilities	(295)	(3,932)
	Cash generated from/(used in) operating activities	**(8,202)**	**(109)**
	- Taxes paid	(339)	(65)
	Net cash generated from/(used in) operating activities	**(8,541)**	**(174)**
	Proceeds from sale of fixed assets	6	15
	Interest received	906	1,276
	Investment / Increase in value of debentures of subsidiary companies	(454)	(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**	**458**	**(50,910)**
	Cash flow from financing activities:		
	Proceeds from debentures	10,000	70,855
	Interest paid	-	(471)
	Repayment of unsecured loan from holding company	-	(15,634)
	Payment of deferred liabilities	-	(4,000)
C.	**Net cash generated from financing activities**	**10,000**	**50,750**
	Net decrease in cash & cash equivalents	**1,917**	**(334)**
	Opening balance of cash and cash equivalents	**700**	**1,034**
	Closing balance of cash and cash equivalents	**2,617**	**700**
	Cash and cash equivalents comprise of:		
	Cash in hand	10	10
	Balance with Scheduled Banks		
	-in current accounts	2,607	690
	Total cash and cash equivalents	**2,617**	**700**

* Amount is below rounding off norm adopted by the Company.

Notes :

1 **Reconciliation of liabilities arising from financing activities** (₹ '000)

Particulars	As at 31st March 2017	Cash Flows	Non cash changes Finance cost	As at 31st March 2018
Long term borrowings (including accrued finance costs)	71,005	10,000	919	81,924
	71,005	10,000	919	81,924

2 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.

3 Figures in brackets indicate cash outflow.

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

Place : Noida
Date : May 29, 2018

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, 2016		**98,475**
Changes in equity share capital	9	-
As at March 31, 2017		**98,475**
Changes in equity share capital	9	-
As at March 31, 2018		**98,475**

b. Other equity

	Notes	Reserves & Surplus		Total (₹ '000)
		Equity component of debentures	Retained Earnings	
Balance as at 01 April 2016		-	**(30,139)**	**(30,139)**
Profit for the year		-	1,987	1,987
Issue of debentures		64,350	-	64,350
Balance as at 31 March 2017		**64,350**	**(28,152)**	**36,198**
(Loss) for the year		-	(872)	(872)
Issue of debentures		9,082	-	9,082
Balance as at 31 March 2018		**73,432**	**(29,023)**	**44,408**

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 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

Hitesh Oberoi
Director

Chintan Thakkar
Director

Place : Noida
Date : May 29, 2018

Tanisha Sharma
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

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.

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 ₹ 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 (INR), 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 INR 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 be available against which such temporary differences 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) Estimation of current tax expenses and payable - Note 31

b) Estimated fair value of unlisted entities- Note 32

c) Estimation of defined benefit obligation - Note 21

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.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

Since the Company does not have any share based payments, the above amendment will not have any impact on the financial statements.

3. Property, plant & equipment

(₹ '000)

	Computers	Plant and equipment	Office equipment	Total
Year ended March 31, 2017				
Gross carrying amount				
Deemed cost as at April 1, 2016	576	6	2	584
Closing gross carrying amount	**576**	**6**	**2**	**584**
Accumulated depreciation				
Opening accumulated depreciation	575	6	2	583
Closing accumulated depreciation	**575**	**6**	**2**	**583**
Net carrying amount	**1**	**-**	**-**	**1**
Year ended March 31, 2018				
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, 2018				As at March 31, 2017			
	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	
- One share (Previous year- One share) is held by the nominee of the Company including Share premium of ₹ 2,817.75/- per share (Previous year- ₹ 2,817.75 per share)								
Add : Equity component of debt instruments			12,468	40,744	-	-	12,468	40,744
Newinc Internet Services Private Limited	2	10	0.02		2	10	0.02	
Add : Equity component of debt instruments			22,523	22,523			22,523	22,523
Investments in equity instrument of joint venture (fully paid up)								
Ideaclicks Infolabs Private Limited Share premium of ₹ 7704.29/- per share.	175	10	1,350	1,350	175	10	1,350	1,350

Particulars	As at March 31, 2018				As at March 31, 2017			
	Number of Share	Face Value per share (In ₹)	(₹ '000)	(₹ '000)	Number of Share	Face Value per share (In ₹)	(₹ '000)	(₹ '000)
Investments in preference shares of joint venture (fully paid up)								
Ideaclicks Infolabs Private Limited Series A - 0.01% optionally convertible cumulative redeemable preference shares	2,300,319	10	26,960		2,300,319	10	23,003	
Add/(Less) : Gain on measurement at FVTPL			266	27,226	-	-	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 cumulative redeemable preference shares	137,281	100	13,728		137,281	100	13,728	
Less : Equity component of debt instruments			(12,468)				(12,468)	
Add : Interest income on Financial assets			174	1,434	-	-	13	1,273
Newinc Internet Services Private Limited	248,000	100	24,800		248,000	100	24,800	
-0.0001% compulsory convertible debentures of face value of ₹ 100/- each, into cumulative redeemable preference shares								
Less : Equity component of debt instruments			(22,523)				(22,523)	
Add : Interest income on Financial assets			324	2,601	-	-	31	2,308
Total Non current investments				**95,878**				**95,158**

Aggregate amount of quoted investments & market value thereof	**-**		**-**
Aggregate amount of unquoted investments	**95,878**		**95,158**
Aggregate amount for impairment in value of investments	**-**		**-**

4 (b) Other financial assets

Particulars	Non-current		Current	
(Unsecured, considered good)	As at March 31, 2018 (₹ '000)	As at March 31, 2017 (₹ '000)	As at March 31, 2018 (₹ '000)	As at March 31, 2017 (₹ '000)
Security Deposits	-	-	1,630	1,705
Balance in fixed deposit accounts with original maturity more than 12 months	-	-	5,206	1,223
Interest accrued on Fixed Deposits	-	-	187	42
	-	**-**	**7,023**	**2,970**

4 (c) Trade receivables

Particulars	**As at March 31, 2018 (₹ '000)**	**As at March 31, 2017 (₹ '000)**
Unsecured considered good	10,836	7,150
Unsecured considered doubtful	42,436	42,216
	53,272	49,366
Allowance for doubtful debts	(46,292)	(45,979)
Total receivables	**6,980**	**3,387**
Current	6,980	3,387
Non - Current	-	-

4 (d) Cash and cash equivalents

Particulars	**As at March 31, 2018 (₹ '000)**	**As at March 31, 2017 (₹ '000)**
Balance with banks - current account	2,607	690
Cash on hand	10	10
	2,617	**700**

5. Non-current tax assets (net)

Particulars (Unsecured, considered good)	**As at March 31, 2018 (₹ '000)**	**As at March 31, 2017 (₹ '000)**
Advance tax	76,381	76,042
Less: Provision for tax	(24,398)	(24,398)
Advance tax - Fringe benefits	6	6
Less: Provision for tax - Fringe benefits	(5)	(5)
	51,984	**51,645**

6. Deferred tax assets (net)

Particulars	**As at March 31, 2018 (₹ '000)**	**As at March 31, 2017 (₹ '000)**
Deferred tax asset		
Opening balance	21,384	20,302
Adjustment for the current year:		
- Credited / (charged) through profit and loss	-	1,082
	21,384	**21,384**

Significant components of deferred tax assets are shown in the following table:

Particulars	**As at March 31, 2018 (₹ '000)**	**As at March 31, 2017 (₹ '000)**
Deferred tax asset		
Routed through profit or loss		
Provision for doubtful debts	14,875	14,875
Provision for leave encashment	37	37
Property, plant & equipment	225	225
Brought forward losses/ Tax credits	6,072	6,072
Disallowance under 40(ia)(a)	175	175
Total deferred tax assets (net)	**21,384**	**21,384**

7. Other non-current & current assets

Particulars	Non-current		Current	
	As at March 31, 2018 (₹ '000)	As at March 31, 2017 (₹ '000)	As at March 31, 2018 (₹ '000)	As at March 31, 2017 (₹ '000)
(Unsecured, considered good)				
Advance recoverable in cash or in kind or for value to be received	-	-	57	66
Balance with				
Goods & Service Tax Authorties			75	-
Less: Transfer to other liability	-	-	(75)	(469)
Service Tax Authorties	-	-	469	469
Less: Provision for doubtful recovery			(469)	-
	-	**-**	**57**	**66**

8. Assets classified as held for sale

Particulars	Current	
	As at March 31, 2018 (₹ '000)	As at March 31, 2017 (₹ '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, 2018 (₹ '000)	As at March 31, 2017 (₹ '000)
Authorised capital		
12,000,000 Equity Shares of ₹ 10/- each (Previous year - 12,000,000 Equity Shares of ₹ 10/- each)	**120,000**	**120,000**
Issued, subscribed and paid-up capital		
9,847,500 Equity shares of ₹ 10/- each fully paid up	98,475	98,475
(Previous year - 9,847,500 Equity shares of ₹ 10/- each)		
[9,847,499 equity shares (Previous year - 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 (Previous year - 1 share)]		
	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, 2018 (No of Shares)	As at March 31, 2018 (₹ '000)	As at March 31, 2017 (No of Shares)	As at March 31, 2017 (₹ '000)
Equity Shares				
At the beginning of the year	9,847,500	98,475	9,847,500	98,475
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**9,847,500**	**98,475**	**9,847,500**	**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, 2018 (₹ '000)		As at March 31, 2017 (₹ '000)	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of ₹ 10 each fully paid				
Info Edge (India) Limited	9,847,499	99.99%	9,847,499	99.99%
1 Share held by Naukri Internet Services Limited [Nominee of Info Edge (India) Limited]				
	9,847,499	**99.99%**	**9,847,499**	**99.99%**

10. Other equity

Particulars	As at March 31, 2018 (₹ '000)		As at March 31, 2017 (₹ '000)	
Retained earnings	(28,152)		(30,139)	
Add: Profit / (Loss) for the year	(872)	(29,024)	1,987	(28,152)
Equity component of debentures		73,432		64,350
		44,408		**36,198**

11. (a) Borrowings

Particulars	Non-current: As at March 31, 2018 (₹ '000)	Non-current: As at March 31, 2017 (₹ '000)	Current: As at March 31, 2018 (₹ '000)	Current: As at March 31, 2017 (₹ '000)
Unsecured				
Loan from holding company	-	-	-	-
Debentures issued to holding company				
Info Edge India Ltd (0.0001% compulsory convertible debentures having maturity date January 8, 2027, into cumulative redeemable preference shares 455,000 nos, Previous year 455,000 nos of face value of ₹ 100/- each, maturity not exceeding January 8, 2037)	45,500	45,500	-	-
Less : Equity component of debt instruments	(41,323)	(41,323)	-	-
Add : Interest cost on financial liabilities at amortised cost	672	127	-	-

Particulars	Non-current As at March 31, 2018 (₹ '000)	Non-current As at March 31, 2017 (₹ '000)	Current As at March 31, 2018 (₹ '000)	Current As at March 31, 2017 (₹ '000)
Liability component of debentures	4,849	4,304	-	-
Debentures issued to fellow subsidiary company				
Smartweb Internet Services Limited	25,355	25,355	-	-
(0.0001% compulsory convertible debentures having maturity date March 29, 2027, into cumulative redeemable preference shares 253,550 nos, (Previous year 253,550 nos of face value of ₹ 100/- each, maturity not exceeding March 29, 2037)				
Less : Equity component of debt instruments	(23,027)	(23,027)	-	-
Add : Interest cost on financial liabilities at amortised cost	321	23	-	-
	2,649	2,351		
Smartweb Internet Services Limited	10,000	-	-	-
(0.0001% compulsory convertible debentures having maturity date July 30, 2027, into cumulative redeemable preference shares 100,000 nos, Previous year - nil of face value of ₹ 100/- each, maturity not exceeding July 30, 2037)				
Less : Equity component of debt instruments	(9,082)	-	-	-
Add : Interest cost on financial liabilities at amortised cost	76	-	-	-
	994	-		
Liability component of debentures	3,643	2,351	-	-
Current borrowing (as per balance sheet)	**8,492**	**6,655**		**-**

(b) Trade payables

Particulars	Current As at March 31, 2018 (₹ '000)	Current As at March 31, 2017 (₹ '000)
Trade payables	36,688	35,767
	36,688	**35,767**

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, 2018

12 Provisions

Particulars	Current As at March 31, 2018 (₹ '000)	Current As at March 31, 2017 (₹ '000)
Employee benefits		
Leave obligation (Refer note 22)	12	75
Accrued bonus & incentives	500	499
	512	**574**

13. Other liabilities

Particulars	Non-current		Current	
	As at March 31, 2018 (₹ '000)	As at March 31, 2017 (₹ '000)	As at March 31, 2018 (₹ '000)	As at March 31, 2017 (₹ '000)
Advance from customers	-	-	4,146	1,273
Employee benefits payable	-	-	-	120
Deferred payment for acquisition of subsidiary for liability (Refer note 28)	-	-	-	4,000
Others				
- Tax deducted at source payable	-	-	78	238
- Other statutory dues	-	-	10	14
- Goods & Service tax payable			746	-
- Service tax payable	-	-	1,323	1,345
Less : Balance with goods & service tax; and service tax authorities	-	-	(75)	(469)
	-	-	1,994	876
	-	**-**	**6,228**	**6,521**

14. Revenue from operations

Particulars	Year Ended March 31, 2018 (₹ '000)	Year Ended March 31, 2017 (₹ '000)
Sale of services	4,203	5,221
	4,203	**5,221**

15. Other income

Particulars	Year Ended March 31, 2018 (₹ '000)	Year Ended March 31, 2017 (₹ '000)
Interest income from financial assets measured at amortised cost		
- on fixed deposits with banks	269	279
- on other financial assets	637	997
Net gain on financial assets mandatorily measured at FVTPL	266	3,957
Liabilities written back to the extent no longer required	-	1,071
Profit on sale of fixed assets (net)	6	15
	1,177	**6,319**

16. Employee benefits expense

Particulars	Year Ended March 31, 2018 (₹ '000)	Year Ended March 31, 2017 (₹ '000)
Salaries, wages and bonus	2,411	3,545
Contributions to provident and other funds (Refer Note 22)	63	116
Staff welfare and benefits	94	157
Other employee expenses	28	49
	2,596	**3,867**

17. Finance costs

Particulars	Year Ended March 31, 2018 (₹ '000)	Year Ended March 31, 2017 (₹ '000)
Interest on loan obtained from holding company	-	471
Interest cost on financial liabilities at amortised cost	919	150
	919	**621**

18. Depreciation and amortisation

Particulars	Year Ended March 31, 2018 (₹ '000)	Year Ended March 31, 2017 (₹ '000)
Depreciation of Property, plant and equipment	0*	0*
	-	**-**

* Amount is below rounding off norm adopted by the Company.

19. Administration and other expenses

Particulars	Year Ended March 31, 2018 (₹ '000)	Year Ended March 31, 2017 (₹ '000)
Rent (Refer Note 23)	24	24
Legal and professional charges	280	1,092
Bad debts (Provision for doubtful debts ₹313 (Previous Year ₹4184))	1,824	4,184
Rates & taxes	21	40
Insurance	9	17
Travel & conveyance	56	141
Miscellaneous expenses	523	18
Infrastructure & business support expenses	-	379
	2,737	**5,895**

20. Network, internet and other direct charges

Particulars	Year Ended March 31, 2018 (₹ '000)	Year Ended March 31, 2017 (₹ '000)
Others	-	5
	-	**5**

21. (1) Related Party Disclosures for the year ended March 31, 2018

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, 2018 in the ordinary course of business: **Amount (₹ '000)**

Nature of relationship / transaction	Holding Company	Subsidiary Company	Fellow Subsidary	Joint Venture	Total
1. Rent Expense IEIL	24	-	-	-	24
2. Investment in Debentures Smartweb	-	-	10,000	-	10,000
3. Repayment of loan Smartweb	-	-	10,000	-	10,000

C) Amount due to/from related parties as at March 31, 2018 **Amount (₹ '000)**

Nature of relationship / transaction	Holding Company	Subsidiary Company	Fellow Subsidary	Joint Venture	Total
Debit Balances					
Outstanding	-	-	-	-	-
Credit Balances					
Outstanding	-	-	-	-	-

21. (2) 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	Subsdiary Company	Fellow Subsidiary	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	45,500	-	-	-	
Smartweb	-	-	25,355	-	70,855
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	Subsdiary Company	Fellow Subsidiary	Joint Venture	Total
Debit Balances					
Outstanding Advances IVSPL	-	-	-	-	-
Credit Balances					
Outstanding Payable IEIL	-	-	-	-	-

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.

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, 2018	Year ended March 31, 2017
	(₹ '000)	(₹ '000)
Employers' Contribution to Provident Fund	63	116
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 ₹ 12 thousands (Previous year - ₹ 75 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, 2018	March 31, 2017
Current leave obligations expected to be settled with in the next twelve months	24	26

Assumption used by the Actuary

Particulars	Leave Encashment / Compensated Absences	
	2017-18	2016-17
Discount Rate (per annum)	7.65%	7.35%
Rate of increase in Compensation levels	10% for First 5 years,	10% for First 5 years,
	& 8% 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	
	2017-18	**2016-17**
Discount Rate (per annum)	7.65%	7.35%
Rate of increase in Compensation levels	10% for First 5 years,	10% for First 5 years,
	& 8% 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	**2017-18**	**2016-17**
	(₹ '000)	**(₹ '000)**
Present Value of Obligation at the beginning of the year	**227**	**333**
Interest Cost	16	25
Current Service Cost	60	88
Remeasurment due to		
-Actuarial loss/(gain) arising from change in financial assumptions	10	16
-Actuarial loss/(gain) arising on account of experience changes	(80)	(235)
Present Value of Obligation at the end of the year	**233**	**227**

Changes in the Fair value of Plan Assets	**2017-18**	**2016-17**
	(₹ '000)	**(₹ '000)**
Fair Value of Plan Assets at the beginning of the year	**230**	**1,400**
Interest on Plan Assets	16	107
Remeasurement due to		
Actual Return on plan assets less interest on plan assets	1	(11)
Assets acquired/settled*	-	(1,266)
Fair Value of Plan Assets at the end of the year	**247**	**230**

* on account of inter group transfer

Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	**2017-18**	**2016-17**
	(₹ '000)	**(₹ '000)**
Present Value of funded obligation at the end of the year	**233**	**227**
Fair Value of Plan Assets as at the end of the period	(247)	(230)
Amount not recognised due to asset limit	-	-
Net defined benefit liability / (asset) #	**(14)**	**(3)**
Current	-	-
Non-Current	(14)	(3)

Expense recognised in the Statement of Profit and Loss #	**2017-18**	**2016-17**
	(₹ '000)	**(₹ '000)**
Current Service Cost	60	88
Past Service Cost	Nil	Nil
Interest Cost	(0)	(55)
(Gains)/Loss on Settlement	Nil	Nil
Total	**60**	**33**

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, 2018	**March 31, 2017**		**March 31, 2018**	**March 31, 2017**		**March 31, 2018**	**March 31, 2017**
Discount Rate	0.50%	0.50%	Decrease by	-4.53%	-6.12%	Increase by	4.91%	6.74%
Salary growth rate	0.50%	0.50%	Increase by	4.84%	6.67%	Decrease by	-4.50%	-6.12%

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, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
	%	%	(₹ '000)	(₹ '000)
Insurer managed funds	100%	100%	247	230
Total	**100%**	**100%**	**247**	**230**

(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. Auditor's Remuneration (excluding Goods & Service Tax)

Particulars	Year Ended March 31, 2018 (₹ '000)	Year Ended March 31, 2017 (₹ '000)
As Auditors		
- Audit Fees	150	315
- Tax Audit Fees	-	65
Reimbursement of Expenses	28	28
Total	**178**	**408**

25. Basic and Diluted Earnings per share (EPS):

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Profit attributable to Equity Shareholders (₹ '000)	(872)	1,987
Basic		
Weighted average number of Equity Shares outstanding during the year (Nos.)	9,847,500	9,847,500
Basic EPS of ₹ 10 each (₹)	(0.09)	0.20
Diluted		
Weighted average number of Equity Shares outstanding during the year (Nos.)	9,847,500	9,847,500
Diluted EPS of ₹ 10 each (₹)	(0.09)	0.20

26. 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.

27. The aggregate managerial remuneration under section 197 of the Companies Act, 2013 to the Directors including Managing Director is NIL (March 31, 2016 - Nil).

28. 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 ₹ 4000 thousands was paid during the year ended March 31, 2018 a 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 via issuance of debentures ₹ 13,728 thousands to the Company.

29. Contingent Liability

Claims against the Company not acknowledged as debts ₹ 957 thousands (Previous Year ₹ 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.

30. 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.

31. 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, 2018 (₹ '000)	Year ended March 31, 2017 (₹ '000)
Current Tax		
Current tax on profit for the year	-	247
Total current tax expenses	**-**	**247**
Deferred tax	-	(1,082)
Total	**-**	**(835)**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Year ended March 31, 2018 (₹ '000)	Year ended March 31, 2017 (₹ '000)
Taxable Income	(224)	1,152
Tax at the Indian tax rates of 25.75% (March 31, 2017 - 29.87%)	**(67)**	**356**
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income		
Interest Income on financial assets	(164)	(13)
Interest Expense on financial liabilities	237	46
Gain on fair valuation of instruments	(68)	(1,223)
Other items	62	(1)
Total	**-**	**(835)**

Financial instruments and risk management

33. Fair value Hierarchy

a) Financial instruments by category

(₹ '000)

	March 31, 2018		March 31, 2017	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Loans	-	-	-	-
Investments	27,226	68,652	26,960	68,198
Trade and other receivables	-	6,980	-	3,387
Cash and cash Equivalents	-	2,617	-	700
Other financial assets	-	7,023	-	2,970
Total Financial Assets	**27,226**	**85,272**	**26,960**	**75,255**

(₹ '000)

	March 31, 2018		March 31, 2017	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Liabilities				
Borrowings	-	8,492	-	6,655
Trade payables	-	36,688	-	35,767
		-		-
Total Financial Liabilities	**-**	**45,180**	**-**	**42,422**

*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, 2018 (₹ '000)

		Level 1	Level 2	Level 3	Total
Financial Assets					
Investments	Preference Shares	-	-	27,226	27,226

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, 2016	-
Acquisitions	23,003
Disposal including related gain/loss	-
Unrealised gain/loss recognised in profit/loss	3,957
As at March 31, 2017	26,960
Acquisitions	-
Unrealised gain/loss recognised in profit/loss	266
As at March 31, 2018	27,226

(f) Valuation inputs and relationships to fair value

(₹ '000)

Particulars	Fair value as at		Significant unobservable inputs*	Probability-weighted range		Sensitivity
	March 31, 2018	March 31, 2017		March 31, 2018	March 31, 2017	
Convertible preference shares	27,226	26,960	Weighted Average Cost of Capital (WACC)	15% to 35%	15% to 35%	Increased WACC (+20 basis points (bps)) and keeping other key inputs constatnt would change FV by INR -1652 thousand (Previous Year INR (7167) thousand) ; Decreased WACC (-20 bps) and keeping other key inputs constatnt would change FV by INR -3127 thousand (Previous Year INR (3778) thousand).
			EBITDA Margin in Perpetuity	-170% to 60%	-170% to 60%	Increased EBITDA Margin in Perpetuity (+50 basis points (bps)) and keeping other key inputs constatnt would change FV by INR -15 thousand (Previous Year INR (6615) thousand); Decreased EBITDA Margin in Perpetuity (-50 bps) and keeping other key inputs constatnt would change FV by INR -2659 (Previous Year INR (4786) thousand).
			Earnings growth rate	40% to 80%	40% to 80%	Increased Earnings growth rate (+50 basis points (bps)) and keeping other key inputs constatnt would change FV by INR -20 thousand (Previous Year INR (6476) thousand); Decreased Earnings growth rate (-50 bps) and keeping other key inputs constatnt would change FV by INR -15 thousand (Previous Year INR (5071) thousand).

* 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.

33. 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, 2016	**41,922**
changes in loss allowance	4,057
Loss allowance as on March 31, 2017	**45,979**
changes in loss allowance	313
Loss allowance as on March 31, 2018	**46,292**

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, 2018	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Trade payables	36,688	36,688	-	-	-	-
Borrowings	8,492	-	-	-	-	8,492

(₹ '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
Other financial liabilities	-	-	-	-	-	-

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, 2018	**March 31, 2017**
Fixed-rate instruments		
Financial assets	5,206	1,223
Financial liabilities	8,492	6,655
Total	**13,698**	**7,878**

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, 2018	**March 31, 2017**
Net Debt	5,875	5,955
Total equity	142,883	134,673
Net Debt to equity ratio	4.1%	4.4%

There are no loan covenents in respect of these borrowings

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

Hitesh Oberoi
Director

Chintan Thakkar
Director

Place : Noida
Date : May 29, 2018

Tanisha Sharma
Company Secretary

INTERACTIVE VISUAL SOLUTIONS PVT. LTD.

DIRECTORS' 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, 2018.

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 ₹ 445 thousand in the financial year 2017-18 as compared to a loss of ₹ 1,338 thousand in the financial year 2016-17.

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 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, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 8th Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 subject to ratification by members at every Annual General Meeting.

The Companies (Amendment) Act, 2017, effective May 7, 2018 has done away with the requirement of annual ratification of appointment of Statutory Auditors. However, as a measure of good corporate governance practice, the Company shall be putting the matter before shareholders for seeking their approval for ratification of appointment of the Statutory Auditors for F.Y. 2019 and affirmation that the Statutory Auditors of the Company, shall not require any annual ratification for remaining period of their appointment from the conclusion of the tenth Annual General Meeting till the conclusion of thirteenth Annual General Meeting 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

Mr. Murlee Manohar Jain was appointed as an Additional Director of the Company w.e.f. May 26, 2017 and his appointment was regularised by the members of the Company in the 8th Annual General Meeting held on September 23, 2017. Also, Mr. Sudhir Bhargava resigned from the office of Directorship of the Company w.e.f. June 16, 2017.

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 reappointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 4 (Four) times during the year on May 26, 2017, July 22, 2017, October 5, 2017 and February 1, 2018. The maximum time gap between any two meetings was not more than 120 days. The details of Director's attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2017-18

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Murlee Manohar Jain	Director	3*	3*
Mr. Chintan Thakkar	Director	4	4

*Mr. Murlee Manohar Jain was appointed as a director w.e.f. 26/05/2017 and total number of 3 Board Meetings were held during his tenure of directorship in FY 2017-18

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, the 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 all other related party transactions are present under Note No. 18 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.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

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, 2018 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 29, 2018		

ANNEXURE-A

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

[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(46)
2.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Ultimate Holding Company	100	2(46)

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 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			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 (Equity Shares)	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: Nil

in Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposits/Debentures	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal amount	-	-	1,48,28,500	1,48,28,500
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	**1,48,28,500**	**1,48,28,500**
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
(i) Principal Amount	-	-	1,48,28,500	1,48,28,500
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	**1,48,28,500**	**1,48,28,500**

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.

For and on behalf of Board of Directors

Murlee Manohar Jain	Chintan Thakkar
(Director)	(Director)
DIN: 05101562	DIN: 00678173

Place: Noida

Date: May 29, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of **INTERACTIVE VISUAL SOLUTION PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of Interactive Visual Solution Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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 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 financial statements that give a true and fair view of the financial position, financial performance (including other Comprehensive Income) ,Cash flows and change 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 the Companies (Accounts) Rules, 2015 (as amended).

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 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 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 there under and the order issued under section 143(11) of the Act.

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 these financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the 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 financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2018, and its profit, total comprehensive Income, the change in equity and its cash flows 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.
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 financial statements dealt with by this report are in agreement with the books of account
    d. in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Accounts) Rules, 2015 (as amended);
    e. on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
    f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 29 May 2018 as per Annexure-B.
    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 (as amended), 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 litigation 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};

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 29, 2018

Annexure-A to the Independent Auditor's Report of even date to the members of Interactive Visual Solution Private Limited, on the financial statements for the year ended March 31, 2018

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

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

(b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the company and the nature of its assets.

(c) The company does not hold any immovable property. Accordingly, the provisions of clause 3(i)© of the order is not applicable.

ii) The company does not have any inventory. Accordingly, the provisions of 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, the provisions of clause 3(iii)(a), 3(iii)(b) and 3(iii)(c), 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) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii) (a) The Company is 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 other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.

viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year.

ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

xi) The company has not paid or provided for any managerial remuneration .Accordingly, the provisions of clause 3(xi) of the Order is not applicable.

xii) In our opinion the Company is not a Nidhi company. Accordingly, the provisions of clause 3(xii) of the Order is not applicable.

xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., 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 preferential placement of preference shares and debentures.

xv) In our opinion the company has not entered into non-cash transactions with directors or persons connected with them covered under section 192 of the Act.

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 29, 2018

Annexure-B to the Independent Auditor's Report of even date to the members of Interactive Visual Solution Private Limited, on the financial statements for the year ended

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the financial statements of Interactive Visual Solution Private Limited "the Company") as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors 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 the company's 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 IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 IFCoFR 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

A company's IFCoFR 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 IFCoFR 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 IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR 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, to the best of our information and according to the explanation given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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 29, 2018

BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31, 2018 (Rs. '000)	As at March 31, 2017 (Rs. '000)
Assets			
Non-current Assets			
Intangible Assets	3(a)	1	83
Non current tax assets (net)	4	17	8
Current Assets			
Financial Assets			
(i) Cash and Cash Equivalents	5(a)	96	183
(ii) Other Financial Assets	5(b)	61	294
Other Current Assets	6	11	72
Total assets		**186**	**640**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	7	100	100
Other Equity	8	(1,619)	(1,174)
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	9	1,549	1,375
Deferred tax liabilities (Net)		33	33
Current Liabilities			
Financial liabilities			
(i) Borrowings	9	-	18
(ii) Trade Payables	10	113	187
Current Tax Liabilities	11	10	101
TOTAL EQUITY AND LIABILITIES		**186**	**640**

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 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Murlee Manohar Jain
(Director)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Note No	Year Ended March 31, 2018 (Rs. '000)	Year Ended March 31, 2017 (Rs. '000)
Revenue			
Other income	12	7	38
I Total Income		**7**	**38**
Expenditure			
Finance costs	13	175	1,027
Depreciation and amortization expense	3	82	198
Administration and Other expenses	14	195	151
II Total Expense		**452**	**1,376**
III. Profit / (Loss) before tax (I-II)		**(445)**	**(1,338)**
IV. Tax expense		-	-
V. Profit / (Loss) for the year (IV - III)		**(445)**	**(1,338)**
VI. Profit / (Loss) for the year (V)		**(445)**	**(1,338)**
Earning per equity share:			
(1) Basic	15	(44.52)	(133.80)
(2) Diluted	15	(44.52)	(133.80)

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 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Murlee Manohar Jain
(Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	Particulars	For the year ended 3/31/2018 (Rs. '000)	For the year ended 3/31/2017 (Rs. '000)
A.	**Cash flow from operating activities:**		
	Loss for the year	**(445)**	**(1,338)**
	Adjustments for:		
	Depreciation	82	198
	Excess provision written back	-	(24)
	Interest expense on financial liabilities at amortised cost	174	14
	Interest on FDRs	(7)	(14)
	Operating profit/(loss) before working capital changes	**(196)**	**(1,164)**
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Other Financial Assets	233	-
	- (INCREASE)/DECREASE in Current Tax Assets	-	(8)
	- (INCREASE)/DECREASE in Other Current Assets	61	-
	- INCREASE/(DECREASE) in Trade Payables	(74)	11
	- INCREASE/(DECREASE) in Provisions	-	24
	- INCREASE/(DECREASE) in Other Current Liabilities	-	(1,804)
	- INCREASE/(DECREASE) in Current Tax Liabilities	(91)	2
	Cash generated/(used) from/(in) operating activities	**(67)**	**(2,939)**
	- Taxes (Paid) / Received (Net of TDS)	(9)	-
	Net cash from/(used in) operating activities	**(76)**	**(2,939)**
B.	**Cash flow from Investing activities:**		
	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	(18)	(11,613)
	Interest expense on financial liabilities at amortised cost	-	(14)
	Interest on FDRs	7	14
	Net cash from/(used in) financing activities	**(11)**	**3,215**
	Net Increase/(Decrease) in Cash & Cash Equivalents	**(87)**	**(4)**
	Opening Balance of Cash and cash equivalents	**183**	**187**
	Closing Balance of Cash and cash equivalents	**96**	**183**
	Cash and cash equivalents comprise		
	Cash in hand	-	-
	Balance with Scheduled Banks		
	-in bank accounts	96	183
	Total	**96**	**183**

Notes :

1 **Reconciliation of liabilities arising from financing activities** (₹ '000)

Particulars	As at 31st March 2017	Cash Flows	Non cash changes Finance cost	As at 31st March 2018
Long term borrowings (including accrued finance costs)	14,842	(0)	174	15,016
	14,842	-0	174	15,016

2 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

3 Figures in brackets indicate cash outflow.

4 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)

Murlee Manohar Jain
(Director)

Place: New Delhi
Date: May 29, 2018

STATEMENTS OF CHANGES IN EQUITY

a. Equity share capital

Particulars	Notes	Amount (Rs. 000)
As at April 01, 2016		**100**
Changes in equity share capital		-
As at March 31, 2017		**100**
Changes in equity share capital		-
As at March 31, 2018		**100**

b. Other equity

	Notes	Reserves & Surplus		Total (Rs. 000)
		Equity component of Debentures	Retained Earnings	
Balance as at 01 April 2016		**-**	**(13,303)**	**(13,303)**
Loss for the year		-	(1,338)	(1,338)
Equity Component of Debentures		13,467	-	13,467
Balance as at 31 March 2017		**13,467**	**(14,641)**	**(1,174)**

	Notes	Reserves & Surplus		Total (Rs. 000)
		Equity component of Debentures	Retained Earnings	
Balance as at 31 March 2017		**13,467**	**(14,641)**	**(1,174)**
Loss for the year		-	(445)	(445)
Balance as at 31 March 2018		**13,467**	**(15,086)**	**(1,619)**

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 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Murlee Manohar Jain
(Director)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

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.

(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 be available against which such temporary differences 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. (a) Property, Plant and Equipment and Intangibles

(Amount Rs '000)

	FIXED ASSETS	Gross Block				Accumulated Depreciation					Net Block	
		Balance as at 01 April 2017	Additions/ (Disposals)	Revaluations/ (Impairments)	Balance as at 31 March 2018	Balance as at 01 April 2017	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2018	Balance as at 31 March 2018	Balance as at 31 March 2017
		Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
a	**Tangible Assets**											
	Plant and Machinery	26	-	-	26	26	-	-	-	26	-	-
	Total	**26**	**-**	**-**	**26**	**26**	**-**	**-**	**-**	**26**	**-**	**-**
b	**Intangible Assets**											
	Computer software	479	-	-	479	396	82	-	-	478	1	83
	Total	**479**	**-**	**-**	**479**	**396**	**82**	**-**	**-**	**478**	**1**	**83**
	Gross Total	**505**	**-**	**-**	**505**	**422**	**82**	**-**	**-**	**504**	**1**	**83**

3. (b) Property, Plant and Equipment and Intangibles

(Amount Rs '000)

	FIXED ASSETS	Gross Block				Accumulated Depreciation					Net Block
		Deemed Cost as at 1st April 2016	Additions/ (Disposals)	Revaluations/ (Impairments)	Balance as at 31 March 2017	Balance as at 1st 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
		Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
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
	Total	**479**	**-**	**-**	**479**	**198**	**198**	**-**	**-**	**396**	**83**
	Gross Total	**505**	**-**	**-**	**505**	**224**	**198**	**-**	**-**	**422**	**83**

4. Non-current Tax Assets

Particulars (Unsecured, considered good)	**As at March 31, 2018 (Rs. '000)**	**As at March 31, 2017 (Rs. '000)**
Advance Tax	17	-
Service Tax - Receivable (net)	-	8
	17	**8**

5. (a) Cash & Cash Equivalents

Particulars	**As at March 31, 2018 (Rs. '000)**	**As at March 31, 2017 (Rs. '000)**
Cash & Cash Equivalents		
-Balance with Bank in Current Account	96	183
	96	**183**

5. (b) Other Financial Assets

Particulars (Unsecured, considered good)	As at March 31, 2018 (Rs. '000)	As at March 31, 2017 (Rs. '000)
Interest Accrued on FDR	-	14
Balance in fixed deposit accounts with original maturity more than 12 months	61	280
	61	**294**

6. Other Current Assets

Particulars (Unsecured, considered good)	As at March 31, 2018 (Rs. '000)	As at March 31, 2017 (Rs. '000)
Advance to Vendor	11	72
	11	**72**

7. Equity Share Capital

Particulars	As at March 31, 2018 (Rs. '000)	As at March 31, 2017 (Rs. '000)
AUTHORISED		
100,000 Equity Shares of ₹ 10/- each (Previous Year - 10,000 Equity Shares of Rs 10/- each)	**1,000**	**1,000**
9,000 Preference Shares of ₹ 100/- each	**900**	**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**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2018 No of Shares	As at March 31, 2018 (Rs.'000)	As at March 31, 2017 No of Shares	As at March 31, 2017 (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 2017-18		FY 2016-17	
	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%**

8. Other Equity

Particulars	As at March 31, 2018 (Rs. '000)	As at March 31, 2017 (Rs. '000)
Retained Earnings		
Opening Balance	(14,641)	(13,303)
Add: Loss for the year	(445)	(1,338)
Equity Component of debt intruments	13,467	13,467
	(1,619)	**(1,174)**

9. Borrowings

Particulars	Non-Current		Current	
	As at March 31, 2018 (Rs. '000)	As at March 31, 2017 (Rs. '000)	As at March 31, 2018 (Rs. '000)	As at March 31, 2017 (Rs. '000)
Info Edge India Limited	-	-	-	18
Debentures issued to Ultimate Holding Company	-			
Info Edge India Ltd	1,100	1,100	-	-
(0.0001% compulsory convertible debentures into compulsorily 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)	(999)	-	-
Add : Interest expense on financial liabilities at amortised cost	14	1	-	-
Liability component of debentures	**115**	**102**	**-**	**-**
Debentures issued to Holding Company				
Allcheckdeals India Pvt Ltd	13,728	13,728	-	-
(0.0001% compulsory convertible debentures into compulsorily 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)	(12,468)	-	-
Add : Interest expense on financial liabilities at amortised cost	174	13	-	-
Liability component of debentures	**1,434**	**1,273**	**-**	**-**
	1,549	**1,375**	**-**	**18**

10. Trade Payables

Particulars	Non-Current		Current	
	As at March 31, 2018 (Rs. '000)	As at March 31, 2017 (Rs. '000)	As at March 31, 2018 (Rs. '000)	As at March 31, 2017 (Rs. '000)
Advance from Client	-	-	89	89
Sundry Creditors	-	-	3	75
Audit Fee Payable			21	23
	-	**-**	**113**	**187**

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, 2018.

11. Current Tax Liabilities

Particulars	As at March 31, 2018 (Rs. '000)	As at March 31, 2017 (Rs. '000)
TDS Payable	10	101
	10	**101**

12. Other Income

Particulars	As at March 31, 2018 (Rs. '000)	As at March 31, 2017 (Rs. '000)
Interest on FDRs	7	14
Excess Provision written back	-	24
Income Tax Refund	-	-
	7	**38**

13. Finance Cost

Particulars	As at March 31, 2018 (Rs. '000)	As at March 31, 2017 (Rs. '000)
Interest cost on financial liabilities at amortised cost	174	14
Interest on loans	-	1,013
Bank Charges	1	
	175	**1,027**

14. Administration And Other Expenses

Particulars	As at March 31, 2018 (Rs. '000)	As at March 31, 2017 (Rs. '000)
Audit fees	23	23
Professional Fees	121	55
Rent Expense	24	24
ROC Filing Charges	19	49
Misc. Expenses	8	-
	195	**151**

15. Basic & Diluted Earnings Per Share (EPS)

Particulars	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
(Loss) attributable to Equity Shareholders (Rs.)	(445,153)	(1,338,000)
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.)	(44.52)	(133.80)

16. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 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 (Indian Accounting Standard) (IND AS)) Rules, 2015 are not applicable on the company since there was no employee employed by the company during the year.

18. (1) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Ind AS - 24 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2018:

Holding Company

Allcheckdeals India Pvt Ltd

Ultimate Holding Company

Info Edge (India) Limited

Fellow Subsidiary

Newinc Internet Services Private Limited (NISPL)

Key Management Personnel (KMP) & Relatives

Mr Chintan Thakkar

Mr. Murlee Manohar Jain

B) Details of transactions with related party for the year ended March 31, 2018 in the ordinary course of business: **Amount (Rs. 000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Company	Total
1. Repayment of Advances/unsecured loan received for business purposes	-	18	18
3. Rent	-	24	24

C) Amount due to/from related parties as at March 31, 2018 **Amount (Rs. 000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Company	Total
Debit Balances			
Outstanding Advances	-	-	-
Credit Balances			
Outstanding Payable	-	42	42

18. (2) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Ind AS - 24 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2017:

Holding Company

Allcheckdeals India Pvt Ltd

Ultimate Holding Company

Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives

Mr Chintan Thakkar

Mr Sudhir Bhargava

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	Ultimate Holding Company	Total
1. Advances/unsecured loan received for business purposes	-	-	-
2. Interest expense against advance taken	945	68	1,013
3. Rent	-	24	24
4. Issue of Debenture to Info Edge (India) Ltd.	-	1,100	1,100
5. 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 (Rs. 000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Company	Total
Debit Balances			
Outstanding Advances	-	-	-
Credit Balances			
Outstanding Payable	0.06	18.01	18.06

19. Financial Instruments And Risk Management

Fair value Hierarchy

a) Financial instruments by category

(Rs. '000)

Particulars	March 31, 2018		March 31, 2017	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Cash and cash Equivalents		96		183
Other financial assets		61		294
Total Financial Assets	**-**	**157**	**-**	**477**
Financial Liabilities				
Borrowings		1,549		1,393
Trade payables		113		187
Other financial liabilities		-		-
Total Financial Liabilities	**-**	**1,662**	**-**	**1,580**

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, 2018		March 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Cash and cash Equivalents	96	96	183	183
Other financial assets	61	61	294	294
Total Financial Assets	**157**	**157**	**477**	**477**
Financial Liabilities				
Borrowings	1,549	1,549	1,393	1,393
Trade payables	113	113	187	187
Other financial liabilities	-	-	-	-
Total Financial Liabilities	**1,662**	**1,662**	**1,580**	**1,580**

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.

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.

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.

(Rs. '000)

	Contractual cash flows				
March 31, 2018	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More Than 2 years**
Non-derivative financial liabilities					
Borrowings	1,549	-	-	-	1,549
Trade and other payables	113	113	-	-	-
Other financial liabilities	-	-	-	-	-

	Contractual cash flows				
March 31, 2017	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More Than 2 years**
Non-derivative financial liabilities					
Borrowings	1,393	18	-	-	1,375
Trade and other payables	164	164	-	-	-
Other financial liabilities	-	-	-	-	-

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 2018	31 March 2017
Fixed-rate instruments		
Financial assets	61	280
Financial liabilities	1,549	1,393
Total	**1,610**	**1,673**

(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.

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)

Murlee Manohar Jain
(Director)

Date: May 29, 2018
Place: New Delhi

DIRECTORS' 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, 2018.

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 loss of ₹ 8,005 thousand in the financial year 2017-18 as compared to a loss of ₹ 1,034 thousand in the financial year 2016-17.

SHARE CAPITAL

There has been no change in the Capital Structure of the Company during the year under review.

During the year under review, the Company issued and allotted 27,93,712 – 0.0001% Compulsory Convertible Debentures (CCDs) of ₹ 100/- (Rupees One Hundred only) each aggregating to ₹ 279.37 million to Info Edge (India) Ltd., Ultimate Holding company of the Company.

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.

RATIFICATION OF STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 1st Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 subject to ratification by members at every Annual General Meeting.

The Companies (Amendment) Act, 2017, effective May 7, 2018 has done away with the requirement of annual ratification of appointment of Statutory Auditors. However, as a measure of good corporate governance practice, the Company shall be putting the matter before shareholders for seeking their approval for ratification of appointment of the Statutory Auditors for F.Y. 2019 and affirmation that the Statutory Auditors of the Company, shall not require any annual ratification for remaining period of their appointment from the conclusion of the third Annual General Meeting till the conclusion of sixth Annual General Meeting 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

Mr. Chintan Thakkar was appointed as an Additional Director of the Company w.e.f. May 26, 2017 and his appointment was regularised by the members of the Company in the 1st Annual General Meeting held on September 22, 2017. Also, Mr. Sudhir Bhargava resigned from the office of Directorship of the Company w.e.f. June 16, 2017.

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 (DIN 00678173) 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 8 (Eight) times during the year on May 26, 2017, July 22, 2017, October 5, 2017, October 25, 2017, February 1, 2018, February 6, 2018, March 28, 2018 and March 31, 2018. The maximum time gap between any two meetings was not more than 120 days. The details of Director's attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2017-18

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Murlee Manohar Jain	Director	8	8
Mr. Chintan Thakkar	Director	7*	7*

**Mr. Chintan Thakkar was appointed as a director w.e.f. 26/05/2017 and total number of 7 Board Meetings were held during his tenure of directorship in FY 2017-18.*

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 make any loans, guarantee or investment during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the 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 all other related party transactions are present under Note No. 17 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.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

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, 2018 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

Chintan Thakkar
(Director)
DIN: 00678173

Murlee Manohar Jain
(Director)
DIN: 05101562

Place: Noida
Date : May 29, 2018

ANNEXURE-A

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

[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(46)
2.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Ultimate Parent Company	100 (through ACD)	2(46)

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	
Total Promoter Shareholding- Individual	-	-	-	-	-	-	-	-	-
Total Promoter Shareholding – Bodies Corporate	-	2 (equity shares)	2* (equity shares)	100	-	2 (equity shares)	2* (equity shares)	100	-
Grand Total	-	2 (equity shares)	2* (equity shares)	100	-	2 (equity shares)	2* (equity shares)	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			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.	2* (equity shares)	100	0.00	2* (equity shares)	100	0.00	-

**1 (one) share is held by one individual 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		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.	2*	100	-	-	-	2	100

**1 (one) share is held by one individual as a nominee of Allcheckdeals India Pvt. Ltd..*

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 ₹**

	Secured Loans excluding deposits	Unsecured Loans	Deposits/ Debentures	Total Indebtedness
Indebtedness at the beginning 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**
Change in Indebtedness during the financial year				
Addition	-	-	27,93,71,200*	27,93,71,200
Reduction	-	-	-	-
Net Change	-	-	**27,93,71,200**	**27,93,71,200**
Indebtedness at the end of the financial year				-
(i) Principal Amount	-	-	32,41,71,200	32,41,71,200
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	**32,41,71,200**	**32,41,71,200**

*During the year under review, the Company alloted 27,93,712 -0.0001% Compulsory Convertible Debentures of ₹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.

For and on behalf of Board of Directors

Chintan Thakkar	Murlee Manohar Jain
(Director)	(Director)
DIN: 00678173	DIN: 05101562

Place: Noida

Date : May 29, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of NEWINC INTERNET SERVICES PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Newinc Internet Services Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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 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 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 the Companies (Accounts) Rules, 2015 (as amended).

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 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 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 and the order issued under section 143(11) of the Act.

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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, 2018 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2015 (as amended).

   e) on the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

   f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 29 May 2018 as per **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.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 29, 2018

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, 2018, 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, 2018 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 2018 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 29, 2018

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, 2018 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, 2018, 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 29, 2018

BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31, 2018 (₹'000)	As at March 31,2017 (₹'000)
ASSETS			
Non-current assets			
Property, plant and equipment			
(i) Investment Property	3	314,842	320,738
Non-current tax assets (net)	4	2	-
Current Assets			
Financial assets			
(i) Other financial assets	5(a)	1,029	-
(ii) Cash and cash equivalents	5(b)	9	401
Other current assets	6	16	-
Total Assets		**315,898**	**321,139**
EQUITY & LIABILITIES			
EQUITY			
Equity Share capital	7	0.02	0.02
Other equity	8	310,826	39,653
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	9(a)	4,909	4,181
Current liabilities			
Financial liabilities			
(i) Trade payables	9(b)	132	23
Other current liabilities	10	31	277,282
TOTAL EQUITY AND LIABILITIES		**315,898**	**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

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 29, 2018

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, 2018

Particulars	Note	For the Year Ended March 31, 2018 (₹ '000)	For the Period Ended March 31,2017 (₹ '000)
Income			
I Revenue from operations		-	-
II Other income	11	17	-
I Total Income		**17**	**-**
Expenses			
Finance costs	12	534	68
Amortisation & Depriciation expense	13	5,896	872
Administration and other expenses	14	1,592	94
II Total Expense		**8,022**	**1,034**
III. (Loss) before tax (I-II)		**(8,005)**	**(1,034)**
IV. Income tax expense		-	-
V. (Loss) for the year (III-IV)		**(8,005)**	**(1,034)**
Total income for the year		**(8,005)**	**(1,034)**
Earnings per share:			
Basic earnings per share (face value INR 10)	16	(28.87)	(517,000)
Diluted earnings per share (face value INR 10)	16	(28.87)	(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

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 29, 2018

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, 2018

S.No.	Particulars	Year ended March 31, 2018 (₹ '000)	Period ended March 31,2017 (₹ '000)
A.	**Cash flow from operating activities:**		
	Loss before tax	**(8,005)**	**(1,034)**
	Adjustments for:		
	Depreciation and amortisation expense	5,896	872
	Interest cost on financial liabilities	534	68
	Interest income	(17)	-
	Operating profit before working capital changes	**(1,592)**	**(94)**
	Adjustments for changes in working capital :		
	- (Increase)/Decrease in Other financial assets	(1,029)	
	- (Increase)/Decrease in Other Current Assets	(16)	
	- Increase/(Decrease) in Trade payables	109	23
	-Increase/(Decrease) in Other current liabilities	(277,250)	277,282
	Cash generated from / (used in) operating activities	**(279,778)**	**277,211**
	- Taxes Paid	(2)	-
	Net cash from / (used in) operating activities	**(279,780)**	**277,211**
B.	**Cash flow from Investing activities:**		
	Payments for Investment Property	-	(321,610)
	Interest Income received	17	-
	Net cash flow from / (used in) investing activities	**17**	**(321,610)**
C.	**Cash flow from financing activities:**		
	Proceeds form fresh issue of Share Capital	-	0.02
	Proceeds from issuance of Debentures including Interest cost	279,372	44,800
	Net cash from/used in financing activities	**279,372**	**44,800**
	Net increase/decrease in cash & cash equivalents	**(392)**	**401**
	Opening balance of cash and cash equivalents	**401**	**-**
	Closing balance of cash and cash equivalents	**9**	**401**
	Cash and cash equivalents comprise		
	Cash in hand	9	-
	Balance with scheduled banks		
	-in current accounts	-	401
	Total cash and cash equivalents	**9**	**401**
	Total	**9**	**401**

Notes :

1 **Reconciliation of liabilities arising from financing activities** (₹ '000)

Particulars	As at 31st March 2017	Cash Flows	Non cash changes Finance cost	As at 31st March 2018
Long term borrowings (including accrued finance costs)	44,868	279,372	534	324,774
	44,868	279,372	534	324,774

2 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.

3 Figures in brackets indicate cash outflow.

4 The above statement of cash flows 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)

Murlee Manohar Jain
(Director)

Place: New Delhi
Date: May 29, 2018

STATEMENTS OF CHANGES IN EQUITY

a. Equity Share Capital

Particulars	**Amount (₹000)**
As at March 31, 2017	**0.02**
Changes in equity share capital during the year	-
As at March 31, 2018	**0.02**

b. Other Equity

	Equity component of financial instruments	**Retained Earnings (Rs. 000)**	**Total**
Balance as at 31 March 2016	**-**	**-**	**-**
(Loss) for the period		(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**

	Equity component of financial instruments	**Retained Earnings (Rs. 000)**	**Total**
Balance as at 31 March 2017	**40,687**	**(1,034)**	**39,653**
(Loss) for the year		(8,005)	(8,005)
Equity component of Debt instruments	279,178		279,178
Balance as at 31 March 2018	**319,865**	**(9,039)**	**310,826**

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 29, 2018

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)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

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.

(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 ₹ 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 April 1, 2017	Additions during the period	Disposals during the year	As at March 31, 2018	Up to April 1, 2017	Depreciation/ Amortisation	Accumulated depreciation/ amortisation on disposals	As at March 31, 2018	As at March 31, 2018
INVESTMENT PROPERTY *									
Leasehold land	321,610	-	-	321,610	872	5,896	-	6,768	314,842
Total	**321,610**	**-**	**-**	**321,610**	**872**	**5,896**	**-**	**6,768**	**314,842**

* Investment property, as per Ind AS, includes amount incurred on assets held for long term rental yields or for capital appreciation or both.

4. NON-CURRENT TAX ASSETS

Particulars	Non-Current	Non-Current
(Unsecured, considered good unless otherwise stated)	**As at March 31, 2018 (₹ '000)**	**As at March 31,2017 (₹ '000)**
Advance Tax (TDS recoverable)	2	-
	2	**-**

5. FINANCIAL ASSETS

(A) Other Financial Assets

Particulars	Current	Current
(Unsecured, considered good unless otherwise stated)	**As at March 31, 2018 (₹ '000)**	**As at March 31, 2018 (₹ '000)**
Balance in fixed deposit accounts with original maturity more than 12 months (net)	1,029	-
	1,029	**-**

(B) Cash And Cash Equivalents

Particulars	Current As at March 31, 2018 (₹ '000)	Current As at March 31,2017 (₹ '000)
Cash on hand*	9	-
Balance with Bank - Current Account (net) *	-	401
* net of auto-sweep fixed deposit receipts		
	9	**401**

*Closing cash balance has been rounded off to nearest thousand rupees

6. OTHER CURRENT ASSETS

Particulars (Unsecured, considered good unless otherwise stated)	Current As at March 31, 2018 (₹₹ '000)	Current As at March 31,2017 (₹₹ '000)
Interest Accrued On FD	16	-
	16	**-**

7. Share Capital

Particulars	As at March 31, 2018 (₹ '000)	As at March 31, 2017 (₹ '000)
AUTHORISED CAPITAL		
10,000 Equity Shares of ₹ 10/- each	100	100
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
2 Equity Shares of Rs 10/- each, fully paid up	0.02	0.02
	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, 2018 No of Shares	As at March 31, 2018 (₹ '000)	As at March 31, 2017 No of Shares	As at March 31, 2017 (₹ '000)
Equity Shares				
At the beginning of the period	2	0.02	-	-
Add: Issued during the period	-		2	0.02
Outstanding at the end of the period	**2**	**0**	**2**	**0**

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, 2018		As at March 31, 2017	
	No. of Shares	% Holding	No. of Shares	% Holding
Allcheckdeals India Pvt. Ltd. (ACD)	1	50.00%	1	50.00%
Mr. Sudhir Bhargava (as a nominee of ACD)	1	50.00%	1	50.00%
	2	**100.00%**	**2**	**100.00%**

8. Other Equity

Particulars	As at March 31, 2018 (₹ '000)		As at March 31, 2017 (₹ '000)	
Retained Earnings				
Opening Balance	(1,034)		-	
Add: Loss for the year	(8,005)	(9,039)	(1,034)	(1,034)
Equity component of Debt instruments	319,865	319,865	40,687	40,687
		310,826		**39,653**

9. Financial Liabilities

A. Borrowings

Particulars	Non-Current As at March 31, 2018 (₹ '000)	Current As at March 31, 2018 (₹ '000)	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 cumulative redeemable preference shares 200,000 nos, Previous Year - 200,000 nos of face value of ₹ 100/- each, maturity not exceeding 20 years from date of issue)	20,000	-	20,000	-
(0.0001% compulsory convertible debentures into cumulative redeemable preference shares 1,000 nos, Previous Year - nil of face value of ₹ 100/- each)	100	-	-	-
(0.0001% compulsory convertible debentures into cumulative redeemable preference shares 20,000 nos, Previous Year - nil of face value of ₹ 100/- each)	2,000	-	-	-
(0.0001% compulsory convertible debentures into compulsorily convertible preference shares 27,72,712 nos, Previous Year - nil of face value of ₹ 100/- each)	277,271		-	-
Less : Equity component of debt instruments	(297,342)	-	(18,164)	-
Add : Interest expense on present value	279	-	37	-
	2,308	-	**1,873**	-
Debentures issued to Holding Company				
Allcheckdeals (India) Pvt. Ltd.				
(0.0001% compulsory convertible debentures into cumulative redeemable preference shares 248,000 nos, Previous Year - nil of facevalue of ₹ 100/- each, maturity not exceeding 20 years from date of issue)	24,800	-	24,800	-
Less : Equity component of debt instruments	(22,523)	-	(22,523)	-

A. Borrowings

Particulars	Non-Current As at March 31, 2018 (₹ '000)	Current As at March 31, 2018 (₹ '000)	Non-Current As at March 31,2017 (₹ '000)	Current As at March 31,2017 (₹ '000)
Add : Interest expense on present value	324	-	31	-
	2,601	-	**2,308**	-
Liability component of debentures	**4,909**	**-**	**4,181**	**-**

B. Trade Payables

Particulars	Non-Current As at March 31, 2018 (₹ '000)	Current As at March 31, 2018 (₹ '000)	Non-Current As at March 31,2017 (₹ '000)	Current As at March 31,2017 (₹ '000)
Trade Payables	-	132	-	23
	-	**132**	**-**	**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, 2018

10. Other Current Liabilities

Particulars	Non-Current As at March 31, 2018 (₹ '000)	Current As at March 31, 2018 (₹ '000)	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	-	31	-	11
	-	**31**	**-**	**277,282**

11. Other Income

Particulars	Year Ended March 31, 2018 (₹ '000)	Period Ended March 31,2017 (₹ '000)
Interest income on fixed deposits with banks	17	-
	17	**-**

* Amount is below the rounding off norm adopted by the company

12. Finance Costs

Particulars	Year Ended March 31, 2018 (₹ '000)	Period Ended March 31,2017 (₹ '000)
Interest expense on financial liability at amortised cost	534	68
	534	68

13. Depreciation And Amortisation

Particulars	Year Ended March 31, 2018 (₹ '000)	Period Ended March 31,2017 (₹ '000)
Amortisation of Investment Property	5,896	872
	5,896	872

14. Administration And Other Expenses

Particulars	Year Ended March 31, 2018 (₹ '000)	Period Ended March 31,2017 (₹ '000)
Auditor's Remuneration	118	23
Legal and professional charges	601	65
Security Charges	811	-
Rent	24	6
Miscellaneous expenses	38	-
	1,592	**94**

15. Auditors Remuneration

Particulars	Year ended March 31,2018 (₹ '000)	Period Ended March 31,2017 (₹ '000)
Audit Fees	103	20
Goods & Service Tax (Previous year Service Tax)	15	3
	118	**23**

16. Earnings Per Share

Particulars	Year ended March 31, 2018	Period Ended March 31, 2017
Loss attributable to Equity Shareholders (₹)	(8,005,163)	(1,034,000)
Basic		
Weighted average number of Equity Shares outstanding during the year (Nos.)	2	2
Basic EPS of ₹ 10 each (₹)	(4,002,582)	(517,000)
Diluted		
Weighted average number of Equity Shares outstanding during the year (Nos.)	2	2
Add : Potential equity shares pursuant to conversion of CCPS to equivalent Equity Shares	277,271	-
Weighted average number of shares outstanding for diluted EPS	**277,273**	**2**
Diluted EPS of ₹ 10 each (₹)	(28.87)	(517,000)

17. (A) Related Party Disclosures for the year ended March 31, 2018

A) List of related parties

Ultimate Holding Company

Info Edge (India) Ltd.

Holding Company

Allcheckdeals (India) Pvt. Ltd.

Key Management Personnel (KMP) & Relatives

Mr Chintan Thakkar

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 Debentures	-	279,371	**279,371**
2. Rent Expense	-	24	**24**

C) Amount due to/from related parties as at March 31, 2018 **Amount (Rs. '000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Co.	Total
Debit Balances			
Outstanding Advances	-	-	-
Credit Balances			
Outstanding Payable	-	-	**-**

17. (B) 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.

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	-	-	-
Credit Balances			
Outstanding Payable	-	277,271	**277,271**

18. During the year, the Company has issued of 21,000 nos Compulsorily convertible debentures of face value of ₹ 100/- each convertible to cumulative redeemable preference shares to holding Company - Info Edge India Limited. As per IND AS 109, the said amount of debenture proceeds have been segregated into equity component and liability component of debentures; and appropriately classified under 'Note 8 - Other equity' & Note 9(a) - Borrowings' respectively.

19. During the year, the Company has issue of 2,772,712 nos of Compulsorily convertible debentures having face value of ₹ 100/- each convertible in Compulsorily convertible preference shares to ultimate holding Company.

20. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 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 (Indian Accounting Standard) (IND AS)) Rules, 2015 are not applicable on the company since there was no employee employed by the company during the year.

22. Fair value measurements

a) Financial instruments by category

(₹ '000)

	March 31, 2018		March 31, 2017	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Other financial assets		1,029		-
Cash and cash Equivalents	-	9	-	401
Total Financial Assets	**-**	**1,038**	**-**	**401**
Financial Liabilities				
Borrowings	-	4,909	-	4,181
Trade payables	-	132	-	23
Total Financial Liabilities	**-**	**5,041**	**-**	**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.

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.

(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)

March 31, 2018	Total	6 months or less	6-12 months	1-2 years	More than 2 Yrs
Non-derivative financial liabilities					
Trade payables	132	132	-	-	-
Borrowings	4,909	-	-	-	4,909

(₹ '000)

March 31, 2017	Total	6 months or less	6-12 months	1-2 years	More than 2 Yrs
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:

Amount in ₹ 000

Particulars	March 31, 2018	March 31, 2017
Fixed-rate instruments		
Financial assets	1,038	401
Financial liabilities	4,909	4,181
Total	**5,947**	**4,582**

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

The Schedules referred to above form an integral part of these accounts

For and on behalf of Board of Directors

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)

Murlee Manohar Jain
(Director)

Place: New Delhi
Date: May 29, 2018

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 3rd Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2018.

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 loss of ₹ 1,107 thousand in the financial year 2017-18 as compared to a profit of ₹ 19,527 thousand in the financial year 2016-17.

SHARE CAPITAL

The paid up capital of the Company increased to ₹ 24,11,10,000/- (Rupees Twenty Four Crore Eleven Lakh Ten Thousand) (consisting of 50,000 Equity shares of ₹ 10/- each, 23,56,100 - 0.0001% Cumulative Redeemable Preference Shares of ₹ 100/- each and 50,000 Compulsory Convertible Preference Shares of ₹ 100/- each) pursuant to allotment of 50,000 – 0.0001% Compulsory Convertible Preference Shares ("CCPS") of ₹ 100/- each, from time to time aggregating to ₹ 50,00,000/- (Rupees Fifty Lakh).

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.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

During the year under review, the Company has acquired 1,00,000 CCDs of ₹ 100/- each for a consideration of ₹ 10 million in Allcheckdeals India Pvt. Ltd., a fellow subsidiary of the Company.

The Company also extended an inter-corporate loan of ₹ 50 Million to Canvera Digital Technolgies Pvt. Ltd during the year under review. Also, during the year under review, the Company extended an inter-corporate loan of ₹ 30 million to Happily Unmarried Marketing Pvt. Ltd. which was settled during the year and there is no amount outstanding as on the date of this report.

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.

RATIFICATION OF STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 2nd Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2020-21 subject to ratification by members at every Annual General Meeting.

The Companies (Amendment) Act, 2017, effective May 7, 2018 has done away with the requirement of annual ratification of appointment of Statutory Auditors. However, as a measure of good corporate governance practice, the Company shall be putting the matter before shareholders for seeking their approval for ratification of appointment of the Statutory Auditors for F.Y. 2019 and affirmation that the Statutory Auditors of the Company, shall not require any annual ratification for remaining period of their appointment from the conclusion of the fourth Annual General Meeting till the conclusion of sixth Annual General Meeting 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

Ms. Sharmeen Khalid was appointed as an Additional Director of the Company w.e.f. May 26, 2017 and her appointment was regularised by the members of the Company in the 2nd Annual General Meeting held on September 22, 2017. Also, Mr. Sudhir Bhargava resigned from the office of Directorship of the Company w.e.f. June 16, 2017.

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 (DIN 00678173) 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 5 (Five) times during the year on May 26, 2017, July 22, 2017, October 5, 2017, February 1, 2018 and February 28, 2018. The maximum time gap between any two meetings was not more than 120 days. The details of Director's attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2017-18

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Murlee Manohar Jain	Director	5	5
Mr. Chintan Thakkar	Director	5	5
Ms. Sharmeen Khalid*	Director	4	4

*Ms. Sharmeen Khalid was appointed as a director w.e.f. 26/05/2017 and total number of 4 Board Meetings were held during her tenure of directorship in FY 2017-18.

INVESTMENT AND ALLOTMENT COMMITTEE

The Board in its meeting held on May 26, 2017 constituted Investment and Allotment Committee of the Board to invest funds of the Company, issue and allot shares/debentures and issue Share Certificate/ Debenture Certificates to the shareholders of the Company.

Composition, Meetings & Attendance during the Year

During the year under review, 2 (Two) Investment and Allotment Committee meetings were held on September 7, 2017 and March 6, 2018. The details of the composition, meetings & attendance at the Investment and Allotment Committee meetings are given as under:

ATTENDANCE DETAILS OF INVESTMENT AND ALLOTMENT COMMITTEE FOR FY 2017-18

Name of the Member	Position	No of Meetings Held	No of Meetings Attended
Mr. Murlee Manohar Jain	Member	2	2
Mr. Chintan Thakkar	Member	2	2

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

During the year, the 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 all other related party transactions are present under Note No. 14 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.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

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, 2018 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 29, 2018		

ANNEXURE-A
FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

[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(46)

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 (Cumulative Redeemable Preference Shares)	2,356,100 (Cumulative Redeemable Preference Shares)	100	-	2,356,100 (Cumulative Redeemable Preference Shares)	2,356,100 (Cumulative Redeemable Preference Shares)	100	-
	-	-	-	-	-	50,000** (Compulsory Convertible Preference Shares)	50,000** (Compulsory Convertible Preference Shares)	100	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**	**-**

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	
	-	-	-	-	-	**50,000** (Compulsory Convertible Preference Shares)**	**50,000** (Compulsory Convertible Preference Shares)**	100	100

*6 (six) shares were held by six individuals as a nominee of Info Edge (India) Ltd.

** During the year under review, 50,000-0.0001% Compulsory Convertible Preference Shares of ₹ 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.	49,000 (Equity Shares)	98.00	0.00	49,000 (Equity Shares)	98.00	0.00	-
		2,356,100 (Cumulative Redeemable Preference Shares)	100	0.00	2,356,100 (Cumulative Redeemable Preference Shares)	100	0.00	-
		-	-	-	50,000 (Compulsory Convertible 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 (Cumulative Redeemable Preference Shares)	100	N.A.	N.A.	Nil	2,356,100 (Cumulative Redeemable Preference Shares)	100
		-	-	06/03/2018	Subscription of Compulsory Convertible Preference shares	50,000	50,000 (Compulsory Convertible 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.	Murlee Manohar Jain	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.	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: 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.

For and on behalf of Board of Directors

Murlee Manohar Jain
(Director)
DIN: 05101562

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 29, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of **Smartweb Internet Services Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Smart web Internet Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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 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 the Companies (Accounts) Rules, 2015 (as amended)..

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 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 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 and the order issued under section 143(11) of the Act.

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 these 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 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 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 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 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, 2018 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 the Companies (Accounts) Rules, 2015 (as amended);
   e) on the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
   f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 29 May 2018 as per **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.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 29, 2018

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, 2018, 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, 2018 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 2018 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 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 29, 2018

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, 2018 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, 2018, 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 29, 2018

BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31,2018 (₹000)	As at March 31,2017 (₹000)
ASSETS			
Non-current assets			
Financial assets			
(i) Investments	3 (a)	35,752	25,378
Current Assets			
Financial assets			
(i) Cash and cash equivalents	3 (b)	3,747	5,023
(ii) Loans	3 (c)	50,000	10,047
(iii) Other financial assets	3 (d)	114,303	155,933
Total Assets		**203,802**	**196,381**
EQUITY & LIABILITIES			
EQUITY			
Equity share capital	4	500	500
Other equity	5	174,085	170,192
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	6 (a)	28,890	25,638
Non Current tax liability (Net)	8	197	23
Current liabilities			
Financial liabilities			
(i) Trade payables	6 (b)	113	23
Other current liabilities	7	17	5
TOTAL EQUITY AND LIABILITIES		**203,802**	**196,381**

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

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Murlee Manohar Jain
(Director)

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 29, 2018

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2018

Particulars	Note	Year ended March 31, 2018 (₹000)	Year ended March 31, 2017 (₹000)
Income			
Other income	9	3,061	22,759
I Total Income		**3,061**	**22,759**
Expenses			
Finance costs	10	3,252	2,886
Administration and other expenses	11	298	266
II Total Expense		**3,550**	**3,152**
III. Profit /(Loss) before tax & exceptional item (I-II)		**(489)**	**19,607**
VI. Exceptional items (refer note 17)		-	-
V. Profit / (Loss) before tax (III-IV)		**(489)**	**19,607**
VI. Income tax expense			
Current tax		618	80
VII. Profit / (Loss) for the year (V-VI)		**(1,107)**	**19,527**
Earnings per share:			
Basic earnings per share	13	(22.13)	390.52
Diluted earnings per share	13	(2.01)	390.52

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 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Murlee Manohar Jain
(Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

S.No.	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
		(₹'000)	(₹000)
A.	**Cash flow from operating activities:**		
	Net profit / (Loss) before tax & exceptional items	**(489)**	**19,607**
	Adjustments for:		
	Interest cost of financial liabilities	3,252	2,886
	Interest income	(3,061)	(588)
	Net (gain)/loss on financial assets mandatorily measured at fair value through profit or loss	-	(22,171)
	Operating profit (Loss) before working capital changes	**(298)**	**(266)**
	Adjustments for changes in working capital :		
	- Decrease/(Increase) in Other financial assets	(156)	(103)
	- Increase/(Decrease) in trade payables	90	6
	- Increase/ (Decrease) in Other current liabilities	12	(243,777)
	Cash generated from/(used in) operating activities	**(352)**	**(244,140)**
	- Taxes Paid (Net of TDS)	(445)	(58)
	Net cash (used in) operating activities	**(797)**	**(244,198)**
B.	**Cash flow from Investing activities:**		
	Proceeds from sale of investments	40,000	437,823
	Investment in Debentures	(10,000)	(189,447)
	Interest received	2,688	565
	Loan to related party	(39,953)	-
	Maturity of/(Investment in) fixed deposits (net)	1,786	(1,786)
	Net cash flow from / (used in) investing activities	**(5,479)**	**247,155**
C.	**Cash flow from financing activities:**		
	Proceeds from issue of Compulsory Convertible Preference Shares	5,000	-
	Net cash flow from financing activities	**5,000**	**-**
	Net increase/(decrease) in cash & cash equivalents	**(1,276)**	**2,957**
	Opening balance of cash and cash equivalents (April 01, 2016/April 01, 2015)	**5,023**	**2,066**
	Closing balance of cash and cash equivalents	**3,747**	**5,023**
	Cash and cash equivalents comprise		
	Cash in hand	-	-
	Balance with scheduled banks		
	-in current accounts (including fixed deposits)	3,747	5,023
	Total cash and cash equivalents	**3,747**	**5,023**

Notes :

1 Reconciliation of liabilities arising from financing activities (₹ '000)

Particulars	As at 31st March 2017	Cash Flows	Non cash changes Finance cost	As at 31st March 2018
Long term borrowings (including accrued finance costs)	239,618	5,000	3,252	247,870
	239,618	5,000	3,252	247,870

2 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.

3 Figures in brackets indicate cash outflow.

4 The above Cash Flow Statement 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 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Murlee Manohar Jain
(Director)

STATEMENTS OF CHANGES IN EQUITY

a. Equity Share Capital

Particulars	Amount (₹000)
As at March 31, 2017	**500**
Changes in equity share capital during the year	-
As at March 31, 2018	**500**

b. Other Equity

Particulars	Equity component of financial instruments	Reserves & Surplus	Total Amount (₹000)
		Retained Earnings	
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**
Add: Compulsory Convertible Preference Shares	5,000	-	5,000
(Loss) for the year		(1,107)	(1,107)
Balance as at 31 March 2018	**218,980**	**(44,895)**	**174,085**

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 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 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Murlee Manohar Jain
(Director)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

3. Financials Assets

(a) Non Current Investments

Particulars	As at Mar 31, 2018			As at Mar 31, 2017		
	Numbers	Face Value per share (In ₹)	(₹000)	Numbers	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	-	-	32,109	-	-	23,027
Investments in Debentures of Other Companies						
All Check Deals Pvt. Limited						
-0.0001% compulsorily convertible debentures into redeemable preference shares	3,53,550	100	35,355	2,53,550	100	25,355
Less : Equity component of debt instruments			(32,109)			(23,027)
Add : Interest income on present value			397			23
			35,752			**25,378**

(b) Cash & Cash Equivalents

Particulars	Non-current As at March 31,2018 (₹000)	Non-current As at March 31,2017 (₹000)	Current As at March 31,2018 (₹000)	Current As at March 31,2017 (₹000)
Balances with Bank - Current account	-	-	64	50
Fixed deposit accounts with original maturity of less than 3 months	-	-	3,683	4,973
	-	**-**	**3,747**	**5,023**

(c) Loans

Particulars (Unsecured, considered good unless otherwise stated)	Non-current As at March 31,2018 (₹000)	Non-current As at March 31,2017 (₹000)	Current As at March 31,2018 (₹000)	Current As at March 31,2017 (₹000)
Inter Corporate loan (Refer note 17)	-	-	50,000	10,047
	-	**-**	**50,000**	**10,047**

(d) Other Financial Assets

Particulars (Unsecured, considered good unless otherwise stated)	Non-current As at March 31,2018 (₹000)	Non-current As at March 31,2017 (₹000)	Current As at March 31,2018 (₹000)	Current As at March 31,2017 (₹000)
Interest accrued on fixed deposits	-	-	3	103
Balance in fixed deposit accounts with original maturity more than 12 months	-	-	-	1,786
Interest accrued on unsecured loan	-	-	256	-
Amount receivable from fellow subsidiary companies towards sale of shares	-	-	1,14,044	1,54,044
	-	**-**	**1,14,303**	**1,55,933**

4. Equity Share Capital

Particulars	As at March 31, 2018 Amount (₹000)	As at March 31, 2017 Amount (₹000)
Authorised capital		
50,000 nos Equity Shares of ₹10/- each		
(Previous Year - 50,000 nos Equity Shares of ₹10/- each)	**500**	**500**
35,00,000 nos Preference Shares of ₹100/- each		
(Previous Year - 35,00,000 nos Preference Shares of ₹100/- each)	**3,50,000**	**3,50,000**
Issued, subscribed and paid-up capital		
50,000 Equity Shares of ₹10/- each, fully paid up		
(Previous Year - 50,000 Equity Shares of ₹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, 2018 No of Shares	As at March 31, 2018 Amount (₹000)	As at March 31, 2017 No of Shares	As at March 31, 2017 Amount (₹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 ₹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 2017-18		FY 2016-17	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of ₹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, 2018 (₹000)	As at March 31, 2017 (₹000)
Retained Earnings		
Opening Balance	(43,788)	(63,315)
Add: Profit / (Loss) for the year	(1,107)	19,527
Equity Component of Debt Instruments	2,13,980	2,13,980
Equity Component of Compulsory Convertible Preference Shares of ₹ 100/-	5,000	-
(Equity portion of 50,000 nos. Compulsory Convertible Preference Shares of ₹. 100/- each, Previous year Nil)		
	1,74,085	**1,70,192**

6. FINANCIAL LIABILITIES

(a) Borrowings

Particulars	Non-Current		Current	
	As at March 31,2018 (₹000)	As at March 31,2017 (₹000)	As at March 31,2018 (₹000)	As at March 31,2017 (₹000)
Debt portion of 23,56,100 Redeemable Preference Shares of ₹100/- each	2,35,610	2,35,610	-	-
Less: Equity Component	(2,13,980)	(2,13,980)	-	-
Add : Interest expense on Present value	7,260	4,008	-	-
Debt Component of Compulsory Convertible Preference Shares of ₹ 100/-	5,000	-	-	-
(Equity portion of 50,000 nos. Compulsory Convertible Preference Shares of ₹. 100/- each, Previous year Nil)	(5,000)	-	-	-
	28,890	**25,638**	**-**	**-**

(b) Trade Payables

Particulars	Non current		Current	
	As at March 31,2018 (₹000)	As at March 31,2017 (₹000)	As at March 31,2018 (₹000)	As at March 31,2017 (₹000)
Trade Payables				
- total outstanding dues of micro enterprises and small enterprises	-	-	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	113	23
	-	**-**	**113**	**23**

7. Other Non-Current/Current Liabilities

Particulars	Non current		Current	
	As at March 31,2018 (₹000)	As at March 31,2017 (₹000)	As at March 31,2018 (₹000)	As at March 31,2017 (₹000)
TDS payable	-	-	17	5
	-	**-**	**17**	**5**

8. Non Current Tax Liability (Net)

Particulars	Non current		Current	
	As at March 31,2018	As at March 31,2017	As at March 31,2018	As at March 31,2017
	(₹000)	(₹000)	(₹000)	(₹000)
Provision for tax	-	-	711	80
Less: Advance Tax	-	-	(514)	(57)
	-	**-**	**197**	**23**

9. Other Income

Particulars	Year ended March 31,2018 (₹000)	Year ended March 31,2017 (₹000)
Interest income on fixed deposits with banks	1,186	118
Net gain/(loss) on financial assets mandatorily measured at FVTPL	-	22,171
Interest on Financial Assets	374	23
Interest on Inter Company deposits	1,501	447
	3,061	**22,759**

10. Finance Costs

Particulars	Year ended March 31,2018 (₹000)	Year ended March 31,2017 (₹000)
Interest cost on financial liabilities at amortised cost	3,252	2,886
	3,252	**2,886**

11. Administration And Other Expenses

Particulars	Year ended March 31,2018 (₹000)	Year ended March 31,2017 (₹000)
Legal and professional charges	117	203
Miscellaneous expenses	39	16
Auditor's Remuneration	118	23
Rent [refer note 14(1)]	24	24
	298	**266**

12. Auditors Remuneration

Particulars	Year ended March 31,2018 (₹000)	Year ended March 31,2017 (₹000)
Audit Fees	103	20
Goods and Service Tax (Previous Year Service Tax)	15	3
	118	**23**

13. Earnings Per Share

Particulars	Year Ended March 31, 2018 (₹000)	Year Ended March 31, 2017 (₹000)
Profit / (Loss) attributable to Equity Shareholders	(11,06,746)	1,95,26,111
Basic		
Weighted average number of Equity Shares outstanding during the year (Nos.)	50,000	50,000
Basic EPS of ₹10 each	(22)	391
Diluted		
Weighted average number of shares outstanding for diluted EPS	**5,50,000**	**50,000**
Diluted EPS of ₹10 each	(2)	391

14. (1) Related Party Disclosures for the year ended March 31, 2018

A) List of related parties

Holding Company
Info Edge (India) Limited

Fellow Subsidiary Company
Allcheckdeals India Pvt Ltd.
Startup Investments (Holding) Ltd
Canvera Digital Technologies Private Limited

B) Details of transactions with related party in the ordinary course of business: **Amount (₹000)**

Nature of relationship / transaction	Holding Company	Fellow Subsidiary	Jointly controlled Company	Total
1. Issue of Preference Share Capital to Info Edge (India) Ltd.	5,000	-	-	5,000
2. Investment in Debentures of Allcheckdeals Pvt. Ltd.	-	10,000	-	10,000
3. Interest income on advance given to Canvera Digital Tech. (P) Ltd.	-	285	-	285
4. Interest income on advance given to Happliy Unmarried Marketing Pvt. Ltd.	-	-	1,216	1,216
5. Interest income on Investments in Debentures	-	374	-	374
6. Rent Expense	24	-	-	24
7. Inter Corporate Deposit to Happliy Unmarried Marketing Pvt. Ltd.	-	-	30,000	30,000
8. Payment received against Advance given to Happily Unmarried Marketing Pvt. Ltd.	-	-	41,142	41,142
9. Payment received against sale of shares from Startup Investments (Holding) Ltd	-	40,000	-	40,000
10. Inter Corporate Deposit to Canvera Digital Tech. (P) Ltd.	-	50,000	-	50,000

Nature of relationship / transaction	Holding Company	Fellow Subsidiary	Jointly controlled Company	Total
Debit Balances				
Outstanding Advances	-	1,14,301	-	1,14,301
Credit Balances				
Outstanding Payable	-	-	-	-

14 (2) 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

Canvera Digital Technologies Private Limited

B) Details of transactions with related party in the ordinary course of business: **Amount (₹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.	-	4,59,425	-	4,59,425
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	-	1,54,044	-	1,54,044

C) Amount due to/from related parties as at March 31, 2017 **Amount (₹000)**

Nature of relationship / transaction	Holding Company	Fellow Subsidiary	Jointly controlled Company	Total
Debit Balances				
Outstanding Advances	-	1,54,044	10,047	1,64,092
Maximum Amount outstanding during the year	-	4,62,822	10,047	4,72,870
Credit Balances				
Outstanding Payable	-	-	-	-
Maximum Amount outstanding during the year	2,43,796	-	-	2,43,796

15. During the year the Company has sold Nil (Previous Year 34,711 nos. equity shares and 9,82,063 nos. compulsory convertible cumulative redeemable preference shares) of Canvera Digital Technologies Private Limited amounting to Nil (Previous Year ₹ 14,963 thousand and ₹ 400,117 thousand respectively).

16. During the year the Company has invested in 100,000 nos debentures of face value of ₹100 per debenture in AllCheckDeals India Pvt Ltd amounting to ₹10,000 thousands. Original amount of these instruments have been segregated into Debt and Equity component using a cash flow discounted at market lending rate prevailing as on March 31, 2018. The resultant equity and debt components have been classified under Note 3(a) - Non Current Investments.

17. During the year, the Company has given an Inter-Corporate deposit of ₹ 50,000 thousand to Canvera Digital Technologies Pvt Ltd. for working capital for working capital requirements.

18. During the year, The Company has issued Compulsory Convertible Preference Shares of ₹ 5,000 thousand to Info Edge India Ltd.

19. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

20. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 are not applicable on the company since there was no employee employed by the company during the year.

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, 2018 (₹000)**	**Year ended March 31, 2017 (₹000)**
Current tax on profit for the year	618	80
Total	**618**	**80**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	**Year ended March 31, 2018 (₹000)**	**Year ended March 31, 2017 (₹000)**
Profit/ (Loss) before tax	(489)	19,607
Tax @ 25.75% (Previous Year 29.87%)	**(126)**	**5,857**
Tax adjustment effect of amounts which are not deductible (taxable) in calculating taxable income:		
- Interest Expense on Financial Liabilities	837	862
- Net (gain)/loss on financial assets mandatorily measured at FVTPL	-	(6,622)
- Interest Income on Financial Assets	(96)	(7)
-Interest On Short/Late Dep Of Advance Tax	3	-
- Brought Forward Loss	-	(9)
Total	**618**	**80**

22. FAIR VALUE MEASUREMENTS

a) Financial instruments by category

(₹000)

	March 31, 2018		March 31, 2017	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Investments	-	35,752		25,378
Cash and cash equivalents		3,747		5,023
Loans/Receivable		50,000		10,047
Other financial assets		1,14,303		1,55,933
Total Financial Assets	**-**	**2,03,802**	**-**	**1,96,381**
Financial Liabilities				
Borrowings		28,890		25,638
Trade payables		113		23
Other financial liabilities		17		5
Total Financial Liabilities	**-**	**29,020**	**-**	**25,666**

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, 2018				
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Assets				
- Preference Shares	-	-	-	-
Financial assets measured at fair value at March 31, 2017				
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Assets				
- Preference Shares			-	-

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.

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.

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 (₹000)			
March 31, 2018	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 yrs**
Non-derivative financial liabilities					
Trade payables	113	113	-	-	-
Borrowings	28,890	-	-	-	28,890

		Contractual cash flows (₹000)			
March 31, 2017	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 yrs**
Non-derivative financial liabilities					
Trade and other payables	23	23	-	-	-
Borrowings	25,638	-	-	-	25,638

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.

₹000

	31 March 2018	**31 March 2017**
Fixed-rate instruments		
Financial assets	3,683	6,759
Financial liabilities	28,890	25,638
Total	**32,573**	**32,397**

B) Capital management

a) Risk management

The Company'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

This is Statement of changes in 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

Chintan Thakkar
(Director)

Murlee Manohar Jain
(Director)

Amar Mittal
Partner
Membership No.- 017755

Place: New Delhi
Date: May 29, 2018

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 19th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2018.

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 ₹ 100 thousand, similar to the ₹100 thousand revenue during the previous financial year. The company made a profit of ₹ 19 thousand in FY 2018 as against ₹ 29 thousand in FY 2017.

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 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, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 18th Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 subject to ratification by members at every Annual General Meeting.

The Companies (Amendment) Act, 2017, effective May 7, 2018 has done away with the requirement of annual ratification of appointment of Statutory Auditors. However, as a measure of good corporate governance practice, the Company shall be putting the matter before shareholders for seeking their approval for ratification of appointment of the Statutory Auditors for F.Y. 2019 and affirmation that the Statutory Auditors of the Company, shall not require any annual ratification for remaining period of their appointment from the conclusion of the twentieth Annual General Meeting till the conclusion of twenty third Annual General Meeting 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. Hitesh Oberoi, Director (DIN: 01189953), 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 (Four) times during the year on May 26, 2017, July 22, 2017, October 5, 2017 and February 1, 2018. The maximum time gap between any two meetings was not more than 120 days. The details of Director's attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2017-18

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Sanjeev Bikhchandani	Director	4	4
Mr. Chintan Thakkar	Director	4	4
Mr. Hitesh Oberoi	Director	4	4

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, the 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 all other related party transactions are present under Note No. 13 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.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

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, 2018 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
(Director)
DIN: 01189953

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 29, 2018

ANNEXURE-A

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

[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(46)

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**	**-**

** 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 (equity shares)	100	0.00	10,000 (equity shares)	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**

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 (equity shares) (as nominee of Info Edge (India) Ltd.)	1	-	-	-	100 (equity shares) (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.

For and on behalf of Board of Directors

Hitesh Oberoi
(Director)
DIN: 01189953

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 29, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of **JEEVANSATHI INTERNET SERVICES PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of Jeevansathi Internet Services Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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 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 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 the Companies (Accounts) Rules, 2015 (as amended).

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 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 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 and the order issued under section 143(11) of the Act.

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 these 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 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 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 financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, 2018 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 the Companies (Accounts) Rules, 2015 (as amended);;
   e) on the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
   f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 29 May 2018 as per **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.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 29, 2018

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, 2018, 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, 2018 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 2018 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 29, 2018

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, 2018 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, 2018, 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 29, 2018

BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31,2018 Amount ('000)	As at March 31,2017 Amount ('000)
ASSETS			
Non-current assets			
Non-current tax assets (net)	3	16	14
Current Assets			
Inventories			
Financial assets			
(i) Cash and cash equivalents	4 (a)	165	155
(ii) Other financial assets	4 (b)	190	178
TOTAL ASSETS		**371**	**347**
EQUITY & LIABILITIES			
EQUITY			
Equity share capital	5	100	100
Other equity	6	189	170
LIABILITIES			
Current liabilities			
Financial liabilities			
Trade payables	7	80	77
Other current liabilities	8	2	-
TOTAL EQUITY AND LIABILITIES		**371**	**347**

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

Place: New Delhi
Date: May 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2018

Particulars	Note No.	Year ended March 31, 2018 Amount ('000)	Year ended March 31, 2017 Amount ('000)
Income			
Revenue from operations	9	100	100
Other income	10	14	9
I Total Income		**114**	**109**
Expenditure			
Administration and other expenses	11	89	67
II Total Expense		**89**	**67**
III. Profit before tax (I-II)		**25**	**42**
IV. Tax expense		6	13
V. Profit for the year (III-IV)		**19**	**29**
Earning per equity share:			
(1) Basic		1.90	2.90
(2) Diluted		1.90	2.90

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

Place: New Delhi
Date: May 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

S.No.	Particulars	Year ended March 31, 2018 Amount (000)	Year ended March 31, 2017 Amount (000)
A.	**Cash flow from operating activities:**		
	Profit before tax	**25**	**42**
	Adjustments for:		
	Interest on fixed deposits	(14)	(9)
	Operating profit before working capital changes	**11**	**33**
	Adjustments for changes in working capital :		
	- INCREASE/(DECREASE) in Trade payables	3	(54)
	- INCREASE/(DECREASE) in Other current liabilities	2	-
	- (INCREASE)/DECREASE in Other financial assets	(12)	(178)
	Cash generated from/(used in) operating activities	**4**	**(199)**
	- Taxes Paid (Net of TDS)	(8)	(10)
	Net cash outflow from operating activities	**(4)**	**(209)**
B.	**Cash flow from Investing activities:**		
	Interest on fixed deposits	14	9
	Net cash inflow from investing activities	**14**	**9**
C.	**Cash flow from financing activities:**	-	-
	Net cash inflow / outflow from financing activities	**-**	**-**
	Net increase/decrease in cash & cash equivalents	**10**	**-200**
	Opening balance of cash and cash equivalents	**155**	**355**
	Closing balance of cash and cash equivalents	**165**	**155**
	Cash and cash equivalents comprise		
	Cash in hand	-	-
	Balance with scheduled banks		
	-in current accounts	165	155
	Total	**165**	**155**

Notes :

1 **Amendment to Ind AS 7**

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which 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 adoption of amendment did not have any material impact on the financial statements.

2 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.

3 Figures in brackets indicate cash outflow.

4 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 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

STATEMENTS OF CHANGES IN EQUITY

a. Equity share capital

Particulars	('000)
As at April 01, 2016	**100**
Changes in equity share capital	-
As at March 31, 2017	**100**
Changes in equity share capital	-
As at March 31, 2018	**100**

b. Other equity

	Reserves & Surplus	Total ('000)
	Retained Earnings	
Balance as at 01 April 2016	141	141
Profit for the year	29	29
Balance as at 31 March 2017	**170**	**170**

	Reserves & Surplus	Total ('000)
	Retained Earnings	
Balance as at 31 March 2017	**170**	**170**
Profit for the year	19	19
Balance as at 31 March 2018	**189**	**189**

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 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

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.

(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

Revenue is measured at the fair value of consideration received or receivable, net of goods and service tax. Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

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 be available against which such temporary differences 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

3. NON-CURRENT TAX ASSETS (NET)

Particulars (Unsecured, considered good unless otherwise stated)	As at March 31, 2018 Amount (Rs.'000)	As at March 31, 2017 Amount (Rs.'000)
- Advance tax	235	227
Less: Provision for tax	(219)	(213)
	16	**14**

4. FINANCIAL ASSETS

(a) CASH & BANK BALANCES

Particulars	Non-Current		Current	
	As at March 31, 2018 Amount (Rs.'000)	As at March 31, 2017 Amount (Rs.'000)	As at March 31, 2018 Amount (Rs.'000)	As at March 31, 2017 Amount (Rs.'000)
Cash & cash equivalents				
Bank balance - current account	-	-	165	155
		-	**165**	**155**

(b) OTHER FINANCIAL ASSETS

Particulars	Non-Current		Current	
(Unsecured, considered good unless otherwise stated)	As at March 31, 2018 Amount (Rs.'000)	As at March 31, 2017 Amount (Rs.'000)	As at March 31, 2018 Amount (Rs.'000)	As at March 31, 2017 Amount (Rs.'000)
Interest accrued on fixed deposits	-	-	1	8
Balance in fixed deposit accounts with original maturity more than 12 months	-	-	189	170
	-	**-**	**190**	**178**

5. SHARE CAPITAL

Particulars	As at March 31, 2018 Amount (Rs.'000)	As at March 31, 2017 Amount (Rs.'000)
AUTHORISED CAPITAL		
10,000 Equity Shares of ₹ 10/- each (Previous Year - 10,000 Equity Shares of Rs 10/- each)	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**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2018 No of Shares	As at March 31, 2018 Amount (Rs.'000)	As at March 31, 2017 No of Shares	As at March 31, 2017 Amount (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, 2018		As at March 31, 2017	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of Rs 10 each fully paid				
Info Edge (India) Ltd (excluding Two hundred shares held by Nominee shareholders)	9,800	98.00	9,800	98.00
	9,800	**98.00**	**9,800**	**98.00**

6. OTHER EQUITY

	As at March 31, 2018 Amount (Rs.'000)		As at March 31, 2017 Amount (Rs.'000)	
Surplus in Statement of Profit and Loss				
Opening Balance	170		141	
Add:Profit for the year	19	189	29	170
		189		**170**

7. FINANCIAL LIABILITIES

TRADE PAYABLES

Particulars	Non-Current		Current	
	As at March 31, 2018 Amount (Rs.'000)	As at March 31, 2017 Amount (Rs.'000)	As at March 31, 2018 Amount (Rs.'000)	As at March 31, 2017 Amount (Rs.'000)
Trade Payables				
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	80	77
	-	**-**	**80**	**77**

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, 2018.

8. OTHER LIABILITIES

Particulars	Non-Current		Current	
	As at March 31, 2018 Amount (Rs.'000)	As at March 31, 2017 Amount (Rs.'000)	As at March 31, 2018 Amount (Rs.'000)	As at March 31, 2017 Amount (Rs.'000)
Others				
TDS payable	-	-	2	-
	-	**-**	**2**	**-**

9. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2018 Amount ('000)	Year ended March 31, 2017 Amount ('000)
License Fee	100	100
	100	**100**

10. OTHER INCOME

Particulars	Year ended March 31, 2018 Amount ('000)	Year ended March 31, 2017 Amount ('000)
Interest received/receivable on non current fixed deposit with banks	14	9
	14	**9**

11. ADMINISTRATION AND OTHER EXPENSES

Particulars	Year ended March 31, 2018 Amount ('000)	Year ended March 31, 2017 Amount ('000)
Auditor's Remuneration	23	23
Professional Charges	22	19
ROC Fees	1	1
Rent-Delhi	24	24
Trademark Exp	19	-
	89	**67**

12. AUDIT REMUNERATION

Particulars	Year ended March 31, 2018 Amount ('000)	Year ended March 31, 2017 Amount ('000)
Auditor's Remuneration	19	20
Goods & Services Tax (Previous Year Service tax)	4	3
	23	**23**

13. (1) Related Party Disclosures for the year ended March 31, 2018

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Ind AS - 24 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2017:

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 in the ordinary course of business: **Amount (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, 2018 **Amount (Rs. '000)**

Nature of relationship / transaction	Holding Company	Total
Debit Balances		
Outstanding Advances	-	-
Credit Balances		
Outstanding Payable	-	-

13. (2) Related Party Disclosures for the year ended March 31, 2017

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Ind AS - 24 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2016:

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 in the ordinary course of business: **Amount (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 **Amount (Rs. '000)**

Nature of relationship / transaction	Holding Company	Total
Debit Balances		
Outstanding Advances	-	-
Credit Balances		
Outstanding Payable	-	-

14. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

15. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 are not applicable on the company since there was no employee employed by the company during the year.

16. 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, 2018 (Rs. '000)	Year ended March 31, 2017 (Rs. '000)
Current Tax		
Current tax on profit for the year	6	13
Total current tax expenses	**6**	**13**
Deferred Tax	-	-
Total	**6**	**13**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Year ended March 31, 2018 (Rs. '000)	Year ended March 31, 2017 (Rs. '000)
Profit before tax	25	42
Tax @ 25.75% (Previous Year 29.87%)	**6**	**13**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	-	-
Total	**6**	**13**

17. Fair value measurements

a) Financial instruments by category

(₹ 000)

	March 31, 2018		March 31, 2017	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Cash and cash Equivalents	-	165	-	155
Other financial assets	-	190	-	178
Total Financial Assets	**-**	**355**	**-**	**333**
Financial Liabilities				
Trade payables	-	80	-	77
Total Financial Liabilities	**-**	**80**	**-**	**77**

b) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost

(₹ 000)

	March 31, 2018		March 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Cash and cash Equivalents	165	165	155	155
Other financial assets				
Interest accrued on fixed deposits	1	1	8	8
Balance in fixed deposit accounts with original maturity more than 12 months	189	189	170	170
Total Financial Assets	**355**	**355**	**333**	**333**
Financial Liabilities				
Trade payables	80	80	77	77
Total Financial Liabilities	**80**	**80**	**77**	**77**

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.

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.

18. 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)

March 31, 2018	Total	6 months or less	6-12 months	1-2 years	2-5 years
Non-derivative financial liabilities					
Trade payables	80	80	-	-	-
Borrowings	-	-	-	-	-

(₹ '000)

March 31, 2017	Total	6 months or less	6-12 months	1-2 years	2-5 years
Non-derivative financial liabilities					
Trade payables	77	77	-	-	-
Borrowings	-	-	-	-	-

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 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:

Amount in ₹ 000

Particulars	March 31, 2018	March 31, 2017
Fixed-rate instruments		
Financial assets	355	333
Financial liabilities	80	77
Total	**435**	**410**

B) Capital management

a) Risk management

The Company'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

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 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Sanjeev Bikhchandani
(Director)

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 3rd Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2018.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company made a loss of ₹ 6,616 thousand in the financial year 2017-18 as compared to a loss of ₹ 43 thousand in the financial year 2016-17.

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 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, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 2nd Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2020-21 subject to ratification by members at every Annual General Meeting.

The Companies (Amendment) Act, 2017, effective May 7, 2018 has done away with the requirement of annual ratification of appointment of Statutory Auditors. However, as a measure of good corporate governance practice, the Company shall be putting the matter before shareholders for seeking their approval for ratification of appointment of the Statutory Auditors for F.Y. 2019 and affirmation that the Statutory Auditors of the Company, shall not require any annual ratification for remaining period of their appointment from the conclusion of the fourth Annual General Meeting till the conclusion of sixth Annual General Meeting 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. Vibhore Sharma (DIN: 03314559) 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 4 (Four) times during the year on May 26, 2017, July 22, 2017, October 5, 2017 and February 1, 2018. The maximum time gap between any two meetings was not more than 120 days. The details of Director's attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2017-18

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Sanjeev Bikhchandani	Director	4	4
Mr. Chintan Thakkar	Director	4	4
Mr. Vibhore Sharma	Director	4	4

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, the 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 all other related party transactions are present under Note No. 23 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.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

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, 2018 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 29, 2018

ANNEXURE-A
FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

[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(46)

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	-
		80,000 (Preference Shares)	80,000 (Preference Shares)	100		80,000 (Preference Shares)	80,000 (Preference Shares)	100	-
Grand Total	**-**	**50,000* (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**	**50,000* (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**
		80,000 (Preference Shares)	**80,000 (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.*

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	-
		80,000 (Preference Shares)	100	0.00	80,000 (Preference 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.	Info Edge (India) Ltd.	50,000 (Equity Shares)	100	-	-	-	50,000 (Equity Shares)	100
		80,000 (Preference Shares)	100	-	-	-	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.

For and on behalf of Board of Directors

Sanjeev Bikhchandani	Chintan Thakkar
(Director)	(Director)
DIN: 00065640	DIN: 00678173

Place: Noida
Date: May 29, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of **STARTUP INTERNET SERVICES LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of Startup Internet Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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 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 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 the Companies (Accounts) Rules, 2015 (as amended).

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 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 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 and the order issued under section 143(11) of the Act.

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 these 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 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 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 financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, 2018 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 the Companies (Accounts) Rules, 2015 (as amended);

e) on the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 29 May 2018 as per **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.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N/N5000012

Amar Mittal
Partner
Membership No.: 017755

Place: New Delhi
Date: May 29, 2018

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, 2018, 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, 2018 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 2018 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 29, 2018

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, 2018 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, 2018, 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 29, 2018

BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note No.	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	22	70
Intangible assets	3 (b)	-	53
Intangible assets under development	22	-	6,308
Non-current tax assets (net)	7	8	-
Current Assets			
Financial assets			
(i) Cash and cash equivalents	4	1,636	1,702
(ii) Other financial assets	5	7	117
Other current assets	6	76	-
Total Assets		1,749	8,250
EQUITY & LIABILITIES			
EQUITY			
Equity Share capital	8	500	500
Other equity	9	(66)	6,550
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	10	902	800
Current Liabilities			
Financial liabilities			
(i) Trade payables	11	405	305
Other current liabilities	12	8	87
Non current tax liabilities (net)	13	-	8
Total Liabilites		1,749	8,250

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 29, 2018

The Schedules referred to above form an integral part of these accounts

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Vibhore Sharma
(Director)

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Note No	Year Ended March 31, 2018 (₹ 000)	Period Ended March 31, 2017 (₹ 000)
Revenue from operations		-	-
Other Income	14	85	132
Total Revenue		85	132
Expenditure			
Administration and other expenses	15	6,530	36
Finance costs	16	102	55
Depreciation and amortisation expense	3	69	63
Total Expenses		6,701	154
Loss before tax		(6,616)	(22)
Current tax expense		-	21
Loss for the year		(6,616)	(43)
Earning per equity share:	17		
(1) Basic		(132.33)	(0.86)
(2) Diluted		(132.33)	(0.86)

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 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Vibhore Sharma
(Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	Particulars	For the year ended March 31, 2018 (₹ 000)	For the period ended March 31, 2017 (₹ 000)
A.	Cash flow from operating activities:		
	Loss before tax	(6,616)	(22)
	Adjustments for:		
	Interest received on Fixed Deposits	(85)	(132)
	Depreciation	69	63
	Interest cost on financial assets at amortised cost	102	55
	Disposal of fixed Assets	31	
	Operating profit / (loss) before working capital changes	(6,499)	(36)
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Other Financial Assets	110	(117)
	- INCREASE/(DECREASE) in Trade Payables	100	164
	- INCREASE/(DECREASE) in Other Current Liabilities	(79)	80
	- Decrease/(Increase) in Other Current asset	(76)	-
	Cash generated from / (used in) operating activities	(6,444)	91
	- Taxes (Paid) / Received (Net of TDS)	(16)	(13)
	Cash generated from / (used in) operating activities	(6,460)	78
B.	Cash flow from Investing activities:		
	Interest received on Fixed Deposits	85	132
	Purchase of Property, Plant & Equipment and Intangibles	-	(98)
	Expenses Incurred to develop Intangible Assets	6,308	(6,308)
	Net Cash generated/(used) from/in investing activities	6,393	(6,274)
C.	Cash flow from financing activities:		
	Proceed from fresh issue of Preference share capital	-	5,000
	Net Cash generated from financing activities	-	5,000
	Net Increase/(Decrease) in Cash & Cash Equivalents	(67)	(1,196)
	Opening Balance of Cash and cash equivalents	1,703	2,899
	Closing Balance of Cash and cash equivalents	1,636	1,703
	Cash and cash equivalents comprise		
	Cash in hand	5	-
	Balance with Scheduled Banks		
	-in current accounts (net)	1,631	1,703
	Total	1,636	1,703

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 ammended] 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.
4. Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which 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 adoption of amendment did not have any material impact on the financial statements.

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 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Vibhore Sharma
(Director)

STATEMENTS OF CHANGES IN EQUITY

a. Equity share capital

Particulars	Amount (₹ 000)
As at March 31, 2017	**500**
Changes in equity share capital	-
As at March 31, 2018	**500**

b. Other equity

Particulars	Equity component of Preference Shares	Reserves & Surplus	Total (₹ 000)
		Retained Earnings	
Balance as at 31 March 2016	2,725	(673)	2,052
(Loss) for the year		(43)	(43)
Equity Component of Preference Shares	4,541	-	4,541
Balance as at 31 March 2017	**7,266**	**(716)**	**6,550**
(Loss) for the year		(6,616)	(6,616)
Balance as at 31 March 2018	**7,266**	**(7,332)**	**(66)**

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 29, 2018

The Schedules referred to above form an integral part of these accounts

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Vibhore Sharma
(Director)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

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.

(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 ₹ 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

3. (a) Property, plant & equipment

Amount (₹ 000)

Particulars	Office equipment	Total
Year ended March 31, 2017		
Gross carrying amount		
As at April 1, 2016	94	94
Additions	33	33
Disposals		-
Closing gross carrying amount	127	127
Accumulated depreciation		
As at April 1, 2016	6	6
Depreciation charged during the year	51	51
Disposals	-	-
Closing accumulated depreciation	57	57
Net carrying amount	70	70
Period ended March 31, 2018		
Gross carrying amount		
Opening gross carrying amount	127	127
Additions	-	-
Disposals	-	-
Closing gross carrying amount	127	127
Accumulated depreciation		
Opening accumulated depreciation	57	57
Depreciation charged during the period	47	47
Disposals	-	-
Closing accumulated depreciation	104	104
Net carrying amount	22	22

3. (b) Intangible Assets

Particulars	Intangible Assets	Total
Year ended March 31, 2017		
Gross carrying amount		
As at April 1, 2016	-	-
Additions	65	65
Disposals		-
Closing gross carrying amount	65	65
Accumulated depreciation		
As at April 1, 2016	-	-
Depreciation charged during the year	12	12
Disposals	-	-
Closing accumulated depreciation	12	12
Net carrying amount	53	53
Period ended March 31, 2018		
Gross carrying amount		
Opening gross carrying amount	65	65
Additions	-	-
Disposals	65	65
Closing gross carrying amount	-	-
Accumulated depreciation		
Opening accumulated depreciation	12	12
Depreciation charged during the period	22	22
Disposals	34	34
Closing accumulated depreciation	-	-
Net carrying amount	-	-

4. Cash & Cash Equivalents

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
(a) Cash in Hand	5	-
(b) Balance with Bank in Fixed Deposit with original maturity less than 3 months	1,631	1,702
	1,636	1,702

5. Other Financial Assets

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Interest Accrued On Fixed Deposits	7	117
	7	117

6. Other Current Assets

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Advance to Suppliers	76	-
	76	-

7. Non-current tax assets (net)

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Advance Tax	29	-
Less: provision for tax	(21)	-
	8	-

8. Equity Share Capital

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
AUTHORISED		
50,000 Equity Shares of ₹ 10/- each	500	500
95,000 Preference Shares of ₹ 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, 2018 No of Shares	As at March 31, 2018 (₹ 000)	As at March 31, 2017 No of Shares	As at March 31, 2017 (₹ 000)
Equity Shares				
At the beginning of the year	50,000	500	50,000	500
Add: Issued during the year	-	-	-	-
Outstanding at the end of the period	50,000	500	50,000	500

Particulars	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ 000)	As at March 31, 2017 No of Shares	As at March 31, 2017 (₹ 000)
Preference Shares				
At the beginning of the period	80,000	8,000	30,000	3,000
Add: Issued during the period	-	-	50,000	5,000
Outstanding at the end of the period	80,000	8,000	80,000	8,000

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 2017-18		FY 2016-17	
	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%

9. Other Equity

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Profit & Loss Account		
Opening Balance	(716)	(673)
Add: Loss for the year	(6,616)	(43)
Equity Component of Preference Shares	7,266	7,266
	(66)	6,550

10. Borrowings

Particulars	Non-Current		Current	
	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
80,000 Preference Shares of ₹ 100/- each	8,000	8,000	-	-
(0.0001% compulsory redeemable preference shares 80,000 nos. Previous Year - 80,000 nos of face value of ₹ 100/- each, maturity date 20 years from date of issue)				
Less: Equity Component of Preference Shares	(7,266)	(7,266)	-	-
Add : Interest Expense on Present value	168	66	-	-
Liability Component of Preference Shares	902	800	-	-

11 Trade Payables

Particulars	Non-Current		Current	
	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Audit Fees Payable	-	-	108	35
Sundry Creditors-Opex	-	-	297	270
	-		405	305

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, 2018

12. Other current liabilities

Particulars	Non-Current		Current	
	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
TDS Payable			8	87
	-	-	8	87

13. Non Current Tax Liabilities (Net)

Particulars	As at March 31, 2018 (₹ 000)	As at March 31, 2017 (₹ 000)
Provision for tax	-	21
Less: Advance Tax		(13)
	-	8

14. Other Income

Particulars	Year Ended March 31, 2018 (₹ 000)	Year Ended March 31, 2017 (₹ 000)
Interest received on fixed deposits	85	132
	85	132

15. Administration And Other Expenses

Particulars	Year Ended March 31, 2018 (₹ 000)	Year Ended March 31, 2017 (₹ 000)
Auditor's Remuneration	118	35
Misc Charges	47	-
Rent Expense	24	-
Intangible assets under development written off	6,308	-
ROC Charges	2	-
Loss on disposal of Propety Plant & Equipment	31	-
Short & Excess	-	1
	6,530	36

16. Finance Costs

Particulars	Year Ended March 31, 2018 (₹ 000)	Year Ended March 31, 2017 (₹ 000)
Interest cost on financial liabilities at amortised cost	102	55
	102	55

17. Basic & Diluted Earnings Per Share (Eps)

Particulars	Year Ended March 31, 2018 (₹ 000)	Year Ended March 31, 2017 (₹ 000)
Profit/(Loss) attributable to Equity Shareholders (₹)	(6,616,501)	(42,774)
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 ₹ 10 each (₹)	(132.33)	(0.86)

18. During the year Nil Nos. of ₹ Nil (March 31, 2017 - 50,000 nos. Preference shares of face value of ₹ 100/- each were issued for ₹5,000 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 classified under 'Note - 8 - Other equity ' ₹Nil (March 31, 2017 - ₹4,541 thousands) and 'Note 9 - Borrowings' ₹ Nil (March 31, 2017 - ₹525 thousands). Borrowing amount include finance cost ₹ 102 thousands (March 31, 2017 - ₹66 thousands).

19. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

20. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 are not applicable on the company since there was no employee employed by the company during the year.

21. Auditors Remuneration

Particulars	Year Ended March 31, 2018 (₹ 000)	Year Ended March 31, 2017 (₹ 000)
As Auditors	100	30
Goods and Service Tax (Previous Year Service Tax)	18	5
	118	35

22. During the year, Intangible assets under development amounting to ₹6308 thousands (previous year ₹6308) represents an amount incurred towards design and development of an online platform facilitating various services has been written off.

23. (1) Related Party Disclosures for the year ended March 31, 2018

Holding Company

Info Edge (India) Limited

B) Details of transactions with related party for the year ended March 31, 2018 in the ordinary course of business: Amount (Rs. '000)

Nature of relationship / transaction	Holding Company	Total
1. Rent Expense	24	24

C) Amount due to/from related parties as at March 31, 2018 Amount (Rs. '000)

Nature of relationship / transaction	Holding Company	Total
Debit Balances		
Outstanding Advances	-	-
Credit Balances		
Outstanding Payable	-	-

(2) Related Party Disclosures for the year ended March 31, 2017

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
1. Issue of Preference Shares	5000	5,000
3. 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	-	-
Credit Balances		
Outstanding Payable	-	-

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, 2018 (₹000)	Year ended March 31, 2017 (₹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, 2018 (₹000)	Year ended March 31, 2017 (₹000)
Loss before tax	(6,616)	(22)
Tax @ 25.75% (Previous Year 29.87%)	(1,704)	(7)
Tax adjustment effect of amounts which are not deductible (taxable) in calculating taxable income:		
CWIP Written Off	1,624	-
Others	79	28
	(0)	21

25. Financial Instruments And Risk Management

Fair value Hierarchy

a) Financial instruments by category

(₹000)

	March 31, 2018		March 31, 2017	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Cash and cash Equivalents	-	1,636	-	1,702
Other financial assets	-	7	-	117
Total Financial Assets	-	1,643	-	1,819
Financial Liabilities				
Trade payables	-	405	-	305
Financial liabilities - Non - Current	-	902	-	800
Total Financial Liabilities	-	1,307	-	1,105

b) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost

(₹000)

	March 31, 2018		March 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Cash and cash Equivalents	1,636	1,636	1,702	1,702
Other financial assets				
- Advance to Suppliers	-	-	-	-
-Interest accrued on fixed deposits	7	7	117	117
Total Financial Assets	1,643	1,643	1,819	1,819
Financial Liabilities				
Trade payables	405	405	305	305
Financial liabilities - Non - Current	902	902	800	800
Total Financial Liabilities	1,307	1,307	1,105	1,105

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.

27. Financial Risk And Capital Management

(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, 2018	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Trade and other payables	405	405	-	-	-
Other financial liabilities	902	-	-	-	902

			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

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	
	31 March 2018	31 March 2017
Fixed-rate instruments		
Financial assets	1,636	1,702
Financial liabilities	902	800
Total	2,538	2,502

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

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 29, 2018

For and on behalf of Board of Directors

Chintan Thakkar
(Director)

Vibhore Sharma
(Director)

infoedge

INFO EDGE (INDIA) LIMITED

CIN: L74899DL1995PLC068021

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