Kanhatech Solutions Limited
Financial Statements
2018-19

Auditors Report

To the Members of Kanhatech Solutions Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Kanhatech Solutions Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

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

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report in the annual report for the year ended March 31, 2019, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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 purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rules 7 of the Companies (Accounts) Rules, 2014.
   e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its director during the year is in accordance with the provisions of section 197 of the Act.

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 litigation which would impact its financial position in its standalone financial statements.

   ii. The Company does not have any foreseeable losses on long-term contracts including derivative contracts, if any, in respect of which any provision is required to be made under the applicable law and Accounting Standards.

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

For **D T S & Associates**
Chartered Accountants
(Registration No. 142412W)

Nirmal Kumar Burad
Partner
Membership No.: 071041

Place: Mumbai
Date: April 16, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Kanhatech Solutions Limited on the standalone financial statements for the year ended 31st March, 2019)

i. The Company does not have any fixed assets and accordingly, the provisions of Clause (i) of paragraph 3 of the Order are not applicable to the Company.

ii. The Company does not have any inventories and accordingly, the provisions of Clause (ii) of paragraph 3 of the Order are not applicable to the Company.

iii. In our opinion and according to the information and explanations given to us, the Company has not given any loan and it has not made any investments or given any guarantee or security on which the provisions of Section 185 and 186 of the Companies Act, 2013 applies. Accordingly, the provisions of Clause (iv) of paragraph 3 of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has not accepted any deposit. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

v. According to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of activities carried on by the Company and accordingly, the provisions of Clause (vi) of paragraph 3 of the Order are not applicable to the Company.

vi. In respect of statutory dues:

   a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2019 for a period of more than six months from the date of becoming payable.

   b. There were no dues of Income Tax, Sales Tax, Goods and Service Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, as applicable, which have not been deposited on account of any dispute.

vii. The Company has neither taken any loans from financial institutions, banks, government nor has it issued any debentures, and accordingly, the provisions of Clause (viii) of paragraph 3 of the Order are not applicable to the Company.

viii. To the best of our knowledge and belief and according to the information and explanations given to us, during the year the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) or term loan.

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

x. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration 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 (xii) of paragraph 3 of the Order are not applicable to the Company.

xii. According to the information and explanations provided by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.

xiii. According to the information and explanations provided to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of Clause (xiv) of paragraph 3 of the Order are not applicable to the Company.

xiv. According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Therefore, the provisions of Clause (xv) of paragraph 3 of the Order are not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **D T S & Associates**
Chartered Accountants
(Registration No. 142412W)

Nirmal Kumar Burad
Partner
Membership No.: 071041

Place: Mumbai
Date: April 16, 2019

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Kanhatech Solutions Limited on the standalone financial statements for the year ended 31st March, 2019)

Report on the Internal Financial Controls over Financial Reporting 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 Kanhatech Solutions Limited ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to 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, to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **D T S & Associates**
Chartered Accountants
(Registration No. 142412W)

Nirmal Kumar Burad
Partner
Membership No.: 071041

Place: Mumbai
Date: April 16, 2019

Balance Sheet as at 31st March, 2019

₹ in Lakh

	Note	As at 31st March, 2019		As at 31st March, 2018	
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	1	-		-	
Capital Work-in-Progress	1	-		-	
Intangible Assets	1	-		-	
Intangible Assets Under Development	1	-		-	
Financial Assets					
Other Financial Assets	2	0.10		0.10	
Total Non-Current Assets			0.10		0.10
Current Assets					
Financial Assets					
Investments	3	70 96.41		70 68.03	
Cash and Cash Equivalents	4	27.59		20.98	
Other Financial Assets	5	4 10.00		-	
Other Current Assets	6	17.33		10.14	
Total Current Assets			75 51.33		70 99.15
Total Assets			75 51.43		70 99.25
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	7	75 00.00		75 00.00	
Other Equity	8	(18.99)		(4 16.25)	
Total Equity			74 81.01		70 83.75
LIABILITIES					
Non-Current Liabilities					
Provisions	9	3.71		-	
Total Non-Current Liabilities			3.71		-
Current Liabilities					
Financial Liabilities					
Other Financial Liabilities	10	39.91		2.97	
Other Current Liabilities	11	22.38		12.53	
Provisions	12	4.42		-	
Total Current Liabilities			66.71		15.50
Total Equity and Liabilities			75 51.43		70 99.25
Significant Accounting Policies					
See accompanying Notes to the Financial Statements	1 to 29				

As per our Report of even date

For D T S & Associates
Chartered Accountants
Firm Regn No: 142412W

Nirmal Kumar Burad
Partner
Membership No: 071041

Place: Mumbai
Date: April 16, 2019

For and on behalf of the Board

Murlidhara Kadaba
Director

Bharat Goenka
Director

Mohanbir Singh Sawhney
Director

Krimesh Divecha
Manager

Abhishek Juvekar
Company Secretary

Preeti Wadhvani
Chief Financial Officer

Profit and Loss Statement for the year ended 31st March, 2019

₹ in Lakh

	Note		2018-19		2017-18
INCOME					
Revenue from Operations	**13**		**4 10.00**		23 74.20
Other Income	**14**		**4 03.60**		2 40.55
Total Revenue			**8 13.60**		26 14.75
EXPENSES					
Purchases of Stock-in-Trade					23 71.83
Employee Benefits Expense	**15**		**3 59.64**		52.98
Finance Costs	**16**		**-**		0.13
Other Expenses	**17**		**56.72**		1 48.35
Total Expenses			**4 16.36**		25 73.29
Profit Before Tax			**3 97.24**		41.46
Tax Expenses:					
Current Tax		**-**		-	
Deferred Tax		**-**		-	
			-		-
Profit after Tax			**3 97.24**		41.46
Other Comprehensive Income					
(i) Items that will not be reclassified to Profit or Loss					
Remeasurement of Defined Benefit Plan			**0.02**		**-**
(ii) Income tax relating to items that will not be reclassified to Profit or Loss (₹ 709 Previous year Nil)			**-**		**-**
Total Comprehensive Income for the year (Comprising Profit / (Loss) and Other Comprehensive Income for the year)			**3 97.26**		**41.46**
Earnings per equity share of face value of ₹ 10 each					
Basic and Diluted (In ₹)	**21**		**0.53**		**0.06**
Significant Accounting Policies					
See accompanying Notes to the Financial Statements	**1 to 29**				

As per our Report of even date

For D T S & Associates
Chartered Accountants
Firm Regn No: 142412W

Nirmal Kumar Burad
Partner
Membership No: 071041

Place: Mumbai
Date: April 16, 2019

For and on behalf of the Board

Murlidhara Kadaba
Director

Bharat Goenka
Director

Mohanbir Singh Sawhney
Director

Krimesh Divecha
Manager

Abhishek Juvekar
Company Secretary

Preeti Wadhvani
Chief Financial Officer

Statement of Changes in Equity for the year ended 31st March, 2019

A. Equity Share Capital

₹ in Lakh

	Balance as at 1st April, 2017	**Changes in Equity FY 2017-18**	**Balance as at 31st March 2018**	**Changes in Equity during FY 2018-19**	**Balance as at 31st March, 2019**
	75 00.00	-	75 00.00	-	**75 00.00**

B. Other Equity

₹ in Lakh

Particulars	**Balance as at 1st April, 2017**	**Total Comprehensive Income**	**Balance as at 31st March, 2018**
As on 31st March, 2018			
Retained Earnings	(4 57.71)	41.46	(4 16.25)
Total	(4 57.71)	41.46	(4 16.25)

Particulars	**Balance as at 1st April, 2018**	**Total Comprehensive Income**	**Balance as at 31st March, 2019**
As at 31st March, 2019			
Retained Earnings	**(4 16.25)**	**3 97.24**	**(19.01)**
Other Comprehensive Income			
- Remeasurement of Defined Benefit Plan	-	**0.02**	**0.02**
Total	**(4 16.25)**	**3 97.26**	**(18.99)**

As per our Report of even date

For D T S & Associates
Chartered Accountants
Firm Regn No: 142412W

Nirmal Kumar Burad
Partner
Membership No: 071041

Place: Mumbai
Date: April 16, 2019

For and on behalf of the Board

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Director

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Manager

Abhishek Juvekar
Company Secretary

Preeti Wadhvani
Chief Financial Officer

Cash Flow Statement for the year ended 31st March, 2019

					₹ in Lakh
			2018-19		2017-18
A:	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before Tax as per Profit and Loss Statement		**3 97.24**		41.46
	Adjusted for:				
	(Profit)/ Loss on Sale of Investments (Net)	**(0.32)**		(1 07.93)	
	Dividend Income	**(4 04.74)**		(1 79.74)	
	(Profit)/ Loss on valuation of Investments (Net)	**1.46**		47.12	
	Loss on Sale of Assets	**-**		79.42	
	Finance Costs	**-**		0.13	
			(4 03.60)		(1 61.00)
	Operating Profit/(Loss) before Working Capital Changes		**(6.36)**		(1 19.54)
	Adjusted for:				
	Trade and Other Receivables	**(4 17.19)**		2.13	
	Trade and Other Payables	**54.92**		(1 01.77)	
			(3 62.27)		(99.64)
	Cash Used In Operations		**(3 68.63)**		(2 19.18)
	Taxes Paid (Net)		**-**		-
	Net Cash Used In Operating Activities		**(3 68.63)**		(2 19.18)
B:	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Payment for Property, Plant and Equipment (Including movement in Capital Work in Progress and Intangible Assets Under Development)		**-**		(21.23)
	Purchase of Investments		**(8 17.74)**		(140 27.00)
	Sale of Investments		**7 88.24**		72 38.40
	Proceeds against slump sale of business to fellow subsidiary		**-**		69 59.71
	Dividend Income		**4 04.74**		-
	Net Cash Used In Investing Activities		**3 75.24**		1 49.88
C:	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Long Term Borrowings		**-**		1 00.00
	Repayment of Long Term Borrowings		**-**		(22.46)
	Interest Paid		**-**		(0.44)
	Net Cash from Financing Activities		**-**		77.10
	Net (Decrease)/ Increase in Cash and Cash Equivalents		**6.61**		7.80
	Opening Balance of Cash and Cash Equivalents		**20.98**		13.18
	Closing Balance of Cash and Cash Equivalents (Refer Note "4")		**27.59**		20.98

As per our Report of even date

For D T S & Associates
Chartered Accountants
Firm Regn No: 142412W

Nirmal Kumar Burad
Partner
Membership No: 071041

Place: Mumbai
Date: April 16, 2019

For and on behalf of the Board

Murlidhara Kadaba
Director

Bharat Goenka
Director

Mohanbir Singh Sawhney
Director

Krimesh Divecha
Manager

Abhishek Juvekar
Company Secretary

Preeti Wadhvani
Chief Financial Officer

Notes to the Financial Statements for the year ended 31st March, 2019

A. CORPORATE INFORMATION

Kanhatech Solutions Limited ("the Company") is a limited company incorporated in India. The Company's registered office and principal place of business is at Court House, 5th Floor, Lokmanya Tilak Marg, Dhobi Talao, Mumbai 400 002. The company was involved in research, design and development of cost effective Point of Sale Terminal hardware portfolio of payment devices and embedded software and device centric application platform. This R&D Project of the company has been transferred by the way of slump sale to "Reliance Corporate IT Park Limited (RCITPL)" during FY 2017-18. The company is also involved in trading of electronic goods and appliances. During the year, the company has provided IT Support Services.

B. SIGNIFICANT ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

The Financial Statements have been prepared on the historical cost basis except for following financial assets and liabilities measured at fair value amount :

(i) Certain Financial Assets and Liabilities (including derivative instruments),

(ii) Defined Benefit Plan - Plan AssetsThe Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

Company's Financial Statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest lakh (₹ 00,000), except when otherwise indicated.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification. An asset is treated as Current when it is –

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer 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.

(b) Property, plant and equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

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 entity and the cost can be measured reliably.

Property, plant and equipment which are significant to the total cost of that item of property, plant and equipment and having different useful life are accounted separately.

Notes to the Financial Statements for the year ended 31st March, 2019

Depreciation on Property, Plant and Equipment is provided to the extent of depreciable amount on the Straight Line Method (SLM). Depreciation is provided based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

(c) Leases

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

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

(d) Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

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

Particular	**Depreciation**
Computer Software	**Over a period of 5 years (SLM)**

(e) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs are capitalized as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss.

(f) Cash and Cash Equivalent

Cash and cash equivalents comprise of cash on hand, cash at bank, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

(g) Finance Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(h) Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual assets, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Notes to the Financial Statements for the year ended 31st March, 2019

(i) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs are capitalized as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss.

(j) Provisions

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. 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.

(k) Employee Benefits Expense

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

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.

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

Re-measurement of Defined Benefit Plans in respect of post-employment are charged to the Other Comprehensive Income.

Employee Separation Costs

The Company recognises the employee separation cost when the scheme is announced and the Company is demonstrably committed to it.

(l) Tax Expenses

The tax expense for the period comprises of Current Tax and Deferred Income Tax. Tax is recognised in the Statement of Profit and loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can beutilized Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Notes to the Financial Statements for the year ended 31st March, 2019

(m) Foreign Currencies Transactions and Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

(n) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for thosegoods or services. Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period. Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

Interest Income

Interest Income from a Financial Assets is recognised using effective interest rate method.

Dividend Income

Dividend Income is recognised when the Company's right to receive the amount has been established.

(o) Financial Instruments

(i) Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial Assets carried at Amortised Cost (AC)

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

b) Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Investment in Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in subsidiaries, associates and joint ventures at cost less impairment loss (if any).

D. Other Equity Investments:

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.However, dividend on such equity investments are recognized in Profit and loss when the company's right to receive payment is established.

Notes to the Financial Statements for the year ended 31st March, 2019

E. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit or Loss (FVTPL).Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possibledefault events over the life of the financial instrument)

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetimeECL is used.

(ii) Financial liabilities

A. Initial Recognition and Measurement

All Financial Liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement:

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derecognition of Financial Instruments

The company derecognizes a Financial Asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(iv) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(p) Earnings per share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

C. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. 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 next financial years.

a) Depreciation / Amortisation and useful lives of Property, Plant and Equipment / Intangible Assets

Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Recoverability of Trade Receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision

Notes to the Financial Statements for the year ended 31st March, 2019

against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) 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, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where 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 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 transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Impairment of financial assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

f) Recognition of Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

D. STANDARDS ISSUED BUT NOT EFFECTIVE

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2019.

a) Issue of Ind AS 116 - Leases

Ind AS 116 will replace the existing leasing standard i.e. Ind AS 17 and related interpretations. Ind AS 116 introduces a single lessee accounting model and requires lessee to recognize assets and liabilities for all leases with non-cancellable period of more than twelve months except for low value assets. Ind AS 116 substantially carries forward the lessor accounting requirement in Ind AS 17.

b) Amendment to Existing Standard

The MCA has also carried out amendments of the following accounting standards :

i) Ind AS 101 - First time adoption of Indian Accounting Standards
ii) Ind AS 103 - Business Combination
iii) Ind AS 109 - Financial Instruments
iv) Ind AS 111 - Joint Arrangements
v) Ind AS 12 - Income Taxes
vi) Ind AS 19 – Employee Benefits
vii) Ind AS 23 – Borrowing Costs
viii) Ind AS 28 - Investment in Associates and Joint Ventures

Application of above standards are not expected to have any significant impact on the Company's Financial Statements.

Notes to the Financial Statements for the year ended 31st March, 2019

1. PROPERTY, PLANT AND EQUIPMENT

₹ in Lakh

Description	Gross Block					Depreciation/ Amortisation					Net Block	
	As at 1st April, 2018	Additions	Deductions/ Adjustments	Slump Sale to RCITPL	**As at 31st March, 2019**	As at 1st April, 2018	For the year	Deductions/ Adjustments	Slump Sale to RCITPL	**As at 31st March, 2019**	**As at 31st March, 2019**	As at 31st 1 March, 2018
(i) Tangible Assets												
Own Assets:												
R&D Equipments	-	-	-	-	-	-	-	-	-	-	-	-
Office Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (i)	-	-	-	-	-	-	-	-	-	-	-	-
Previous Year Figures	2 55.84	-	2 55.33	0.51	-	1 48.08	-	1 47.63	0.45	-	-	1 07.76
(ii) Other Intangible Assets												
Software*	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (ii)	-	-	-	-	-	-	-	-	-	-	-	-
Previous Year Figures	2.29	-	2.29	-	-	1.06	-	1.06	-	-	-	1.23
TOTAL (i+ii)	-	-	-	-	-	-	-	-	-	-	-	
Previous year	2 58.13	-	2 57.62	0.51	-	1 49.14	-	1 48.69	0.45	-	-	1 08.99
Capital Work-in-Progress (iii)	-	-										
Intangible Assets Under Development (iv)	-	-										

* Other than internally generated assets

Notes to the Financial Statements for the year ended 31st March, 2019

₹ in Lakh

		As at 31st March, 2019	As at 31st March, 2018
2.	**OTHER FINANCIAL ASSETS - NON-CURRENT**		
	(Unsecured and Considered Good)		
	Security Deposit	**0.10**	0.10
	Total	**0.10**	0.10

	3. CURRENT INVESTMENTS				₹ in Lakh
			As at 31st March, 2019		As at 31st March, 2018
	Financial assets measured at Fair Value Through Profit or Loss (FVTPL)				
	Investment in Mutual Funds	**Units**	**Amount**	Units	Amount
	In Units - Unquoted - fully paid up				
	SBI-Premier Liquid Fund-Direct Plan - Growth	**-**	**-**	362	9.85
	ICICI Prudential Liquid Fund - Direct Plan - Growth	**32,128**	**88.81**	-	-
	Kotak Equity Arbitrage Fund- Direct Plan - Fortnight Dividend	**29,770,278**	**70 07.60**	29,960,865	70 58.18
	Total		**70 96.41**		70 68.03
	Aggregate amount of quoted investments		-		-
	Market Value of quoted investments		-		-
	Aggregate amount of unquoted investments		**70 96.41**		70 68.03
3.1	**Category wise Investment-Current**				
	Financial assets measured at Fair Value Through Profit or Loss (FVTPL)		**70 96.41**		70 68.03

₹ in Lakh

		As at 31st March, 2019	As at 31st March, 2018
4.	**CASH AND CASH EQUIVALENTS**		
	Bank Balances:		
	In Current Accounts	**27.59**	20.98
	Total	**27.59**	20.98

₹ in Lakh

		As at 31st March, 2019	As at 31st March, 2018
5.	**OTHER FINANCIAL ASSETS - CURRENT**		
	(Unsecured and Considered Good)		
	Unbilled Revenue	**4 10.00**	**-**
	Total	**4 10.00**	**-**

Notes to the Financial Statements for the year ended 31st March, 2019

₹ in Lakh

6. OTHER CURRENT ASSETS	**As at 31st March, 2019**	As at 31st March, 2018
(Unsecured and Considered Good)		
Balance with GST Authorities	**17.25**	10.06
Others(i)	**0.08**	0.08
Total	**17.33**	10.14

(i) This includes prepaid insurance expense.

₹ in Lakh

7. SHARE CAPITAL		**As at 31st March, 2018**	As at 31st March, 2017
Authorised:			
7,50,00,000 (7,50,00,000)	Equity Shares of ₹ 10 each	**75 00.00**	75 00.00
	Total	**75 00.00**	75 00.00
Issued, Subscribed and Paid-Up:			
Fully paid-up			
7,50,00,000 (7,50,00,000)	Equity Shares of ₹ 10 each	**75 00.00**	75 00.00
	Total	**75 00.00**	75 00.00

(i) 7,50,00,000 (Previous Year 7,50,00,000) equity shares of ₹ 10 each fully paid up are held by Reliance Industrial Investments and Holdings Limited, the holding company including those held with its nominees.

(ii) **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 of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to the number of equity shares held by them.

(iii) **The details of Shareholders holding more than 5% shares :**

Name of the Shareholders	**As at 31st March, 2019**		As at 31st March, 2018	
	No. of Shares	**% held**	No. of Shares	% held
Reliance Industrial Investments and Holdings Limited (Holding Company) including those held with its nominees	**7,50,00,000**	**100%**	7,50,00,000	100%
Total	**7,50,00,000**	**100%**	7,50,00,000	100%

(iv) **Reconciliation of opening and closing number of shares**

Particulars	**No. of shares**	**2018-19 ₹ lakhs**	No. of shares	2017-18 ₹ lakhs
Equity Shares outstanding at the beginning of the year	**7,50,00,000**	**75 00.00**	7,50,00,000	75 00.00
Add: Equity Shares issued during the year	-	**-**	-	-
Equity Shares outstanding at the end of the year	**7,50,00,000**	**75 00.00**	7,50,00,000	75 00.00

Notes to the Financial Statements for the year ended 31st March, 2019

8. OTHER EQUITY

	As at 31st March, 2019	As at 31st March, 2018
		₹ in Lakh
Retained Earnings		
As per Last Balance Sheet	**(4 16.25)**	(4 57.71)
Add: Profit/(Loss) for the year	**3 97.24**	41.46
Total	**(19.01)**	(4 16.25)
Other Comprehensive Income		
As per Last Balance Sheet	**-**	-
Add: Movement in OCI during the year	**0.02**	-
	0.02	-
Total	**(18.99)**	(4 16.25)

9. PROVISIONS - NON CURRENT

	As at 31st March, 2019	As at 31st March, 2018
		₹ in Lakh
Provision for Employee Benefits (Refer Note 15.1)	**3.71**	-
Total	**3.71**	**-**

10. OTHER FINANCIAL LIABILITIES - CURRENT

	As at 31st March, 2019	As at 31st March, 2018
		₹ in Lakh
Other Payables	**39.91**	2.97
Total	**39.91**	**2.97**

11. OTHER CURRENT LIABILITIES

	As at 31st March, 2019	As at 31st March, 2018
		₹ in Lakh
Other Payables	**22.38**	12.53
Total	**22.38**	12.53

(i) Other payables includes statutory dues and payables to employees.

(ii) There are no overdue amounts to Micro and Small Enterprises as at March 31, 2019 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

12. PROVISIONS - CURRENT

	As at 31st March, 2019	As at 31st March, 2018
		₹ in Lakh
Provision for Employee Benefits (Refer Note 15.1)	**4.42**	-
Total	**4.42**	**-**

Notes to the Financial Statements for the year ended 31st March, 2019

13. REVENUE FROM OPERATIONS

₹ in Lakh

	2018-19	2017-18
Sale of Products	**-**	28 33.44
Income from Services	**4 10.00**	-
	4 10.00	28 33.44
Less: GST Recovered	**-**	4 59.24
Total	**4 10.00**	23 74.20

14. OTHER INCOME

₹ in Lakh

		2018-19		2017-18
Dividend Income				
From Current Investments		**4 04.74**		1 79.74
Net Gain from Investments				
Net Gain / (loss) on Sale of Investments	**0.32**		1 07.93	
Net Gain / (loss) arising on financial assets designated as at FVTPL	**(1.46)**		(47.12)	
		(1.14)		60.81
Total		**4 03.60**		2 40.55

15. EMPLOYEE BENEFITS EXPENSE

₹ in Lakh

	2018-19	2017-18
Salaries and Wages	**3 27.94**	49.97
Contribution to Provident and other Funds	**27.28**	2.71
Staff Welfare Expenses	**4.42**	0.30
Total	**3 59.64**	52.98

15.1 As per Indian Accounting Standard 19 "Employee benefits" the disclosures as defined are given below:

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised in books of accounts for the year is as under:

₹ in Lakh

Particulars	**2018-19**	2017-18
Employer's Contribution to Provident Fund	**10.80**	7.59
Employer's Contribution to Pension Scheme	**1.40**	1.77

Defined Benefit Plan

The company pays gratuity to the employees whoever has completed five years of service with the company on resignation/ superannuation. The gratuity is paid @15 days salary for every completed year of service as per The Payment Gratuity Act 1972.

Notes to the Financial Statements for the year ended 31st March, 2019

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

₹ in Lakh

	Gratuity (Unfunded)	
	2018-19	2017-18
Defined Benefit obligation at beginning of year	**-**	29.15
Current Service Cost	**3.71**	-
Interest Cost	**0.02**	-
Actuarial (gain) / loss	**(0.02)**	-
Benefits paid	**-**	(16.00)
Reversed	**-**	(13.15)
Defined Benefit obligation at year end	**3.71**	-

II) Reconciliation of fair value of assets and obligations

₹ in Lakh

	Gratuity (Unfunded)	
	2018-19	2017-18
Present Value of Obligation	**3.71**	-
Amount recognised in Balance sheet	**3.71**	-

III) Expenses recognised during the year

₹ in Lakh

	Gratuity (Unfunded)	
	2018-19	2017-18
Current Service Cost	**3.71**	-
Interest Cost	**0.02**	-
Actuarial (gain) / loss	**(0.02)**	-
Net Cost	**3.71**	-

IV) Actuarial assumptions

	Gratuity (Unfunded)	
Mortality Table (LIC)	**2018-19**	2017-18
	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount Rate (per annum)	**8.00%**	8.00%
Rate of escalation in salary (per annum)	**6.00%**	6.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Sesitivity Analysis for Gratuity

Siginificant Acturial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below is for previous year and has been determined based on resonably possible changes of the assumptions occuring at end of the reporting period, while holding all other assumptions constant. The result of Sesitivity analysis is given below:

₹ in Lakh

Particulars	**As at 31st March, 2019**		As at 31st March, 2018	
	Decrease	**Increase**	Decrease	Increase
Delta effect of (+/-) 0.5% change in rate of discounting	**0.35**	**0.31**	**-**	**-**
Delta effect of (+/-) 0.5% change change in rate of salary increase	**(0.32)**	**0.35**	**-**	**-**
Delta effect of (+/-) 0.5% change change in rate of employee turnover	**0.00**	**(0.01)**	**-**	**-**

Notes to the Financial Statements for the year ended 31st March, 2019

These plans typically expose the Group to actuarial risks such as: interest risk, longevity risk and salary risk.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

16. FINANCE COSTS

₹ in Lakh

	2018-19	2017-18
Interest Cost	**-**	0.13
Total	**-**	0.13

17. OTHER EXPENSES

₹ in Lakh

	2018-19	2017-18
Other Repairs	**-**	0.83
Loss on Sale of Assets	**-**	79.42
Insurance	**6.21**	0.19
Rates and Taxes	**-**	0.52
Payment to Auditors (Refer Note no 17.1)	**2.40**	1.58
Professional Fees	**47.03**	55.55
General Expenses	**1.08**	10.26
Total	**56.72**	1 48.35

17.1 Payment to Auditors as :

₹ in Lakh

Audit Fees	**1.30**	1.30
Certification Fees	**1.10**	0.28
Total	**2.40**	1.58

18 During FY 2017-19, the company was involved in research, design and development of cost effective Point of Sale Terminal hardware portfolio of payment devices and embedded software and device centric application platform (the project). As part of the restructuring of the Company, the project has been sold to a fellow subsidiary Company namely "Reliance Corporate IT Park Limited" on going concern basis by way of "slump sale", for a lump sum consideration of ₹ 69 59.74 Lakh with efect from 31st May, 2017.

Details of Assets and Liabilities transferred in Slump Sale :

₹ in Lakh

	2018-19	2017-18
ASSETS		
Non-Current Assets	-	75 90.13
Current Assets	-	2 04.18
LIABILITIES		
Non-Current Liabilities	-	7 66.00
Current Liabilities	-	68.57

Notes to the Financial Statements for the year ended 31st March, 2019

19 SEGMENT INFORMATION

The company has a single segment as per the requirements of Ind As 108 for "Operating Segments".

20 Deferred tax assets consist mainly of carried forward loss. Net Deferred tax assets to the extent of ₹ 1 61.05 Lakh (Previous Year - ₹ 1 12.66 lakhs) is not recognised in balance sheet for the temporary differences arising on items as a matter of prudence as the company has not yet started the operation and management is yet to assess the probability of the future taxable profit.

₹ in Lakh

Deferred tax liabilities / asset in relation to:	**Deferred Tax Asset/ (Liability)**	
	31st March, 2019	31st March, 2018
Property, Plant and Equipment	**-**	0.12
Current Investment	**0.49**	11.94
Unabsorbed Depreciation & Business loss	**1 60.56**	1 00.60
Net Deferred Tax Asset	**1 61.05**	1 12.66

21 EARNINGS PER SHARE (EPS)

		2018-19	2017-18
i.	Net Profit after tax as per Profit and Loss Statement attributable to Equity Shareholders (₹ In Lakhs)	**3 97.24**	41.46
ii.	Weighed Average number of equity shares used as denominator for Calculating EPS	**7,50,00,000**	7,50,00,000
iii.	Basic and Diluted earnings per share (₹)	**0.53**	0.06
iv.	Face Value per equity share (₹)	**10**	10

22 RELATED PARTY DISCLOSURES

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties with whom transactions have taken place and relationship :

S. No.	**Name of the Related Party**	**Relationship**
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Industrial Investments and Holdings Limited	Holding Company
3	Reliance Payment Solutions Limited	Fellow Subsidiary
4	Reliance Corporate IT Park Limited	Fellow Subsidiary
5	Reliance Jio Infocomm Limited	Fellow Subsidiary
6	Abhishek Juvekar	Company Secretary
7	Ayushi Prasad	Chief Financial Officer (Upto 18th March 2019)
8	Utpal Kundu	Manager (Upto 9th October 2018)
9	Krimesh Divecha	Manager (w.e.f 27th March 2019)
10	Preeti Wadhvani	Chief Financial Officer (w.e.f 27th March 2019)

(ii) Transactions during the year ended 31st March, 2019, with related parties (₹ in Lakh)

Sr. No.	**Nature of Transactions (excluding reimbursements)**	**Holding Company**	**Fellow Subsidiary**	**Key Managerial Personnel**	**Total**
1	Unsecured loans taken	**-**	**-**	**-**	**-**
		(1 00.00)	-	-	(1 00.00)
2	Professional Fee to Key Managerial Personnel	**-**	**-**	**37.41**	**37.41**
		-	-	(55.13)	(55.13)

Notes to the Financial Statements for the year ended 31st March, 2019

3	Interest expense	**-**	**-**	**-**	**-**
		(9.86)	-	-	(9.86)
4	Sale of Test Devices	-	-	-	**-**
		-	(6.48)	-	(6.48)
5	Slump Sale of Business	-	-	-	-
	(Net consideration) (Refer Note 18)	-	(69 59.74)	-	(69 59.74)
6	Sale of used IT assets	-	-	-	
		-	(0.49)	-	(0.49)
Balances as at 31st March, 2019					
7	Share Capital	**75 00.00**	**-**	**-**	**75 00.00**
		(75 00.00)	-	-	(75 00.00)

Note : Figures in brackets represent previous year's amounts.

(iii) Disclosure in respect of Major Related Party Transactions during the year ended 31st March, 2019 (₹ in lakh)

	Particulars	Relationship	2018-19	2017-18
1	**Unsecured loans taken**			
	Reliance Industrial Investments and Holdings Limited	Holding company	**-**	1 00.00
2	**Professional Fee to Key Managerial Personnel**			
	Abhishek Juvekar	Key Managerial Personnel	**22.18**	22.24
	Ayushi Prasad	Key Managerial Personnel	**-**	10.67
	Utpal Kundu	Key Managerial Personnel	**15.23**	22.22
3	**Interest expense**			
	Reliance Industrial Investments and Holdings Limited	Holding company	-	9.86
4	**Sale of Test Devices**			
	Reliance Payment Solutions Limited	Fellow Subsidiary company	-	6.48
5	**Slump Sale of Business (Net Consideration)**			
	Reliance Corporate IT Park Limited	Fellow Subsidiary company	-	69 59.74
6	**Sale of used IT assets**			
	Reliance Jio Infocomm Limited	Fellow Subsidiary company	-	0.49

22.1 Compensation of Key Managerial Personnel

The remuneration of director and other members of key Managerial Personnel during the year was as follows :

(₹ in Lakh)

		2018-19	2017-18
i)	Short term benefits	**35.95**	53.67
ii)	Post employment benefits	**1.46**	1.46
Total		**37.41**	55.13

23 FOREIGN CURRENCY EXPOSURE

There are no foreign currency exposures that are not hedged by derivative instruments as on 31st March, 2019 and 31st March, 2018.

Notes to the Financial Statements for the year ended 31st March, 2019

24 CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the company consists of Equity share capital. As on 31st March, 2019, the Company did not have any debt.

Net Gearing Ratio

There is no Debt in the Company as on 31.03.2019 and 31.03.2018. Thus, the Net Gearing Ratio is NIL as on 31.03.2019 and 31.03.2018.

25 FINANCIAL INSTRUMENTS

Fair valuation of mutual fund is done by multiplying the closing unit balance of mutual fund with NAV of the fund as on each reporting date.

(₹ in Lakh)

Particulars	**As at 31st March, 2019**		As at 31st March, 2018	
	Carrying Amount	**Level of input used**	Carrying Amount	Level of input used
		Level 1		Level 1
Financial Assets				
At Amortised Cost				
Other Financial Assets-Non Current	**0.10**	**-**	0.10	-
Cash and Cash Equivalents	**27.59**	**-**	20.98	-
Other Financial Assets-Current	**4 10.00**	**-**	-	-
At FVTPL				
Investments	**70 96.41**	**70 96.41**	70 68.03	70 68.03
Financial Liabilities				
At Amortised Cost				
Other Financial Liabilities-Current	**39.91**	**-**	2.97	-

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

26 FINANCIAL RISK MANAGEMENT

The company's risk management is carried out by a central treasury department under policies approved by the board of directors.

Credit Risk

Credit Risk is the risk that a customer will fail to pay amounts due causing financial loss to the company The company is currently engaged in investing the surplus funds in Liquid Mutual Fund. The risks associated with this financial instrument is Interest Rate Risk. It arises from cash and cash equivalents, from credit exposures to customers relating to outstanding receivables and other receivables.

Liquidity Risk

Liquidity Risk is the risk that suitable sources of funding for the company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and mutual fund balances and the availability of funding through an adequate amount of committed funding from its holding company to meet obligations when due. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The company's liquidity is managed with operating units forecasting their requirements to the treasury function. The treasury unit will then either arrange to fund the requirements or invest the surplus in mutual fund.

Notes to the Financial Statements for the year ended 31st March, 2019

Market Risk

Market Risk - Foreign exchange is this risk arises from Purchases denominated in currencies other than INR.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument (mutual fund) will fluctuate because of changes in market interest rates.

27 Details of Loans given, Investment made and Guarantee given covered u/s 186(4) of the Companies Act, 2013

(i) The Company has not given any loans.

(ii) Investments made by the Company as at 31st March, 2019 (Refer note no. 3)

(iii) The Company has not given any Corporate Guarantees.

28 Previous year figures have been reworked, regrouped, re-arranged and reclassified wherever necessary to make them comparable with those of current year.

29 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the Board of Directors on 16th April, 2019.

As per our Report of even date

For D T S & Associates
Chartered Accountants
Firm Regn No: 142412W

Nirmal Kumar Burad
Partner
Membership No: 071041

Place: Mumbai
Date: April 16, 2019

For and on behalf of the Board

Murlidhara Kadaba
Director

Bharat Goenka
Director

Mohanbir Singh Sawhney
Director

Krimesh Divecha
Manager

Abhishek Juvekar
Company Secretary

Preeti Wadhvani
Chief Financial Officer