

# **Kanhatech Solutions Limited**

## Independent Auditor's Report

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### To The Members Of Kanhatech Solutions Limited

#### Report On The Standalone Financial Statements

We have audited the accompanying standalone financial statements of Kanhatech Solutions Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility For The Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed 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 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.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these standalone 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 under Section 143(11) of the Act.

We conducted our audit of the standalone 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 standalone financial statements are free from material misstatements.

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 standalone 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 Board of Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Opinion

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 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, 2016, and its loss and its cash flows for the year ended on that date.

#### 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;

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- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act;
  - e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, 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 in its 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 are no amounts that are 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 (“CARO 2016”) issued by the Central Government in terms of Section 143(11) of the Act, we give in the “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Chaturvedi & Shah**  
Chartered Accountants  
(Registration No. 101720W)

**R. Koria**  
Partner  
Membership No.: 035629

Place: Mumbai  
Date: April 20, 2016

## **Annexure “A” to the Independent Auditor’s Report**

(Referred to in paragraph 1(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 March 31, 2016)

### **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 March 31, 2016 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 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 and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

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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 March 31, 2016, 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 **Chaturvedi & Shah**  
Chartered Accountants  
(Registration No. 101720W)

**R. Koria**  
Partner  
Membership No.: 035629

Place: Mumbai  
Date: April 20, 2016

## Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 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 March 31, 2016)

- i. In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b. As explained to us, all the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. The Company does not have any immovable property and accordingly, the provisions of Clause (i) (c) of paragraph 3 of the CARO 2016 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 CARO 2016 are not applicable to the Company.
- iii. There are no loans, secured or unsecured, granted by the Company 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 (iii) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- iv. 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 CARO 2016 are not applicable to the Company.
- v. 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 CARO 2016 are not applicable to the Company.
- vi. 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 CARO 2016 are not applicable to the Company.
- vii. In respect of statutory dues:
  - a. According to the records of the Company, 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 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 March 31, 2016 for a period of more than six months from the date of becoming payable.
  - b. There were no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, as applicable, which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowing to banks. During the year, the Company has no dues to financial institution and government. The Company has not issued any debentures.
- ix. To the best of our knowledge and belief and according to the information and explanations given to us, the term loans raised have, prima facie, been applied for the purposes for which they were raised. During the year, the Company has not raised money by way of initial public offer or further public offer (including debt instruments).
- x. In our opinion and 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 year.
- xi. In our opinion and according to the information and explanations given to us, during the year no managerial remuneration has been paid or provided by the Company. Therefore, the provisions of Clause (xi) of paragraph 3 of the CARO 2016 are not applicable to the Company.

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- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Therefore, the provisions of Clause (xiv) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- xv. In our opinion and 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 CARO 2016 are not applicable to the Company.
- xvi. 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. Therefore, the provisions of Clause (xvi) of paragraph 3 of the CARO 2016 are not applicable to the Company.

For **Chaturvedi & Shah**  
Chartered Accountants  
(Registration No. 101720W)

**R. Koria**  
Partner  
Membership No.: 035629

Place: Mumbai  
Date: April 20, 2016

## Balance Sheet as at 31st March, 2016

Particulars	Note	(Rs. in lakhs)	
		As at 31st March, 2016	As at 31st March, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	7,500.00	2,500.00
Reserves and Surplus	3	(376.65)	(217.53)
		<b>7,123.35</b>	<b>2,282.47</b>
<b>Non - Current Liabilities</b>			
Long Term Borrowings	4	25.52	1,871.85
Long Term Provisions	5	35.90	24.84
		<b>61.42</b>	<b>1,896.69</b>
<b>Current Liabilities</b>			
Other Current Liabilities	6	283.50	218.38
Short Term Provisions	7	21.79	8.89
		<b>305.29</b>	<b>227.27</b>
<b>TOTAL</b>		<b>7,490.06</b>	<b>4,406.43</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	8	133.47	147.18
Intangible Assets	9	1.69	2.04
Capital Work-in-Progress	10	545.33	204.16
Intangible Assets under Development	10	5,769.66	3,770.35
Total		<b>6,450.15</b>	<b>4,123.73</b>
Long Term Loans and Advances	11	26.29	67.04
		<b>6,476.44</b>	<b>4,190.77</b>
<b>Current Assets</b>			
Current Investments	12	670.00	1.53
Cash and Bank Balances	13	12.53	70.32
Short Term Loans and Advances	14	331.09	143.81
		<b>1,013.62</b>	<b>215.66</b>
<b>TOTAL</b>		<b>7,490.06</b>	<b>4,406.43</b>
Significant Accounting Policies	1		
Notes to the Financial statements	2 - 28		

As per our Report of even date

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Regn No: 101720W

**R.Koria**  
Partner  
Membership No: 035629

Place: Mumbai  
Date: April 20, 2016

For and on behalf of the Board

**Murlidhara Kadaba**  
Director  
DIN: 01435701

**Mohanbir Singh Sawhney**  
Director  
DIN: 07136864

**D Sathish Kumar**  
Chief Financial Officer  
PAN: ANXPS2725A

**Bharat Goenka**  
Director  
DIN: 00030498

**Raj Kumar Ahuja**  
Director  
DIN: 01693647

**Thriveni Shetty**  
Company Secretary  
Membership No: A30012



## Profit and Loss Statement for the year ended 31st March, 2016

Particulars	Note	(Rs. in lakhs)	
		2015-16	2014-15
<b>Income</b>			
Other Income	15	2.50	0.15
<b>Total Revenue</b>		<b>2.50</b>	<b>0.15</b>
<b>Expenditure</b>			
Employee Benefits Expense	16	32.31	16.94
Finance Costs (Interest)		3.52	5.34
Depreciation and Amortisation Expense		18.13	23.29
Other expenses	17	107.66	23.20
<b>Total Expenses</b>		<b>161.62</b>	<b>68.77</b>
<b>Loss for the year</b>		<b>(159.12)</b>	<b>(68.62)</b>
<b>Earnings per equity share of face value of Rs. 10 each</b>			
i Basic (in Rupees)		(0.50)	(0.28)
ii Diluted (in Rupees)		(0.50)	(0.28)
<b>Significant Accounting Policies</b>	1		
<b>Notes to the Financial statements</b>	2 - 28		

As per our Report of even date

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Regn No: 101720W

**R.Koria**  
Partner  
Membership No: 035629

Place: Mumbai  
Date: April 20, 2016

For and on behalf of the Board

**Murlidhara Kadaba**  
Director  
DIN: 01435701

**Mohanbir Singh Sawhney**  
Director  
DIN: 07136864

**D Sathish Kumar**  
Chief Financial Officer  
PAN: ANXPS2725A

**Bharat Goenka**  
Director  
DIN: 00030498

**Raj Kumar Ahuja**  
Director  
DIN: 01693647

**Thriveni Shetty**  
Company Secretary  
Membership No: A30012

## Cash Flow Statement for the year ended 31st March, 2016

	2015-16	2014-15
(Rs. in lakhs)		
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Loss before tax as per Statement of Profit and Loss	(159.12)	(68.62)
<b>Adjusted for</b>		
Fees for increase in Authorised Share Capital	47.50	-
Depreciation & Amortisation Expense	18.13	23.29
Profit on Sale of Current Investments	(2.48)	-
Finance Costs (Interest)	3.52	5.34
	<u>66.67</u>	<u>28.63</u>
<b>Operating Loss before Working Capital Changes</b>	<b>(92.45)</b>	<b>(39.99)</b>
Adjusted for :		
Trade and Other Receivables	(187.41)	(53.75)
Trade and Other Payables/Liabilities	242.28	36.10
	<u>54.87</u>	<u>(17.65)</u>
<b>Cash Used in Operations</b>	<b>(37.58)</b>	<b>(57.64)</b>
(Taxes paid) / Refund (net)	(0.10)	0.88
Net Cash used in Operating Activities (A)	<u>(37.68)</u>	<u>(56.76)</u>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Including movement in Intangible Assets Under Development and Capital Work In Progress)	(2,100.57)	(1,872.10)
Interest Income	2.89	1.76
Purchase of Investments	(1,200.00)	-
Sale of Investments	534.00	-
Fixed Deposit / Margin money with Banks	40.00	(40.00)
Net Cash used in Investing Activities (B)	<u>(2,723.68)</u>	<u>(1,910.34)</u>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Equity Share Capital	5,000.00	200.00
Fees for increase in Authorised Share Capital	(47.50)	-
Proceeds from Long Term Borrowings	1,940.38	1,797.95
Repayment of Long Term Borrowings	(3,795.26)	(32.97)
Interest and Finance Charges Paid	(354.05)	(11.25)
Net Cash from Financing Activities (C)	<u>2,743.57</u>	<u>1,953.73</u>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(17.79)</b>	<b>(13.37)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>30.32</b>	<b>43.69</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>12.53</b>	<b>30.32</b>

As per our Report of even date

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Regn No: 101720W

**R.Koria**  
Partner  
Membership No: 035629

Place: Mumbai  
Date: April 20, 2016

For and on behalf of the Board

**Murlidhara Kadaba**  
Director  
DIN: 01435701

**Mohanbir Singh Sawhney**  
Director  
DIN: 07136864

**D Sathish Kumar**  
Chief Financial Officer  
PAN: ANXPS2725A

**Bharat Goenka**  
Director  
DIN: 00030498

**Raj Kumar Ahuja**  
Director  
DIN: 01693647

**Thriveni Shetty**  
Company Secretary  
Membership No: A30012

## Notes on Financial Statements for the year ended 31st March, 2016

### 1 Significant Accounting Policies

#### A Basis of Preparation of Financial Statements

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lakhs

#### B Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

#### C Fixed Assets

##### (i) Tangible assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net changes on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

##### (ii) Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation 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.

#### D Depreciation

##### (i) Tangible Assets

Depreciation on fixed assets is provided on straight line method over their useful life and in the manner prescribed in Schedule II to the Companies Act, 2013.

##### (ii) Intangible Assets

Softwares are amortised over a period of 5 years.

#### E Impairment

The Company assess at each reporting date as to whether there is any indication that an asset (tangible and intangible) may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. 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.

An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in previous accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### F Foreign Currency Transactions

(i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

(ii) Monetary items denominated in foreign currencies at the year end are restated at the year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

(iii) Non monetary foreign currency items are carried at cost.

(iv) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Statement except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

## Notes on Financial Statements for the year ended 31st March, 2016

### G Investments

Current Investments are carried at lower of cost and quoted / fair value, computed category-wise. Non Current investments are stated at cost. Provision for diminution in the value of Non Current investments is made only if such a decline is other than temporary.

Investments that are readily realisable and intended to be held for not more than 12 months from the date of acquisition are classified as current investment. All other investments are classified as non-current investments.

### H Revenue Recognition

- (i) Revenue from services are recognised when services have been rendered and no significant uncertainty to collectability exists. The revenue is recognised net of discounts and service tax.
- (ii) Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.
- (iii) Dividend income is recognized when right to receive payment is established.

### I Employee benefits

#### (i) 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 recognized as an expense during the period when employee renders service. These benefits include performance incentive and compensated absences.

#### (ii) Post -employment benefits

##### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions. The Company makes specified monthly contributions towards Provident Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

##### Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Actuarial gains and losses in respect of post-employment and other long term benefits are recognised in the books of accounts.

### J Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized 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. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

### K Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

### L Income taxes

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

## Notes on Financial Statements for the year ended 31st March, 2016

2 Share Capital	(Rs. in lakhs)	
	As at 31st March, 2016	As at 31st March, 2015
<b>Authorised Share Capital :</b>		
75,000,000 Equity Shares of Rs.10 each (25,000,000)	7,500.00	2,500.00
<b>TOTAL</b>	<u>7,500.00</u>	<u>2,500.00</u>
<b>Issued, Subscribed and Paid up:</b>		
75,000,000 Equity Shares of Rs.10 each fully paid up (25,000,000)	7,500.00	2,500.00
<b>TOTAL</b>	<u>7,500.00</u>	<u>2,500.00</u>

2.1 Out of the above, 6,80,00,000 (Previous Year 1,80,00,000) equity shares of Rs. 10 each fully paid up are held by Reliance Industrial Investments and Holdings Limited, the holding company including those held with its nominees and 70,00,000 (Previous Year 70,00,000) equity shares of Rs. 10 each fully paid up are held by Shri Kushal C Kumar.

### 2.2 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.

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.

### 2.3 Reconciliation of number of shares outstanding at the beginning and at the end of the year :

Particulars	Equity Shares			
	2015-16		2014-15	
	No. of Shares	Rs. in lakhs	No. of Shares	Rs. in lakhs
No. of shares at the beginning of the year	25,000,000	2,500.00	23,000,000	2,300.00
Add: Equity shares issued on right basis during the year	50,000,000	5,000.00	2,000,000	200.00
No. of shares at the end of the year	<u>75,000,000</u>	<u>7,500.00</u>	<u>25,000,000</u>	<u>2,500.00</u>

### 2.4 Details of Shareholders holding more than 5% shares in the company including those held by holding company :

Particulars of Shareholders	Equity Shares			
	As at 31st March, 2016		As at 31st March, 2015	
	No of Shares	% holding	No of Shares	% holding
Reliance Industrial Investments and Holdings Limited (Holding Company) including those held with its nominees	68,000,000	91%	18,000,000	72%
Shri Kushal C Kumar	7,000,000	9%	7,000,000	28%
<b>TOTAL</b>	<u>75,000,000</u>	<u>100%</u>	<u>25,000,000</u>	<u>100%</u>

## Notes on Financial Statements for the year ended 31st March, 2016

	As at 31st March, 2016	As at 31st March, 2015
<b>3 Reserves and Surplus</b>		(Rs. in lakhs)
<b>Surplus from the Profit and Loss Statement</b>		
As per last Balance Sheet	(217.53)	(148.91)
Add: Loss for the year	(159.12)	(68.62)
	<u>(376.65)</u>	<u>(217.53)</u>
<b>TOTAL</b>	<u><u>(376.65)</u></u>	<u><u>(217.53)</u></u>
<b>4 Long Term Borrowings</b>		(Rs. in lakhs)
	As at 31st March, 2016	As at 31st March, 2015
(I) Secured		
(a) Term Loans from Banks	25.52	44.85
	<u>25.52</u>	<u>44.85</u>
(II) Unsecured		
(a) Loans from related parties:		
Loan from Holding company	-	1,785.00
Loan from Fellow subsidiaries	-	42.00
	<u>-</u>	<u>1,827.00</u>
<b>TOTAL</b>	<u><u>25.52</u></u>	<u><u>1,871.85</u></u>
4.1 Secured Term Loans from Banks referred to in 4(I)(a) above including the current maturities are secured by hypothecation of specific vehicles and repayable over a period of 3 to 5 years from their respective date of disbursement. The loans carry interest of 10.50% p.a.		
<b>5 Long Term Provisions</b>		(Rs. in lakhs)
	As at 31st March, 2016	As at 31st March, 2015
(a) Provision for employee benefits	35.90	24.84
<b>TOTAL</b>	<u><u>35.90</u></u>	<u><u>24.84</u></u>
<b>6 Other Current Liabilities</b>		(Rs. in lakhs)
	As at 31st March, 2016	As at 31st March, 2015
(a) Current maturities of long term debt	25.15	33.70
(b) Interest accrued but not due on borrowings	0.37	79.74
(c) Creditors for capital expenditure	4.46	69.74
(d) Advance from Customers	128.52	-
(e) Other Payables	125.00	35.20
<b>TOTAL</b>	<u><u>283.50</u></u>	<u><u>218.38</u></u>
6.1 Other payables include statutory and employee dues		
6.2 There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2016. 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		
<b>7 Short Term Provisions</b>		(Rs. in lakhs)
	As at 31st March, 2016	As at 31st March, 2015
(a) Provisions for employee benefits	21.79	8.89
<b>TOTAL</b>	<u><u>21.79</u></u>	<u><u>8.89</u></u>

## Notes on Financial Statements for the year ended 31st March, 2016

### 8 TANGIBLE ASSETS

(Rs. in lakhs)

Description	Gross Block				Depreciation				Net Block	
	As at 1-Apr-15	Additions	Deductions/ Adjustments	As at 31-Mar-16	As at 1-Apr-15	For the Year	Deductions/ Adjustments	Upto 31-Mar-16	As at 31Ma-16	As at 31-Mar-15
<b>OWN ASSETS :</b>										
R&D Equipments	32.46	6.83	-	<b>39.29</b>	9.95	6.14	-	<b>16.09</b>	<b>23.20</b>	22.51
Office Equipments	34.45	4.17	-	<b>38.62</b>	21.91	9.23	-	<b>31.14</b>	<b>7.48</b>	12.54
Furniture & Fixtures	0.80	-	-	<b>0.80</b>	0.14	0.08	-	<b>0.22</b>	<b>0.58</b>	0.66
Vehicles	167.18	8.38	-	<b>175.56</b>	55.71	17.64	-	<b>73.35</b>	<b>102.21</b>	111.47
<b>Total</b>	<b>234.89</b>	<b>19.38</b>	-	<b>254.27</b>	<b>87.71</b>	<b>33.09</b>	-	<b>120.80</b>	<b>133.47</b>	<b>147.18</b>
<b>Previous Year Figures</b>	211.80	23.09	-	234.89	51.21	36.50	-	87.71	147.18	

### 9 INTANGIBLE ASSETS

(Rs. in lakhs)

Description	Gross Block				Depreciation				Net Block	
	As at 1-Apr-15	Additions	Deductions/ Adjustments	As at 31-Mar-16	As at 1-Apr-15	For the Year	Deductions/ Adjustments	Upto 31-Mar-16	As at 31Ma-16	As at 31-Mar-15
Software *	2.20	0.09	-	<b>2.29</b>	0.16	0.44	-	<b>0.60</b>	<b>1.69</b>	2.04
<b>Total</b>	<b>2.20</b>	<b>0.09</b>	-	<b>2.29</b>	<b>0.16</b>	<b>0.44</b>	-	<b>0.60</b>	<b>1.69</b>	<b>2.04</b>
<b>Previous Year Figures</b>	-	<b>2.20</b>	-	<b>2.20</b>	-	<b>0.16</b>	-	<b>0.16</b>	<b>2.04</b>	

\* Other than internally generated

### 10. Work-in Progress

The company is 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 material procured for the said activities and Test Devices Under Development are classified under Capital Work in Progress and other expenditure incurred for the said activities are classified as "Project Development Expenditure" forming part of Intangible Assets under Development.

#### 10.1 Capital Work In Progress

(Rs. in Lakhs)

	<b>2015-16</b>	2014-15
Server	<b>133.97</b>	-
Test Devices Under Development	<b>329.83</b>	204.16
Components	<b>45.66</b>	-
Others	<b>35.87</b>	-
	<b>545.33</b>	<b>204.16</b>

## Notes on Financial Statements for the year ended 31st March, 2016

### 10.2 Intangible Assets under Development:

Intangible Assets under Development comprises of Rs. 5769.66 lakhs (Previous Year Rs. 3770.35 lakhs) on account of Project Development Expenditure.

#### Project Development Expenditure as detailed below:

	2015-16	(Rs. in Lakhs) 2014-15
Opening Balance	3,770.35	2,050.26
Add :		
Salaries and Wages	1,001.03	969.44
Contribution to Provident and other Funds	38.84	36.77
Staff Welfare Expenses	28.27	31.15
Rent	4.13	5.19
Travelling Expenses	189.88	192.19
Professional Fees	434.16	385.33
Depreciation	15.40	13.37
Software License	12.72	-
Interest	271.16	84.92
Exchange (Gain)/ Loss	(0.77)	-
Other Expenses	7.25	3.95
Less:		
Interest on fixed deposit	(2.76)	(2.22)
<b>Closing Balance</b>	<b><u>5,769.66</u></b>	<b><u>3,770.35</u></b>

	As at 31st March, 2016	(Rs. in lakhs) As at 31st March, 2015
<b>11 Long Term Loans and Advances</b> (Unsecured and Considered Good)		
(a) Capital Advances	25.88	66.73
(b) Advance Income Tax and TDS	0.28	0.18
(c) Security Deposits	0.13	0.13
<b>TOTAL</b>	<b><u>26.29</u></b>	<b><u>67.04</u></b>

	As at 31st March, 2016	(Rs. in lakhs) As at 31st March, 2015
<b>12 Current Investments</b> (Carried at lower of cost and quoted / fair value)		
<b>Other Investments</b>		
<b>Investments in Mutual Funds - Unquoted - fully paid up</b>		
28,475 (Previous year 81) units of SBI-Premier Liquid Fund-Regular Plan - Growth Option (Face value of Rs. 1000 each)	670.00	1.53
<b>TOTAL</b>	<b><u>670.00</u></b>	<b><u>1.53</u></b>
	<b>As at 31st March, 2016</b>	<b>As at 31st March, 2015</b>
Aggregate amount of Unquoted Investments	670.00	1.53



## Notes on Financial Statements for the year ended 31st March, 2016

		(Rs. in lakhs)	
		As at	As at
		31st March, 2016	31st March, 2015
<b>13</b>	<b>Cash and Bank Balances</b>		
	<b>Cash and Cash Equivalent</b>		
	Balances with Banks in current accounts	12.53	30.32
	<b>Other bank balances</b>		
	Margin money deposit	-	40.00
	<b>TOTAL</b>	<u>12.53</u>	<u>70.32</u>
13.1	Margin Money Deposit held with bank against bank guarantee issued with maturity more than 12 months.		
<b>14</b>	<b>Short Term Loans and Advances</b> (Unsecured and Considered Good)	As at 31st March, 2016	(Rs. in lakhs) As at 31st March, 2015
	(a) Advance to Supplier	133.57	-
	(b) Balance with service tax / VAT Authorities	185.41	129.25
	(c) Security Deposits	1.25	1.40
	(d) Other Loans and Advances	10.86	13.16
	<b>TOTAL</b>	<u>331.09</u>	<u>143.81</u>
14.1	Other Loans and Advances include advance to employees and prepaid expense.		
<b>15</b>	<b>Other Income</b>	2015-16	(Rs. in lakhs) 2014-15
	i Interest Income	0.01	0.15
	ii Profit on sale of Current Investments	2.48	-
	iii Other Income	0.01	-
	<b>TOTAL</b>	<u>2.50</u>	<u>0.15</u>
<b>16</b>	<b>Employee Benefits Expense</b>	2015-16	(Rs. in lakhs) 2014-15
	i Salaries and Wages	28.05	13.10
	ii Contribution to Provident and Other Funds	1.07	0.32
	iii Staff Welfare Expenses	3.19	3.52
	<b>TOTAL</b>	<u>32.31</u>	<u>16.94</u>
<b>17</b>	<b>Other expenses</b>	2015-16	(Rs. in lakhs) 2014-15
	Repairs & Maintenance - Others	8.66	6.91
	Insurance	1.08	1.92
	Rates & taxes	49.93	1.21
	Professional Fees	35.21	9.47
	Payment to Auditors	1.35	1.10
	Printing & Stationery	1.52	1.82
	General Expenses	9.91	0.77
	<b>TOTAL</b>	<u>107.66</u>	<u>23.20</u>

## Notes on Financial Statements for the year ended 31st March, 2016

	(Rs. in lakhs)	
	2015-16	2014-15
<b>17.1 Payment to Auditors</b>		
Audit Fees	1.10	1.00
Certification Fees	0.25	0.10
	<u>1.35</u>	<u>1.10</u>

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

	(Rs. in Lakhs)	
	As at 31st March, 2016	As at 31st March, 2015
<b>19 Contingent Liabilities and Commitments</b> (To the extent not provided for)		
<b>(a) Contingent Liabilities</b>		
(i) Bank Guarantee	-	40.00
<b>(b) Commitments</b>		
(i) Estimated amount of contracts remaining to be executed on Capital account not provided for	114.33	72.80

20 As per Accounting Standard 15 "Employee benefits" the disclosures as defined in the Accounting Standards are given below:

### Defined Contribution Plans

	(Rs. in Lakhs)	
	2015-16	2014-15
Contribution to Defined Contribution Plans, recognised as expenses for the year is as under:		
Employer's Contribution to Provident Fund	19.92	18.05
Employer's Contribution to Pension Scheme	8.60	6.31

### Defined Benefit Plan

	(Rs. in Lakhs)			
	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	2015-16	2014-15	2015-16	2014-15
Defined Benefit obligation at beginning of year	25.58	12.85	8.15	6.69
Current Service Cost	10.73	8.88	3.31	2.74
Interest Cost	2.05	1.02	0.65	0.53
Actuarial (gain) / loss	(1.39)	2.83	10.10	(0.96)
Benefits paid	-	-	(1.50)	(0.85)
Defined Benefit obligation at year end	36.97	25.58	20.71	8.15

	(Rs. in Lakhs)			
	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Present Value of Obligation	36.97	25.58	20.71	8.15
Amount recognised in Balance sheet	36.97	25.58	20.71	8.15

## Notes on Financial Statements for the year ended 31st March, 2016

III) Expenses recognised during the year	(Rs. in Lakhs)			
	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	2015-16	2014-15	2015-16	2014-15
Current Service Cost	10.73	8.88	3.31	2.74
Interest Cost	2.05	1.02	0.65	0.53
Actuarial (gain) / loss	(1.39)	2.83	10.10	(0.96)
<b>Net Cost</b>	<b>11.39</b>	<b>12.73</b>	<b>14.06</b>	<b>2.31</b>

### IV) Actuarial assumptions

	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	2015-16	2014-15	2015-16	2014-15
	Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount Rate (per annum)	8.00%	8.00%	8.00%	8.00%
Rate of escalation in salary (per annum)	6.00%	6.00%	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.

### V) Amounts recognised in current year and previous four years

Particulars	(Rs in Lakhs)				
	Gratuity		As at 31st March		
	2016	2015	2014	2013	2012
Defined benefit obligation	36.97	25.58	12.85	6.82	-
Fair value of plan assets	-	-	-	-	-
(Surplus) / Deficit in the plan	36.97	25.58	12.85	6.82	-
Actuarial (gain) / loss on plan obligation	(1.39)	2.83	(2.93)	-	-
Actuarial (gain) / loss on plan assets	-	-	-	-	-

VI) The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2015-16.

21 Deferred tax assets consist mainly of carried forward loss. As a matter of prudence, the Company has not recognised deferred tax asset in accounts.

### 22 Earnings Per Share (EPS)

	2015-16	2014-15
i. Net Loss after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. In Lakhs)	(159.12)	(68.62)
ii. Weighed Average number of equity shares used as denominator for Calculating EPS	31,912,568	24,523,288
iii. Basic and Diluted earnings per share (Rs.)	(0.50)	(0.28)
iv. Face Value per equity share (Rs.)	10	10

## Notes on Financial Statements for the year ended 31st March, 2016

### 23 Related Party Disclosures

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

Sr. 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 Strategic Investments Limited	Fellow Subsidiary
4	Reliance Payment Solutions Limited	Fellow Subsidiary
5	Shri Kumar Kushal	Key Managerial Personnel
6	Shri D Sathish Kumar	Key Managerial Personnel
7	Smt Thriveni Shetty	Key Managerial Personnel

#### (ii) Transactions during the year with related parties - 2015-16

(Rs. in Lakhs)

Sr. No.	Nature of Transactions (excluding reimbursements)	Holding Company	Fellow Subsidiary	Key Managerial Personnel	Total
1	Equity Shares issued and allotted	<b>5,000.00</b> (144.00)	- -	- (56.00)	<b>5,000.00</b> (200.00)
2	Unsecured loans taken	<b>1,809.00</b> (1,785.00)	<b>123.00</b> -	- -	<b>1,932.00</b> (1,785.00)
3	Repayment of Unsecured Loan	<b>3,594.00</b> -	<b>165.00</b> -	- -	<b>3,759.00</b> -
4	Payment to Key Managerial Personnel	- -	- -	<b>200.57</b> (146.50)	<b>200.57</b> (146.50)
5	Interest expense	<b>259.42</b> (80.11)	<b>8.22</b> -	- -	<b>267.64</b> (80.11)
6	Advance Received	- -	<b>128.52</b> -	- -	<b>128.52</b> -
<b>Balances as at 31st March, 2016</b>					
7	Share Capital	<b>6,800.00</b> (1,800.00)	- -	<b>700.00</b> (700.00)	<b>7,500.00</b> (2,500.00)
8	Unsecured loan	- (1,785.00)	- (42.00)	- -	- (1,827.00)
9	Interest accrued but not due	- (79.16)	- -	- -	- (79.16)
10	Advance Received	- -	<b>128.52</b> -	- -	<b>128.52</b> -

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

## Notes on Financial Statements for the year ended 31st March, 2016

<b>(iii) Disclosure in respect of Major Related Party Transactions during the year 2015-16</b>			<b>(Rs in lakhs)</b>	
<b>Particulars</b>	<b>Relationship</b>	<b>2015-16</b>	<b>2014-15</b>	
<b>1 Equity Shares issued and allotted</b>				
Reliance Industrial Investments and Holdings Limited	Holding company	<b>5,000.00</b>		144.00
Shri Kumar Kushal	Key Managerial Personnel	-		56.00
Sub Total		<b>5,000.00</b>		200.00
<b>2 Unsecured loans taken</b>				
Reliance Industrial Investments and Holdings Limited	Holding company	<b>1,809.00</b>		1,785.00
Reliance Strategic Investments Limited	Fellow Subsidiary	<b>123.00</b>		-
Sub Total		<b>1,932.00</b>		<b>1,785.00</b>
<b>3 Repayment of Unsecured Loan</b>				
Reliance Industrial Investments and Holdings Limited	Holding company	<b>3,594.00</b>		-
Reliance Strategic Investments Limited	Fellow Subsidiary	<b>165.00</b>		-
Sub Total		<b>3,759.00</b>		-
<b>4 Payment to Key Managerial Personnel</b>				
Shri Kumar Kushal	Chief Executive Officer	<b>131.17</b>		127.57
Shri D Sathish Kumar	Chief Finance Officer	<b>60.21</b>		11.26
Smt Thriveni Shetty	Company Secretary	<b>9.19</b>		7.67
Sub Total		<b>200.57</b>		146.50
<b>5 Interest expense</b>				
Reliance Industrial Investments and Holdings Limited	Holding company	<b>259.42</b>		80.11
Reliance Strategic Investments Limited	Fellow Subsidiary company	<b>8.22</b>		-
Sub Total		<b>267.64</b>		<b>80.11</b>
<b>6 Advance Received</b>				
Reliance Payment Solutions Limited	Fellow Subsidiary company	<b>128.52</b>		-
Sub Total		<b>128.52</b>		-
<b>Balances as at 31st March, 2016</b>				
<b>7 Share Capital</b>				
Reliance Industrial Investments and Holdings Limited	Holding company	<b>6,800.00</b>		1,800.00
Shri Kumar Kushal	Key Managerial Personnel	<b>700.00</b>		700.00
Sub Total		<b>7,500.00</b>		2,500.00
<b>8 Unsecured loan</b>				
Reliance Industrial Investments and Holdings Limited	Holding company	-		1,785.00
Reliance Strategic Investments Limited	Fellow Subsidiary company	-		42.00
Sub Total		-		1,827.00
<b>9 Interest accrued but not due</b>				
Reliance Industrial Investments and Holdings Limited	Holding company	-		79.16
Sub Total		-		<b>79.16</b>
<b>10 Advance Received</b>				
Reliance Payment Solutions Limited	Fellow Subsidiary company	<b>128.52</b>		-
Sub Total		<b>128.52</b>		-

## Notes on Financial Statements for the year ended 31st March, 2016

<b>24</b>	<b>Value of imports calculated on CIF basis during the Financial Year in respect of :</b>		(Rs in lakhs)
		<b>2015-16</b>	2014-15
i	Capital goods	<b>213.81</b>	124.60
<b>25</b>	<b>Expenditure in foreign currency</b>		(Rs in lakhs)
		<b>2015-16</b>	2014-15
i	Professional Fees	<b>150.26</b>	145.25
ii	Travelling expenses	<b>114.65</b>	64.94
		<b><u>264.91</u></b>	<u>210.19</u>
<b>26</b>	Foreign currency exposures that are not hedged by derivative instruments as on 31st Mar, 2016 amount to Rs. 3.67 Lakhs (Previous Year Nil).		
<b>27</b>	<b>Segment Reporting</b>		
	The company is 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 company has single segment as per the requirements of Accounting Standards 17 for "Segment Reporting" notified by Companies (Accounting Standard) Rules, 2006.		
<b>28</b>	<b>Details of Loans given, Investment made and Guarantee given covered u/s 186(4) of the Companies Act, 2013</b>		
	(i) The company has not given any loans.		
	(ii) Investments made by the company as at 31st March, 2016 (Refer note no. 12)		
	(iii) The company has not given any Corporate Guarantees.		

As per our Report of even date

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Regn No: 101720W

**R.Koria**  
Partner  
Membership No: 035629

Place: Mumbai  
Date: April 20, 2016

For and on behalf of the Board

**Murlidhara Kadaba**  
Director  
DIN: 01435701

**Mohanbir Singh Sawhney**  
Director  
DIN: 07136864

**D Sathish Kumar**  
Chief Financial Officer  
**PAN: ANXPS2725A**

**Bharat Goenka**  
Director  
DIN: 00030498

**Raj Kumar Ahuja**  
Director  
DIN: 01693647

**Thriveni Shetty**  
Company Secretary  
**Membership No: A30012**