NowFloats Technologies Private Limited

Financial Statement

2019-20

Independent Auditors' Report

To the Members of NowFloats Technologies Private Limited Report on the Ind AS Financial Statements

Opinion

1. We have audited the accompanying Ind AS financial statements of NowFloats Technologies Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), of the state of affairs of the Company as at 31 March 2020, its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 Ind AS 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the Ind AS 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.

Information other than the Ind AS Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Ind AS financial statements and our auditor's report thereon.

   Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS 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 for the Ind AS Financial Statements

5. 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the Ind AS 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.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Standards on Auditing 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 Ind AS financial statements.

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

   - Identify and assess the risks of material misstatement of the Ind AS 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 Act, 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. 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.

Other matter

11. The comparative financial information of the Company for the year ended 31st March 2019 and the transition date opening balance sheet as at 1st April 2018 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the rule 7 of Companies (Accounts) Rules, 2014 (as amended) audited by the predecessor auditor whose report for the year ended 31st March 2019 and 31st March 2018 dated 26th September 2019 and 28 September 2018 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

    Our opinion is not modified in respect of this matter.

    Other matter

Report on Other Legal and Regulatory Requirements

12. The Company is deemed to be a public company for the purposes of the section 2(71) of the Companies Act and as required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V of the Act.

13. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

14. Further to our comments in Annexure A, as required by section 143(3) of the Act, we report that:

a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

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

c) the Ind AS financial statements dealt with by this report are in agreement with the books of account;

d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended);

e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;

f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date and our report dated 20 April 2020 as per Annexure B expressed unmodified opinion;

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

   i. the Company does not have any pending litigation(s) which would impact its financial position as at 31 March 2020;

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;

   iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020;

FOR **T. MURTY & ASSOCIATES**
Chartered Accountants
Firm's Registration No.: 005524S

T.S.N. MURTHY
Proprietor
Membership No.: 200617

UDIN : 20200617AAAAAP6850
Place : Hyderabad
Date : 20 April 2020

Annexure A to the Independent Auditor's Report of even date to the members of NowFloats Technologies Private Limited on the Ind AS financial statements for the year ended 31 March 2020.

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

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

(b) The Company has a regular program of physical verification of its Property, plant and equipment under which Property, plant and equipment are verified in a phased manner over a period of two years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, plant and equipments were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties which are included under the head 'Property, plant and equipment' are held in the name of the Company.

(ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

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

(iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

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

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been slight delay in few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) There are no dues outstanding in respect of income-tax, goods and service tax and duty of customs account of any dispute.

(viii) The Company has not defaulted in payments of loans or borrowings or dues to a financial institution or a bank or government or debenture-holders during the year.

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

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

(xi) The Company is deemed to be a public company for the purposes of the section 2(71) of the Companies Act and as required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V of the Act.

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

(xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the Ind AS financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.

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

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

FOR **T. MURTY & ASSOCIATES**
Chartered Accountants
Firm's Registration No.: 005524S

T.S.N. MURTHY
Proprietor
Membership No.: 200617

UDIN : 20200617AAAAAP6850
Place : Hyderabad
Date : 20 April 2020

Annexure B to the Independent Auditor's Report of even date to the members of NowFloats Technologies Private Limited on the Ind AS financial statements for the year ended 31 March 2020

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

1. In conjunction with our audit of the Ind AS financial statements of NowFloats Technologies Private Limited ("the Company") as at and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company of as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on 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 ("Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by considering the essential components of internal control stated in the Guidance Note issued by ICAI.

FOR **T. MURTY & ASSOCIATES**
Chartered Accountants
Firm's Registration No.: 005524S

T.S.N. MURTHY
Proprietor
Membership No.: 200617

UDIN : 20200617AAAAAP6850
Place : Hyderabad
Date : 20 April 2020

Balance Sheet as at 31st March 2020

(All amounts in lakhs of ₹ unless otherwise stated)

	Notes	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
ASSETS				
Non-current assets				
Property, plant and equipment	3	28.82	64.91	110.99
Other intangible assets	4	10.17	21.66	33.15
Intangible assets under development		-	-	51.74
Right-of-use assets	4(a)	200.14	-	-
Financial assets				
(i) Loans	5	16.02	55.16	122.52
(ii) Other financial assets	6	-	113.00	-
Non-current tax assets (net)		35.68	92.14	68.84
		290.83	**346.87**	**387.24**
Current assets				
Financial assets				
(i) Investments	7	1,715.40	0.07	0.07
(ii) Trade receivables	8	35.53	22.83	0.75
(iii) Cash and cash equivalents	9	118.98	620.98	1,968.44
(iv) Bank balances other than (iii) above	9	3.00	15.00	67.87
(v) Loans	5	24.92	60.73	57.00
(vi) Other financial assets	6	0.10	3.22	0.50
Other current assets	10	100.59	40.73	298.31
		1,998.52	**763.56**	**2,392.94**
Total Assets		**2,289.35**	**1,110.43**	**2,780.18**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	11	20.46	7.56	6.45
Instruments entirely equity in nature	12	-	4,540.28	2,007.02
Other equity	13	505.80	(7,236.91)	(2,921.11)
Total equity		**526.26**	**(2,689.07)**	**(907.64)**
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	14	8.16	178.21	333.33
(ii) Lease liabilities	4(a)	137.39	-	-
(iii) Other financial liabilities	15	13.85	146.08	-
Provisions	16	70.42	83.10	78.44
Total non-current liabilities		**229.82**	**407.39**	**411.77**

Balance Sheet as at 31st March 2020

(All amounts in lakhs of ₹ unless otherwise stated)

	Notes	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Current liabilities				
Financial liabilities			-	-
(i) Trade payables				
(a) total outstanding dues of micro enterprises and small enterprises				
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	25	189.45	261.49	335.11
(ii) Other financial liabilities	15	198.03	986.22	536.70
Other current liabilities	17	1,127.21	2,139.13	2,400.58
Provisions	16	18.58	5.27	3.66
Total current liabilities		**1,533.27**	**3,392.11**	**3,276.05**
Total Equity and Liabilities		**2,289.35**	**1,110.43**	**2,780.18**

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

This is the Balance Sheet referred to in our report of even date.

For **T Murty & Associates**
Chartered Accountants
Firm's Registration No.: 005524S

T.S.N. Murthy
Proprietor
Membership No.: 200617

Place: Hyderabad
Date: 20 April 2020

For and on behalf of the Board of Directors of
NowFloats Technologies Private Limited

Ronak Kumar Samantray
Director
DIN: 03567723

Anuj Panda
Director
DIN: 08634966

Kshitij Marwah
Director
DIN: 07028072

Place: Hyderabad
Date: 20 April 2020

Statement of Profit and Loss for the year ended 31 March 2020

(All amounts in lakhs of ₹ unless otherwise stated)

	Notes	For the year ended 31 March 2020	31 March 2019
Revenue from operations	18	2,229.46	2,810.99
Other income	19	239.88	453.74
Total revenues		**2,469.34**	**3,264.73**
Expenses			
Employee benefits expense	20	2,078.50	5,110.88
Finance costs	21	139.97	270.74
Depreciation and amortization expense	3 & 4 & 4(a)	116.78	77.17
Other expenses	22	1,291.10	2,163.66
Total expenses		**3,626.35**	**7,622.45**
Loss before tax		**(1,157.01)**	**(4,357.72)**
Other comprehensive income			
Items that will not be reclassified to profit or loss	23	38.74	32.93
Total other comprehensive income for the year, net of taxes		**38.74**	**32.93**
Total comprehensive loss for the year		**(1,118.27)**	**(4,324.79)**
Earnings/(loss) per equity share [EPES]			
Basic EPES (In absolute ₹ terms)	24	(635.20)	(2,682.44)
Diluted EPES (In absolute ₹ terms)		(635.20)	(2,682.44)

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

This is the Statement of Profit and Loss referred to in our report of even date.

For **T Murty & Associates**
Chartered Accountants
Firm's Registration No.: 005524S

T.S.N. Murthy
Proprietor
Membership No.: 200617

Place: Hyderabad
Date: 20 April 2020

For and on behalf of the Board of Directors of
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DIN: 07028072

Place: Hyderabad
Date: 20 April 2020

Cash Flow Statement for the year ended 31 March 2020

(All amounts in lakhs of ₹ unless otherwise stated)

		For the year ended	
		31 March 2020	**31 March 2019**
Cash flows from operating activities Loss before tax		**(1,157.01)**	**(4,357.72)**
Adjustments for: Depreciation and amortization expense		116.78	77.17
Interest income		(2.16)	(6.53)
Income from investments		(5.12)	(0.01)
Gain on remeasurment of financial asset		(24.30)	-
Provision for employee benefits		39.37	39.20
Provision for doubtful advances		6.16	93.55
Liabilities no longer required written back		(168.85)	419.82
Employee stock option compensation		(9.38)	0.70
Interest expenses		139.97	270.74
(Gain)/Loss on sale of assets		(0.24)	12.86
Assets written-off		12.98	51.74
Operating loss before working capital changes		**(1,051.80)**	**(3,398.48)**
Increase in trade receivables		(12.70)	(63.96)
Decrease in loans		64.13	15.62
Decrease/(increase) in other assets		(59.86)	268.51
Decrease in other liabilities		(1,336.38)	(550.12)
Decrease in trade payables		(72.04)	(73.61)
Cash used in operating activities		**(2,468.65)**	**(3,813.03)**
Income taxes (paid)/refund received		56.46	(23.30)
Net cash used in operating activities	**(A)**	**(2,412.19)**	**(3,836.33)**
Cash flows from investing activities Purchase of tangible and intangible assets		(2.78)	(41.39)
Proceeds from sale of fixed assets		1.68	8.93
(Investments in)/redemption of fixed deposits		125.00	(60.13)
Investments in mutual funds		(2,600.00)	-
Redemption of mutual funds		908.90	-
Income from investments		5.12	0.01
Interest received		3.82	3.81
Net cash flows generated from/(used in) investing activities	**(B)**	**(1,558.26)**	**(88.77)**
Cash flows from financing activities Proceeds from issue of equity shares and shares warrants, net of transaction cost		4,343.07	0.20
Proceeds from issue of compulsorily convertible debentures		-	2,538.80

Cash Flow Statement for the year ended 31 March 2020

(All amounts in lakhs of ₹ unless otherwise stated)

		For the year ended 31 March 2020	For the year ended 31 March 2019
Proceeds from other long term borrowings		-	517.20
Repayments of other long term borrowings		(669.75)	(335.91)
Principal repayment on lease liablities		(64.89)	-
Interest paid		(139.97)	(142.66)
Net cash flows generated from financing activities	**(C)**	**3,468.46**	**2,577.63**
Net decrease in cash and cash equivalents	**(A+B+C)**	**(501.99)**	**(1,347.47)**
Cash and cash equivalents at the beginning of the year		620.97	1,968.44
Cash and cash equivalents at the end of the year (note 1)		**118.98**	**620.97**

Note 1

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Cash and cash equivalents includes: (refer note 9)			
Balances with banks in current accounts	109.23	596.53	1,927.57
Balances with others	9.75	24.44	40.87
	118.98	**620.97**	**1,968.44**

This is the Cash Flow Statement referred to in our report of even date.

For **T Murty & Associates**
Chartered Accountants
Firm's Registration No.: 005524S

T.S.N. Murthy
Proprietor
Membership No.: 200617

Place: Hyderabad
Date: 20 April 2020

For and on behalf of the Board of Directors of
NowFloats Technologies Private Limited

Ronak Kumar Samantray
Director
DIN: 03567723

Anuj Panda
Director
DIN: 08634966

Kshitij Marwah
Director
DIN: 07028072

Place: Hyderabad
Date: 20 April 2020

Statement of Changes in Equity for the year ended 31 March 2020

(All amounts in lakhs of ₹ unless otherwise stated)

1. Equity Share Capital

	Equity Share Capital	
	Number	**Amount**
Balance as at 1 April 2018	**64,530**	**6.45**
Changes during the year	11,101	1.11
Balance as at 31 March 2019	**75,631**	**7.56**
Shares issued during the year	45,449	4.54
Shares issued on conversion of CCD's and CCPS	83,533	8.35
Balance as at 31 March 2020	**2,04,613**	**20.46**

2. Instruments entirely equity in nature

(a) Compulsorily Convertible Debentures (CCD's

	Number	**Amount**
(i) Series B1 Compulsorily Convertible Debentures (CCD's) of ₹ 100 each		
Balance as at 1 April 2018	**19,82,793**	**1,982.79**
Changes during the year	-	-
Balance as at 31 March 2019	**19,82,793**	**1,982.79**
Converted into Equity shares	(19,82,793)	(1,982.79)
Balance as at 31 March 2020	**-**	**-**
(ii) Series B2T1 CCD's of ₹ 100 each		
Balance as at 1 April 2018	**-**	**-**
Changes during the year	11,00,000	1,100
Balance as at 31 March 2019	**11,00,000**	**1,100**
Converted into Equity shares	(11,00,000)	(1,100)
Balance as at 31 March 2020	**-**	**-**
(iii) Series B2T2 CCD's of ₹ 100 each		
Balance as at 1 April 2018	**-**	**-**
Changes during the year	83,000	83
Balance as at 31 March 2019	**83,000**	**83**
Converted into Equity shares	(83,000)	(83)
Balance as at 31 March 2020	**-**	**-**
(iv) Series B2T3 CCD's of ₹ 100 each		
Balance as at 1 April 2018	**-**	**-**
Changes during the year	13,55,799	1,355.80
Balance as at 31 March 2019	**13,55,799**	**1,355.80**
Converted into Equity shares	(13,55,799)	(1,355.80)
Balance as at 31 March 2020	**-**	**-**

Statement of Changes in Equity for the year ended 31 March 2020

(All amounts in lakhs of ₹ unless otherwise stated)

(b) Compulsorily Convertible Preference Shares(CCP's

		Number	Amount
(i)	**Series A Preference shares of ₹ 10 each**		
	Balance as at 1 April 2018	**12,375**	**1.24**
	Changes during the year	-	-
	Balance as at 31 March 2019	**12,375**	**1.24**
	Converted into Equity shares	(12,375)	(1.24)
	Balance as at 31 March 2020	**-**	**-**
(ii)	**Series A1 Preference shares of ₹ 10 each**		
	Balance as at 1 April 2018	**18,131**	**1.81**
	Changes during the year	-	-
	Balance as at 31 March 2019	**18,131**	**1.81**
	Converted into Equity shares	(18,131)	(1.81)
	Balance as at 31 March 2020	**-**	**-**
(iii)	**Series A2 Preference shares of ₹ 10 each**		
	Balance as at 1 April 2018	**4,417**	**0.44**
	Changes during the year	-	-
	Balance as at 31 March 2019	**4,417**	**0.44**
	Converted into Equity shares	(4,417)	(0.44)
	Balance as at 31 March 2020	**-**	**-**
(iv)	**Series A3 Preference shares of ₹ 50 each**		
	Balance as at 1 April 2018	**499**	**0.25**
	Changes during the year	-	-
	Balance as at 31 March 2019	**499**	**0.25**
	Converted into Equity shares	(499)	(0.25)
	Balance as at 31 March 2020	**-**	**-**
(v)	**Series B Preference shares of ₹ 50 each**		
	Balance as at 1 April 2018	**40,972**	**20.49**
	Changes during the year	(11,080)	(5.54)
	Balance as at 31 March 2019	**29,892**	**14.95**
	Converted into Equity shares	(29,892)	(14.95)
	Balance as at 31 March 2020	**-**	**-**

Statement of Changes in Equity for the year ended 31 March 2020

(All amounts in lakhs of ₹ unless otherwise stated)

3. Other Equity

	Reserves and Surplus				Other Comprehensive Income - Actuarial gain	Total
	Securities premium	Employee stock options outstanding reserve	Money received against share warrants	Deficit in the Statement of Profit and Loss		
Balance as at 1 April 2018	**6,774.99**	**22.53**	**0.20**	**(9,751.36)**	**32.53**	**(2,921.11)**
Loss for the year	-	-	-	(4,357.72)	-	(4,357.72)
Actuarial gain on post-employment benefit obligations	-	-	-	-	32.93	32.93
Additions during the year	4.43	-	0.20	-	-	4.63
Employee compensation cost for the year	-	0.70	-	-	-	0.70
ESOPs allotted/adjusted during the year	-	-13.85	-	13.85	-	-
Other adjustments	-	-	-	3.66	-	3.66
Balance as at 31 March 2019	**6,779.42**	**9.38**	**0.40**	**(14,091.57)**	**65.47**	**(7,236.91)**
Loss for the year	-	-	-	(1,157.01)	-	(1,157.01)
Actuarial gain on post-employment benefit obligations	-	-	-	-	38.74	38.74
Additions during the year	9,285.44	-	-	-	-	9,285.44
ESOPs allotted/adjusted during the year	-	-9.38	-	-	-	(9.38)
Other adjustments	(415.08)	-	(0.40)	**0.40**	-	(415.08)
Balance as at 31 March 2020	**16,064.86**	**-**	**-**	**-15,248.18**	**104.21**	**505.80**

The accompanying notes form an integral part of these financial statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For **T Murty & Associates**
Chartered Accountants
Firm's Registration No.: 005524S

T.S.N. Murthy
Proprietor
Membership No.: 200617

Place: Hyderabad
Date: 20 April 2020

For and on behalf of the Board of Directors of
NowFloats Technologies Private Limited

Ronak Kumar Samantray
Director
DIN: 03567723

Anuj Panda
Director
DIN: 08634966

Kshitij Marwah
Director
DIN: 07028072

Place: Hyderabad
Date: 20 April 2020

Summary of significant accounting policies and other explanatory information

1. Corporate information:

NowFloats Technologies Private Limited is a private limited company domiciled in India and incorporated under the provisions of the Companies Act 1956 with its registered office situated at 5th Floor, B Block, SS Tech Park Gachibowli, Hyderabad -500032, India. The Company is engaged in the business of developing websites and updation of content information in those websites in order assist the customers in developing an online presence. The Company is a subsidiary of Reliance Strategic Business Venture Limited , which is a wholly owned subsidiary of Reliance industries Limited.

These Financial Statements were approved by the Board of Directors and authorised for issue on 20 April 2020.

2. Significant accounting policies:

a) Basis of preparation of financial statements:

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

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS- 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliation and description of the effect of the transition has been summarized in note 32.

For all periods up to and including 31 March 2019, the Company prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The financial statements for the year ended 31 March 2020 are the first time the Company has prepared in accordance with Ind AS. Refer to note 32 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following; financial instruments/financial assets measured at fair value or amortized cost; employee defined benefit assets/ liability recognized as the net total of the fair value of plan assets, and actuarial losses/gains, and the present value of defined benefit obligation.

b) Significant accounting estimates, assumptions and judgements:

The preparation of financial statements requires management to make accounting estimates, assumptions and judgements that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures of contingencies at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of assets or liabilities affected in future periods.

Estimates and assumptions:

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

i. Defined benefit plans:

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

ii. Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities on reporting date cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets.

Summary of significant accounting policies and other explanatory information

iii. Depreciation on property, plant and equipment:

Depreciation on property, plant and equipment is calculated on a straight-line basis/written down value based on the useful lives given in Schedule II to Companies Act, 2013. The management believes that useful lives currently considered fairly reflect its estimate of the useful lives and residual values of property, plant and equipment.

iv. Leases:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

v. Income taxes:

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

c) Current Vs non-current classifications:

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it satisfies the below mentioned criteria;

i. Expected to be realised or intended to be sold or consumed in normal operating cycle;

ii. Held primarily for the purpose of trading;

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

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

All other assets are classified as non-current assets.

A liability is classified as current when it satisfies the below mentioned criteria;

i. Expected to settle the liability in normal operating cycle;

ii. Held primarily for the purpose of trading;

iii. Due to be settled within twelve months after the reporting period, or

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

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

d) Property, plant and equipment:

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to put to use.

The Company adopted cost model as its accounting policy, in recognition of the property, plant and equipment and recognises transaction value as the cost.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant

Summary of significant accounting policies and other explanatory information

and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The improvements/modifications carried on the lease hold land/property are recognised as lease hold improvements and are written off over the primary lease period or the life of such improvement whichever is lower.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost of the assets after commissioning, less its residual value, over their useful lives as estimated by the management.

Depreciation is provided using the written down value method as per the useful lives of the fixed assets at the rates prescribed under Schedule II to the Companies Act, 2013. Depreciation on leasehold improvements is provided on straight-line basis over primary lease period or balance leasehold life, whichever is lower.

e) Intangible assets:

Software licenses

Intangible assets in the nature of software licenses are measured on initial recognition at cost including expenditure incurred towards implementation of such software. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. 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 or Loss when the asset is derecognised.

Amortization of intangible assets

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed three to five years from the date when the asset is available for use.

Research and development cost

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and use or sell the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised on straight-line basis over the period of expected future benefit from the related project viz. the estimated useful life of five years. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets relating to products in development and other intangible assets not available for use is tested for impairment annually.

f) Impairment of non-financial assets:

i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

ii. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset are no longer existing or have decreased.

Summary of significant accounting policies and other explanatory information

g) **Leases:**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of- use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the Company. Generally, the Company uses its incremental borrowing rate as the discount rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss. The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The Company has adopted Ind AS 116, effective annual reporting period beginning from 1 April 2019.

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognizes right of use assets and lease liabilities for most leases i.e. these leases are on balance sheet. On transition, the Company has applied following practical expedients:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with similar end date.

Summary of significant accounting policies and other explanatory information

- Applied the expemption not to recognise right-of-use-assets and liabilities for leases with less than 12 months of lease term on the date of transition and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
- Excluded the initial direct costs from the measurement of the right-of -use-asset at the date of transition. The Company has also applied recognition exemptions of short-term leases to all categories of underlying assets. On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. Lease liability are measured with a corresponding adjustment to the related right-of-use asset. Accordingly, a right-of-use asset of ₹ 200.14 lakhs and a corresponding lease liability of ₹ 209.97 lakhs has been recognised. The principle portion of the lease payments have been disclosed under cash flows from financing activities. Applicable incremental borrowing rates have been applied to lease liabilities recognised in the balance sheet at the date of initial application. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability. The difference between the future minimum lease rental commitments towards non- cancellable operating leases reported as at 31 March 2019 compared to the lease liability as accounted as at 1 April 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction on account of discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedients as per the standard.

h) Revenue recognition:

Revenue comprises of rendering of services. Revenue is measured at the fair value of consideration received or receivable and is recognized to the extent that it is probable that the economic benefits will flow to the Company.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

i. the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or

ii. the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

iii. the Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue in excess of invoicing are classified as contract asset while collections in excess of revenues are classified as unearned revenue.

Further, at the time of revenue recognition, the entity also determines whether there are any material unsatisfied performance obligations and determines the portion of the aggregate consideration, if any, that needs to be allocated and deferred.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts with an original expected duration of one year or less and in respect of contracts where the revenue recognised corresponds directly with the value to the customer of the Company's performance completed to date.

Specifically, the following basis is adopted for various sources of income:

Technology subscription fees

Revenue from technology subscription fees is being recognized based on usage of the services.

Summary of significant accounting policies and other explanatory information

Sponsorship fees

Income from sponsorship services is recognized as and when the terms and conditions of the agreement with the sponsors are complied.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rates applicable.

Income from mutual funds

Profit on the sale of investments is computed on the basis of weighted average cost of investments and recognized at the time of actual sale/redemption.

i) Foreign currency transactions:

i. **Functional and reporting Currency:** The Company's functional and reporting currency is Indian Rupee.

ii. **Initial recognition:** Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amounts the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

iii. **Conversion on reporting date:** Foreign currency monetary items are reported using the closing rate. Non- monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

iv. **Exchange differences:** Exchange difference arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year or reported in previous financial statements are recognised as income or as expenses in the year in which they arise.

j) Retirement and other employee benefits:

i. Employer's contribution to provident fund/employee state insurance which is in the nature of defined contribution scheme is expensed off when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

ii. Gratuity liability is in the nature of defined benefit obligation. Such liability is provided based on independent actuarial valuation on projected unit credit method made at the end of each financial year as per the requirements of Ind AS 19 "Employee Benefits".

iii. Actuarial gain/(loss) in the valuation are recognised as other comprehensive income for the period.

iv. Compensated absences are provided for based on estimates of independent actuarial valuation on projected unit credit method made at the end of each financial year as per the requirements of Ind AS 19 "Employee Benefits".

k) Earnings per equity share:

Basic earnings per share are calculated by dividing the loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares shall include the equity shares that would be issued on conversion of instruments entirely equity in nature.

For the purpose of calculating diluted earnings per share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

l) Provisions:

Provisions are recognised when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when 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. Provisions are not recognised for future operating losses.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provisions.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable

Summary of significant accounting policies and other explanatory information

that an outflow of economic resources will be required to settle the obligation, the provisions are reversed. Where the effect of the time of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognised as a finance cost.

m) Contingencies:

Where it is not probable that an inflow or an outflow of economic resources will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the statements of balance sheet and is disclosed as a contingent asset or contingent liability. Possible outcomes on obligations/rights, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities.

n) Taxes on income:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current tax includes taxes to be paid on the profit earned during the year and for the prior periods.

Deferred income taxes are provided based on the balance sheet approach considering the temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

o) Cash and cash equivalents:

Cash and cash equivalents consist of cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For this purpose, “short-term” means investments having maturity of three months or less from the date of investment.

p) Employee stock option scheme

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions: The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company’s best estimate of the number of equity instruments that will ultimately vest. The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company’s best estimate of the number of equity instruments that will ultimately vest.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The dilutive effect of outstanding

Summary of significant accounting policies and other explanatory information

options is reflected as additional share dilution in the computation of diluted earnings per share.

q) Fair value measurement:

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for such asset or liability, or in the absence of a principal market, in the most advantageous market which is accessible to the Company.

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

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

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

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

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

b. Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurements is directly or indirectly observable.

c. Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

r) Financial instruments:

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

Financial assets:

a) Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL) transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in Statement of Profit or Loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement:

For subsequent measurement, financial assets are classified into following categories:

a. Debt instruments

b. Equity instruments

a. Debt Instruments:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance

Summary of significant accounting policies and other explanatory information

income in the Statement of Profit or Loss. The losses arising from impairment are recognised in the Statement of Profit or Loss.

b. Equity instruments:

Equity instruments/Mutual funds in the scope of Ind AS 109 are measured at fair value. The classification is made on initial recognition and is irrevocable. Subsequent changes in the fair values at each reporting date are recognised in the Statement of Profit and Loss.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity investments which are held for trading are classified as FVTPL. For all other equity investments, the Company may make an irrevocable election to present in OCI subsequent changes in fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain/loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c) De-recognition:

A financial asset or where applicable, a part of a financial asset is primarily derecognised when:

i. The rights to receive cash flows from the asset have expired, or

ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement.

Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the debt instruments, that are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.

Summary of significant accounting policies and other explanatory information

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Expected credit loss allowance or reversal recognised during the period is recognised as income or expense, as the case may be, in the Statement of Profit and Loss. In case of balance sheet, it is shown as reduction from the specific financial asset.

Financial liabilities:

a) Initial recognition and measurement:

At initial recognition, all financial liabilities are recognised at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement:

i. Financial liabilities at FVTPL:

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Gain or losses on liabilities held for trading are recognised in the profit or loss.

The Company has not designated any financial liability at FVTPL.

ii. Financial liabilities at amortised cost:

Amortised cost, in case of financial liabilities with maturity more than one year, is calculated by discounting the future cash flows with effective interest rate. The effective interest rate amortisation is included as finance costs in the Statement of Profit and Loss.

Financial liability with maturity of less than one year is shown at transaction value.

c) De-recognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Summary of significant accounting policies and other explanatory information

(All amounts in lakhs of ₹ unless otherwise stated)

3. Property, plant and equipment

Particulars	**Computers**	**Office equipment**	**Furniture and fixtures**	**Leasehold improvements**	**Vehicles**	**Total**
Gross block						
As at 1 April 2018	18.22	36.52	15.13	41.12	-	110.99
Additions during the year	4.11	5.26	11.04	-	20.97	41.39
Deletions during the year	-	-	7.71	-	-	7.71
Adjustments*	-	-	-	18.00	-	18.00
As at 31 March 2019	**22.33**	**41.78**	**18.46**	**23.12**	**20.97**	**126.67**
Additions during the year	1.41	1.37	-	-	-	**2.78**
Deletions during the year	-	8.93	-	-	-	**8.93**
Adjustments*	-	-	18.46	-	-	**18.46**
As at 31 March 2020	**23.74**	**34.22**	**-0.00**	**23.12**	**20.97**	**102.06**
Accumulated depreciation Up to 1 April 2018	-	-	-	-	-	-
Charge for the year	12.77	18.41	4.85	23.12	6.53	65.68
Adjustments	-	-	3.92	-	-	3.92
Up to 31 March 2019	**12.77**	**18.41**	**0.93**	**23.12**	**6.53**	**61.76**
Charge for the year	4.65	10.73	4.55	-	4.52	**24.45**
Adjustments	-	7.49	5.48	-	-	**12.97**
Up to 31 March 2020	**17.42**	**21.65**	**-**	**23.12**	**11.05**	**73.24**
Net block						
As at 31 March 2020	6.32	12.57	-	-	9.92	28.82
As at 31 March 2019	9.56	23.37	17.53	-	14.44	64.91
As at 1 April 2018 (Deemed cost)	18.22	36.52	15.13	41.12	-	110.99

* Represents the value of the assets retired from active use.

3. Intangible asset

Particulars	**Computer software**	**Product development cost**	**Patents**	**Total**
Gross block				
As at 1 April 2018	**15.75**	**14.24**	**3.16**	**33.15**
Additions during the year	-	-	-	-
As at 31 March 2019	**15.75**	**14.24**	**3.16**	**33.15**
Additions during the year	-	-	-	-
As at 31 March 2020	**15.75**	**14.24**	**3.16**	**33.15**
Accumulated amortization				
Up to 1 April 2018	-	-	-	-
Charge for the year	7.00	4.00	0.49	11.49
Up to 31 March 2019	**7.00**	**4.00**	**0.49**	**11.49**

Summary of significant accounting policies and other explanatory information

(All amounts in lakhs of ₹ unless otherwise stated)

Particulars	Computer software	Product development cost	Patents	Total
Charge for the year	7.00	4.00	0.49	**11.49**
Up to 31 March 2020	**14.00**	**8.00**	**0.98**	**22.98**
Net block				
As at 31 March 2020	**1.75**	**6.24**	**2.18**	**10.17**
As at 31 March 2019	8.75	10.24	2.67	21.66
As at 31 March 2018 (Deemed cost)	15.75	14.24	3.16	33.15

4(a). Right-of-use asset

	Bulidings	Total
Gross block		
As at 1 April 2019		
Impact of adoption of Ind AS 116	14.27	**14.27**
Additions during the period	266.72	**266.72**
As at 31 March 2020	**280.98**	**280.98**
Accumulated amortization		
Up to 1 April 2019	**-**	**-**
For the period	80.84	80.84
Up to 31 March 2020	**80.84**	**80.84**
Net block		
As at 31 March 2020	**200.14**	**200.14**

The aggregate depreciation expense on Right-of-use assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 10.4%

The following is the break-up of current and non-current lease liabilities as at 31 March 2020

	As at 31 March 2020
Current lease liabilities	72.58
Non-current lease liabilities	137.39
Total	**209.97**

The following is the movement in lease liabilities during the year ended 31 March 2020:

	As at 31 March 2020
Balance as at 1 April 2019	274.86
Payment of lease liabilities	(64.89)
Total	**209.97**

Summary of significant accounting policies and other explanatory information

(All amounts in lakhs of ₹ unless otherwise stated)

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2020 on an undiscounted basis:

	As at 31 March 2020
Less than one year	91.12
One to five years	149.69
Total	**240.81**

Rental expense recorded for short-term leases was ₹ 182.91 lakhs for the year ended 31 March 2020.

5. Loans

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Non-Current			
(Unsecured, considered good)			
Rental deposits	16.02	55.16	122.52
	16.02	**55.16**	**122.52**
Current			
(Unsecured, considered good)			
Rental deposits	7.60	46.04	49.72
Loans to Employees	17.12	14.69	1.48
Loans to related parties	-	-	1.86
Loans to others	0.20	-	3.95
	24.92	**60.73**	**57.00**
Unsecured, considered doubtful	57.83	51.67	-
Less: Provision for doubtful advances	(57.83)	(51.67)	-
Loans which have significant increase in credit risk	-	-	-
Loans - credit impaired	-	-	-
	24.92	**60.73**	**57.00**

6. Other financial assets

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
(Unsecured, considered good)			
Non-current			
Fixed deposits*	-	113.00	-
-	**-**	**113.00**	**-**
Current			
Interest accrued on fixed deposits**	0.10	3.22	0.50
	0.10	**3.22**	**0.50**

*Deposits of Nil (31 March 2019: ₹ 113 lakhs, 1 April 2018: Nil) is under lien for obtaining borrowings from other parties.

** Financial assets carried at amortized cost

Summary of significant accounting policies and other explanatory information

(All amounts in lakhs of ₹ unless otherwise stated)

7. Investments

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Quoted			
Investments designated at FVTPL - Others Investments in mutual funds			
Nil Units (31 March 2019: 25.93, 1 April 2018: 25.93) units of ICICI Prudential Mutual Fund - growth plan	-	0.07	0.07
135,079 Units (31 March 2019: Nil Units, 1 April 2018: Nil Units) ICICI Prudential Liquid Fund - Dividend Plan Growth Fund	396.61	-	-
290,861 Units (31 March 2019: Nil Units, 1 April 2018: Nil Units) ICICI Prudential Money Market Fund - Dividend Plan Growth Fund	811.83	-	-
12,627 Units (31 March 2019: Nil Units, 1 April 2018: Nil Units) Kotak Liquid Fund - Dividend Plan Growth fund	506.96	-	-
	1,715.40	**0.07**	**0.07**
Aggregate value of quoted investments	1,715.40	0.07	0.07
Aggregate amount of unquoted investments	-	-	-
Aggregate amount of impairment in value of investments	-	-	-

8. Trade receivables

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Unsecured, considered good			
From others	35.53	22.82	0.75
Unsecured, considered doubtful	-	41.88	-
Less: Provision for doubtful receivables	-	(41.88)	-
Trade Receivables which have significant increase in credit risk	-	-	-
Trade Receivables - credit impaired	-	-	-
	35.53	**22.83**	**0.75**

Trade receivables

(i) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

(ii) Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.

Summary of significant accounting policies and other explanatory information

(All amounts in lakhs of ₹ unless otherwise stated)

9. Cash and bank balances

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Cash and cash equivalents			
Balances with banks in current accounts*	109.23	596.53	1,927.57
Balances with others	9.75	24.44	40.87
	118.98	**620.98**	**1,968.44**
Other bank balances			
Fixed deposits with original maturity of more than three months but less than twelve months	3.00	15.00	67.87
	3.00	**15.00**	**67.87**

*There are no repatriation restrictions with regard to cash and cash equivalents.

10. Other current assets

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Unsecured, considered good			
Prepaid expenses	16.29	29.80	298.31
Balances with government authorities	81.40	-	-
Other receivables	2.90	10.93	-
	100.59	**40.73**	**298.31**

11. Equity share capital

Particulars	**As at 31 March 2020**		**As at 31 March 2019**		**As at 1 April 2018**	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Authorized share capital	2,15,844	21.58	1,90,845	19.08	1,90,845	19.08
Equity shares of ₹ 10 each						
Preference shares of ₹ 10 each	51,301	5.13	51,301	5.13	51,301	5.13
Preference shares of ₹ 50 each	41,571	20.79	41,571	20.79	41,571	20.79
	3,08,716	**47.50**	**2,83,717**	**45.00**	**2,83,717**	**45.00**
Issued, subscribed and fully paid-up share capital	2,04,613	20.46	75,631	7.56	64,530	6.45
Equity shares of ₹ 10 each						
Total issued, subscribed and fully paid-up share capital	**2,04,613**	**20.46**	**75,631**	**7.56**	**64,530**	**6.45**
Instruments entirely equity in nature						
Series A Preference shares of ₹ 10 each	-	-	12,375	1.24	12,375	1.24
Series A1 Preference shares of ₹ 10 each	-	-	18,131	1.81	18,131	1.81
Series A2 Preference shares of ₹ 10 each	-	-	4,417	0.44	4,417	0.44
Series A3 Preference shares of ₹ 50 each	-	-	499	0.25	499	0.25
Series B Preference shares of ₹ 50 each	-	-	29,892	14.95	40,972	20.49

Summary of significant accounting policies and other explanatory information

(All amounts in lakhs of ₹ unless otherwise stated)

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number	Amount	Number	Amount	Number	Amount
Series B1 Compulsorily Convertible Debentures (CCD's)	-	-				
of ₹ 100 each			19,82,793	1,982.79	19,82,793	1,982.79
Series B2T1 CCD's of ₹ 100 each	-	-	11,00,000	1,100.00	-	-
Series B2T2 CCD's of ₹ 100 each	-	-	83,000	83.00	-	-
Series B2T3 CCD's of ₹ 100 each	-	-	13,55,799	1,355.80	-	-
Total issued, subscribed and fully paid-up share capital	**-**	**-**	**45,86,906**	**4,540.28**	**20,59,187**	**2,007.02**

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number	Amount	Number	Amount	Number	Amount
Equity shares						
Balance at the beginning of the year	75,631	7.56	64,530	6.45	64,530	6.45
Add: Shares issued during the year	45,449	4.54	21	0.00	-	-
Add: Shares issued on conversion of CCD's and CCPS	83,533	8.35	-	-	-	-
Add: Shares issued pursuant to conversion of series B Compulsory convertible preference shares ("CCPS")	-	-	11,080	1.11	-	-
Balance at the end of the year	**2,04,613**	**20.46**	**75,631**	**7.56**	**64,530**	**6.45**

(b) Details of shares held by holding company and its subsidiaries

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number	Amount	Number	Amount	Number	Amount
Equity shares of ₹ 10 each						
Reliance Strategic Business Ventures Limited	1,80,735	88.33%	-	-	-	-

(c) Terms and 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. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing general meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion to their shareholding.

Summary of significant accounting policies and other explanatory information

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

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number	% holding	Number	% holding	Number	% holding
Equity shares:						
Jasminder Singh	5,969	2.92%	16,000	21.16%	16,000	24.79%
Ronak Kumar Samantray	5,969	2.92%	17,000	22.48%	17,000	26.34%
Nitin Jain	5,969	2.92%	16,000	21.16%	16,000	24.79%
Neeraj Sabharwal	5,969	2.92%	12,388	16.38%	12,388	19.19%
Iron Pillar Fund I Ltd	-	-	11,080	14.65%	-	-
Reliance Strategic Business Ventures Limited	1,80,735	88.33%	-	-	-	-

(e) **Details of shares reserved for issue under options**

Pursuant to special resolution passed by the members of the Company during their meeting held on 13 March 2015, the Board of Directors of the Company instituted an Employee Stock Option Plan 'ESOP-2015' with a pool of 6,758 stock options. The said stock options would be granted to the eligible employees, duly identified by the Compensation Committee of the Board of Directors, in various tranches. Each option comprises of one underlying equity share of ₹ 10 each. The options so granted are subject to progressive vesting over a term of three years, duly determined on an individual employee basis.

The Company has accounted for employee deferred compensation expense using intrinsic value method for options granted at a price lower than the market values, as estimated by the independent valuer.

Changes in number of shares representing stock options outstanding as at 31 March 2020 were as follows:

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number of options	Exercise price ₹	Number of options	Exercise price ₹	Number of options	Exercise price ₹
Outstanding, beginning of the year	163	10	222	10	376	10
Granted during the year	-	-	-	-	-	10
Forfeited during the year	163	10	38	10	154	10
Exercised during the year	-	-	21	-	-	-
Outstanding, end of the year	-	-	163	10	222	10
Exercisable at the end of the year	-	-	137	10	108	10

Options outstanding at 31 March 2020 have been forfeited during the year. Subsequently, the said plan, 'ESOP-2015' has been terminated by the Company.

The fair value of options was estimated at the date of grant using the Black & Scholes-Merton method with the following assumptions:

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Risk free interest rate	6.65% to 8.00%	6.65% to 8.00%	6.65% to 8.00%
Remaining contractual life	Nil	4.41	1.69
Expected life (years)	Nil	1-3 years	1-3 years
Expected volatility	0.00%	0.00%	0.00%
Expected dividend yield	0.00%	0.00%	0.00%

Summary of significant accounting policies and other explanatory information

(f) Money received against share warrants

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Share warrants	-	0.40	0.20
	-	**0.40**	**0.20**

Pursuant to the terms of a lending agreement, the Company has allotted Nil warrants (31 March 2019: 4,000, 1 April 2018: 2,000) of ₹ 10 each aggregating to ₹ Nil (31 March 2019: 0.4 lakhs, 1 April 2018: 0.2 lakhs) to BlackSoil Capital Private Limited (Warrant Holder), thereby giving an option to the warrant holder to subscribe for such number of equity securities of the Company at a future date, duly determined then. Further, these warrants have been forfeited during the year

12 Instruments entirely equity in nature

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number	Amount	Number	Amount	Number	Amount
(a) Compulsorily Convertible Debentures (CCD's)						
i) Series B1 CCD's of ₹ 100 each						
Balance at the beginning of the year	19,82,793	1,982.79	19,82,793	1,982.79	19,82,793	1,983
Add: Issued during the year	-	-	-	-	-	-
Less: Converted to equity shares	-19,82,793	(1,982.79)	-	-	-	-
Balance at the end of the year	**-**	**-**	**19,82,793**	**1,982.79**	**19,82,793**	**1,982.79**
(ii) Series B2T1 CCD's of ₹ 100 each						
Balance at the beginning of the year	11,00,000	1,100.00	-	-	-	-
Add: Issued during the year	-	-	11,00,000	1,100	-	-
Less: Converted to equity shares	-11,00,000	(1,100.00)	-	-	-	-
Balance at the end of the year	**-**	**-**	**11,00,000**	**1,100.00**	**-**	**-**
(ii) Series B2T2 CCD's of ₹ 100 each						
Balance at the beginning of the year	83,000	83.00	-	-	-	-
Add: Issued during the year	-	-	83,000	83.00	-	-
Less: Converted to equity shares	-83,000	(83.00)	-	-	-	-
Balance at the end of the year	**-**	**-**	**83,000**	**83.00**	**-**	**-**
(ii) Series B2T3 CCD's of ₹ 100 each						
Balance at the beginning of the year	13,55,799	1,355.80	-	-	-	-
Add: Issued during the year	-	-	13,55,799	1,355.80	-	-
Less: Converted to equity shares	-13,55,799	(1,355.80)	-	-	-	-
Balance at the end of the year	**-**	**-**	**13,55,799**	**1,355.80**	**-**	**-**
Total CCD's	**-**	**-**	**45,21,592**	**4,521.59**	**19,82,793**	**1,982.79**

Summary of significant accounting policies and other explanatory information

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number	Amount	Number	Amount	Number	Amount
(i) Series A Preference shares of ₹ 10 each						
Balance at the beginning and end of the year	12,375	1.24	12,375	1.24	12,375	1.24
Less: Conversion into Equity shares	-12,375	(1.24)	-	-	-	-
Balance at the end of the year	**-**	**-**	**12,375**	**1.24**	**12,375**	**1.24**
(ii) Series A1 Preference shares of ₹ 10 each						
Balance at the beginning and end of the year	18,131	1.81	18,131	1.81	18,131	1.81
Less: Conversion into Equity shares	-18,131	(1.81)	-	-	-	-
Balance at the end of the year	**-**	**-**	**18,131**	**1.81**	**18,131**	**1.81**
(iii) Series A2 Preference shares of ₹ 10 each						
Balance at the beginning and end of the year	4,417	0.44	4,417	0.44	4,417	0.44
Less: Conversion into Equity shares	-4,417	(0.44)	-	-	-	-
Balance at the end of the year	**-**	**-**	**4,417**	**0.44**	**4,417**	**0.44**
(iv) Series A3 Preference shares of ₹ 50 each						
Balance at the beginning and end of the year	499	0.25	499	0.25	499	0.25
Less: Conversion into Equity shares	-499	(0.25)	-	-	-	-
Balance at the end of the year	**-**	**-**	**499**	**0.25**	**499**	**0.25**
(v) Series B Preference shares of ₹ 50 each						
Balance at the beginning of the year	29,892	14.95	40,972	20.49	40,972	20.49
Less: Conversion into Equity shares	-29,892	(14.95)	-	-	-	-
Less: Series B CCPS converted into Equity Shares	-	-	(11,080)	(5.54)	-	-
Balance at the end of the year	**-**	**-**	**29,892**	**14.95**	**40,972.00**	**20.49**
Total CCP's	**-**	**-**	**65,314**	**18.69**	**76,394**	**24.23**
Total	**-**	**-**	**45,86,906**	**4,540.28**	**20,59,187**	**2,007.02**

(ii) Details of shares held by shareholders holding more than 5% of the aggregate shares

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number	% holding	Number	% holding	Number	% holding
(i) Series B1 Compulsorily Convertible Debentures (CCD's) of ₹ 100 each						
OBOR Capital PCC- Cell- B	-	-	9,65,646	48.70%	9,65,646	48.70%
Iron Pillar Fund - I Ltd	-	-	3,21,882	16.23%	3,21,882	16.23%
Iron Pillar Fund - I Ltd	-	-	3,21,882	16.23%	3,21,882	16.23%
IIFL Seed Venture Fund I	-	-	1,48,066	7.47%	1,48,066	7.47%
ON Mauritius	-	-	2,25,317	11.36%	2,25,317	11.36%
(ii) Series B2T1 CCD's of ₹ 100 each						
IIFL Seed Venture Fund I, Business	-	-	1,60,000	14.55%	-	-
Iron Pillar Fund I Ltd	-	-	1,80,460	16.41%	-	-

Summary of significant accounting policies and other explanatory information

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number	% holding	Number	% holding	Number	% holding
Iron Pillar India Fund I	-	-	5,19,540	47.23%	-	-
ON MAURITIUS	-	-	2,40,000	21.82%	-	-
(iii) Series B2T2 CCD's of ₹ 100 each						
Ramesh Shah, Business	-	-	5,000	6.02%	-	-
Anju Anil Chokhani	-	-	15,000	18.07%	-	-
Dewang neralla	-	-	5,000	6.02%	-	-
Asiatic Oxygen Ltd	-	-	10,000	12.05%	-	-
Motivated Minds LLP, Business	-	-	15,000	18.07%	-	-
Anil Joshi, Business	-	-	5,000	6.02%	-	-
Artha Energy ProjectsPrivate Limited, Business	-	-	15,000	18.07%	-	-
Texport Industries PrivateLimited	-	-	10,000	12.05%	-	-
(iv) Series B2T3 CCD's of ₹ 100 each						
Iron Pillar India Fund I , Business	-	-	3,50,230	25.83%	-	-
ON Mauritius	-	-	3,00,000	22.13%	-	-
Iron Pillar Fund I Ltd	-	-	6,49,769	47.93%	-	-
(v) Series A Preference shares:						
Vikas Tenaja	-	-	1,805	14.59%	1,805	14.59%
Multi Seed Capital Fund	-	-	3,500	28.28%	3,500	28.28%
Arumugan Suravanam	-	-	1,050	8.48%	1,050	8.48%
Asiatic Oxygen Limited	-	-	700	5.66%	700	5.66%
(vi) Series A1 Preference shares: Faktory Ventures Limited	-	-	1,493	8.23%	1,493	8.23%
ON Mauritius	-	-	9,011	49.70%	9,011	49.70%
Multi Seed Capital Fund	-	-	1,503	8.29%	1,503	8.28%
Blume Venture Fund	-	-	1,493	8.23%	1,493	8.23%
(vii) Series A2 Preference shares:						
IL & FS Trust Company Limited Venture Fund ION Mauritius - Trustee Blume	-	-	2673 ,308	6.04% 74.89%	267 3,308	6.04% 74.89%
IL & FS Trust Company Limited Trustee Blume Venture Fund IA	-	-	842	19.06%	842	19.06%
(viii) Series A3 Preference shares: Faktory Ventures Limited	-	-	499	100.00%	499	100.00%
(ix) Series B Preference shares:ON Mauritius	-	-	3,563	11.92%	3,563	8.70%
IIFL Seed Ventures Fund I	-	-	10,179	34.05%	10,179	24.84%
Iron Pillar Fund I Ltd	-	-	4,925	16.48%	4,925	12.02%
Iron Pillar India Fund I	-	-	9,444	31.59%	20,524	50.09%

Summary of significant accounting policies and other explanatory information

(iii) Terms and rights attached to Series A, Series A1, Series A3 and Series B Preference shares

The Company has allotted compulsory convertible cumulative fully paid-up Series A, Series A1 Preference shares of ₹ 10 each, Series A3 and Series B Preference shares of ¹ 50 each. Each Series A, Series A1, Series A3 and Series B preference shares shall carry voting rights on an as-if converted basis.

Non-cumulative dividend to be distributed to each holder of Series A, Series A1, Series A3 and Series B preference shares, shall be higher of :

a) 0.001% of the nominal value of the total number of preference shares held by the investor in preference to all other equity shareholders of the Company;

b) Dividend calculated on the profits decided by the Board to be declared as distributed profits for dividend distribution, prorata, along with the holders of equity shares of the Company as if preference shares had been converted at the applicable conversion ratio on the date of declaration of such dividend by the board.

The Series A, Series A1, Series A3 and Series B preference shares shall be converted into equity shares at the option of holder thereof. Initially, each Series A, Series A1, Series A3 and Series B preference share shall be convertible into 1 equity share, provided that the Series A, Series A1, Series A3 and Series B conversion ratio shall be adjusted for issuance of bonus shares or stock splits, stock consolidations, and the like as provided under the shareholders and share subscription agreement such that the investors' shareholding does not get diluted in any manner and to ensure that the investors continue to hold their respective percentage of the total share capital of the Company calculated on a fully diluted basis. The conversion ratio shall not be adjusted upon issuance or proposed issuance of any shares pursuant to an Employee Stock Option Plan exceeding 10 percent of the share capital of the Company.

The Series A, Series A1, Series A3 and Series B preference shares shall be convertible into equity shares at the option of the holders of such series preference shares and in any event the Series A, Series A1, Series A3 and Series B preference shares shall be compulsorily convertible into Series A, Series A1, Series A3 and Series B equity shares at the applicable conversion ratio without additional payment for such conversion, at a later date of the expiry of 20 years period from the date of subscription of such series preference shares or at any time of an Initial Public Offering ('IPO') or a strategic sale or any other exit event as contemplated under shareholders and share subscription agreement.

All the above CCPS have been converted into equity shares during the year.

Liquidation rights of Series A1 Preference shares

Subject to the payment of liquidation proceeds to the investors up to 100% of the amount invested by Series A2 preference shares, upon the occurrence of a liquidation event, the holders of Series A1 preference shares shall have the right to receive in preference to the existing investors and Blume Venture Fund ('BVF'), an amount equal to the greater of: i) 100% of the amount invested in the Company by them towards the issuance of series A1 preference shares, plus any dividends or distributions declared but not paid, plus participation in prorata basis in the amounts payable to all shareholders which shall not exceed 300% of the said amount invested in the Company by the holders of Series A1 preference shares towards the issuance of said Preference Shares or ii) the amount that would have received in the event the Series A1 preference shares held by them had converted into equity shares (plus any dividends or distributions declared but not paid) immediately prior to such liquidation event.

Liquidation rights of existing investors and Blume Venture Fund ('BVF')

Pursuant to payment of liquidation proceeds to the investors and the holders of Series A1 preference shares up to 100% of the amount invested in the Company by the investors and holders of Series A1 and A2 preference shares towards the issuance of Series A2 preference shares and Series A1 preference shares as provided in Clause 11 (a) and (b) above, the existing investors and BVF shall have the right to receive an amount equivalent to the aggregate of declared preference dividend, if any, for the year to be calculated up to and including the date on which such amount is payable and the higher of the following:

(i) An amount equivalent to 150% (one hundred fifty percent) of the amounts invested by the existing investors and BVF in subscribing to such preference shares of the Company adjusted for any stock splits, stock dividend, recapitalisation and the like of the existing investors shares and shares held by BVF; or

(ii) the prorata share of the proceeds from the liquidation event as if the preference shares held by the existing investors and BVF has been converted at the applicable conversion ratio immediately prior to such distribution.

Summary of significant accounting policies and other explanatory information

12 (iii) Instruments entirely equity in nature (Continued)

Terms and rights attached to Series A2 Preference shares

The Company has allotted compulsory convertible cumulative fully paid-up Series A2 preference shares of ₹ 10 each. Each preference share shall carry voting rights on an as-if converted basis.

Non-cumulative dividend to be distributed to each holder of Series A2 preference shares shall be higher of:

a) 0.001% of the nominal value of the total number of preference shares held by the investor in preference to all other equity shareholders of the Company.

b) Dividend calculated on the profits decided by the Board to be declared as distributed profits for dividend distribution, pro rata, along with the holders of equity shares of the Company as if preference shares had been converted at the applicable conversion ratio on the date of declaration of such dividend by the board.

In the event of liquidation of the Company, the holders of Series A2 preference shares shall have priority over all other shareholders, with respect to Series A2 preference shares, to the extent of 100% of the amount invested in the Company by the investors towards the subscription of Series A2 preference shares along with dividends or distribution declared but not paid.

The Series A2 preference shares shall be convertible into equity shares as contemplated under shareholding and share subscription agreement.

In addition to the above, the series A2 preference shares will be compulsorily converted into equity shares on occurrence of any of the following events

i) Closing of a firmly underwritten public offering on a recognised stock exchange with pre-money valuation and gross proceeds to the Company that are acceptable to the holders of Series A2 Preference shares or

ii) the occurrence of liquidation event.

Details of terms in respect of Compulsorily Convertible Debentures (CCD's):

The Company issued 1,982,793 (31 March 2019: 1,982,793, 1 April 2018: 1,982,793) Compulsorily Convertible Debentures of ₹ 100 each to IIFL Seed Ventures Fund I, ON Mauritius, Iron Pillar Fund I Ltd and Obor Capital PCC - Cell B (collectively referred to as "the Subscribers") pursuant to a Debenture Subscription Agreement ('DSA') dated 29 January 2018. The CCD's carry a non-cumulative coupon rate of 0.001% per annum which is payable at the time of conversion of the CCD's in a manner as decided by the Board of Directors. The CCD's are convertible at the earliest of 'Next Qualified Financing' or occurrence of Liquidation events or on completion of 1 year from the closing date as defined under the DSA, in accordance with the valuation methodology duly prescribed in the DSA. The Subscribers are entitled for voting rights on an as-if converted basis, to be ascertained in accordance with the methodology duly mentioned in the DSA.

Further, during the year ended 31 March 2019, the Company has issued 2,538,799 (31 March 2018: Nil) Compulsorily Convertible Debentures of

₹ 100 each to consortium investors pursuant to a Debenture Subscription Agreement ('DSA') dated 26 September 2018, 27 November 2018, 11 January 2019 and 29 January 2019. The CCD's carry a non-cumulative coupon rate of 18% per annum which is payable at the time of conversion of the CCD's in a manner as decided by the Board of Directors. The CCD's are convertible at the earliest of 'Next Qualified Financing' or occurrence of Liquidation events or on completion of 18 months from the closing date as defined under the DSA, in accordance with the valuation methodology duly prescribed in the DSA. The Subscribers are entitled for voting rights on an as-if converted basis, to be ascertained in accordance with the methodology duly mentioned in the DSA.

All the above CCD's have been converted into equity shares during the year in accordance with each of the DSAs

Summary of significant accounting policies and other explanatory information

13. Other Equity

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Securities premium			
Balance at the beginning of the year	6,779.42	**6,774.99**	**6,774.99**
Add: Additions during the year	9,285.44	4.43	-
Less: Transcation cost on issue of shares	(415.08)	-	-
Balance at the end of the year	**15,649.78**	**6,779.42**	**6,774.99**
Employee stock options outstanding reserve			
Balance at the beginning of the year	9.38	22.53	22.53
Add: Employee compensation cost for the year	-	0.70	-
Less: ESOPs allotted/adjusted during the year	9.38	13.85	-
Balance at the end of the year	**-**	**9.38**	**22.53**
Money received against share warrants	-	**0.40**	**0.20**
Deficit in the Statement of Profit and Loss			
Balance at the beginning of the year	(14,091.57)	(9,751.36)	(9,751.36)
Add: Loss for the year	(1,157.01)	(4,357.72)	-
Add: ESOPs allotted/adjusted during the year	-	13.85	-
Other adjustments	0.40	3.66	-
Balance at the end of the year	**(15,248.18)**	**(14,091.57)**	**(9,751.36)**
Other Comprehensive income (Actuarial gain on defined benefit plan)			
Balance at the beginning of the year	65.46	32.53	32.53
Add: Gain during the year	38.74	32.93	-
Balance at the end of the year	**104.20**	**65.46**	**32.53**
Total	**505.80**	**(7,236.91)**	**(2,921.11)**

Nature and purpose of reserves

(a) Securities premium

The amount received in excess of face value of the equity shares is recognised in securities premium reserve. This reserve is utilised in accordance with the provisions of the Act.

(b) Deficit in the Statement of Profit and Loss

Retained earnings are the lossess that the Company has incurred till date.

(c) Actuarial gain on defined benefit plan

The reserve represents the remeasurement gains arising from the actuarial valuation of the defined benefit obligations of the Company. The remeasurement gains are recognized in other comprehensive income and accumulated under this reserve within equity. The amounts recognized under this reserve are not reclassified to Statement of Profit and Loss.

(d) Employee stock options outstanding reserve

Employee stock options outstanding reserve is used to record the fair value of equity-settled share-based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees.

Summary of significant accounting policies and other explanatory information

14. Long-term borrowings

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Secured loans			
Term loan - Vehicle loan from bank (refer note (a) below)	11.54	14.62	-
from Others (refer note (b) below)	-	666.67	500.00
	11.54	**681.29**	**500.00**
Less: Current maturities of long-term borrowings	(3.38)	(503.08)	(166.67)
	8.16	**178.21**	**333.33**

(a) Vehicle loans availed from banks are fully secured by way of hypothecation of specific vehicles against the loan is availed. These loans carry an annual interest rate of 9.51% (31 March 2019:9.51%, 1 April 2018: Nil).

(b) Secured borrowings from others of Nil (31 March 2019: ₹ 666.67 lakhs, 1 April 2018: ₹ 500 lakhs) comprise of borrowings for the purpose of meeting working capital requirements of the Company and are primarily secured by way of a) first charge on existing and future fixed and current assets and receivables; b) first charge on existing and future cashflows; c) post dated cheques from the Company; d) Demand promissory notes from the Company; e) promoters undertaking of the Company for non-disposal of their shares and f) institutional Shareholder's Undertaking g) collateral security of fixed deposits under lien aggregating to Nil (31 March 2019: ₹ 113 lakhs, 1 April 2018: Nil) . This loan is repayable in 24 equal monthly instalments commencing from the end of 6 months from the drawdown date and carries an annual interest rate of 18% (31 March 2019: 18%, 1 April 2018: 18%).

(c) **Maturity profile of borrowings:**

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Within 1 year	3.38	503.08	166.67
1 - 2 years	7.80	170.05	250.00
2 - 5 years	0.36	8.16	83.33
	11.54	**681.29**	**500.00**

15. Other financial liabilities

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Non-current			
Security deposit	13.85	18.00	-
Interest accrued on CCD's*	-	128.08	-
	13.85	**146.08**	**-**
Current			
Current maturities of long-term borrowings (refer note 14)	3.38	503.08	166.67
Current maturities of lease liablities	72.58	-	-
Dues to related parties	-	0.79	10.55
Dues to employees	122.07	482.34	355.08
Other liabilities	-	-	4.40
	198.03	**986.22**	**536.70**

* Refer Note 19

Summary of significant accounting policies and other explanatory information

16. Provisions

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Long-term			
Provision for employee benefits			
- Gratuity, unfunded (refer note 20 (b))	70.42	83.10	78.44
	70.42	**83.10**	**78.44**
Short-term			
Provision for employee benefits			
- Gratuity, unfunded (refer note 20 (b))	18.58	5.27	3.66
	18.58	**5.27**	**3.66**

(a) Gratuity

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on lower of either 15 days last drawn salary for each completed year of service or ₹ 20 lakhs and is determined based on an independent actuarial valuation at the balance sheet date at entity level.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market. However, the Company has not invested the accrued liability as of 31 March 2020. The Company evaluates these assumptions annually based on its long-term plans of growth and industry standards.

17. Other liabilities

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Current			
Statutory dues payable	58.82	124.84	142.15
Unearned income (Refer note 18(a))	1,068.39	2,014.29	2,258.42
	1,127.21	**2,139.13**	**2,400.58**

18. Revenue from operations

	For the year ended 31 March 2020	For the year ended 31 March 2019
Technology subscription fees	2,229.46	2,810.99
	2,229.46	**2,810.99**

(i) Disaggregation of revenue

	For the year ended 31 March 2020	For the year ended 31 March 2019
- Direct sale	2,205.74	2,760.40
- Sale through channel partners	23.72	50.59
Total revenue from operations	**2,229.46**	**2,810.99**

Summary of significant accounting policies and other explanatory information

Information about major customers:

No single customer represents 10% or more of the Company's total revenue during the year ended 31 March 2020 and 31 March 2019.

Changes in unearned and deferred revenue are as follows:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning of the year	2,014.29	2,258.42
Invoiced during the year	1,283.56	2,566.86
Revenue recognized during the year	2,229.46	2,810.99
Balance at the end of the year	**1,068.39**	**2,014.29**

Reconciliation of revenue recognised with the contracted price is as follows:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Contracted price	2,229.46	2,810.99
Reductions towards variable consideration components	-	-
Revenue recognised	**2,229.46**	**2,810.99**

19. Other income

	For the year ended 31 March 2020	For the year ended 31 March 2019
Gain on extinguishment of financial assets	24.30	-
Gain on extinguishment of financial liabilities*	128.08	-
Income from mutual funds	5.12	0.01
Interest on fixed deposits	0.70	6.53
Interest on discounting of financial assets	1.46	8.35
Rental income	31.50	18.75
Interest on others	7.54	-
Liabilities no longer required written back	40.77	419.82
Miscellaneous income	0.40	0.30
	239.88	**453.74**

*Pursuant to the conversion of the Compulsorily Convertible Debentures (CCDs) during November 2019 into equity shares of the Company, the management has transferred the accrued interest on the said CCDs to the Statement of Profit and Loss.

20. Employee benefits expense

	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries and wages	1,972.48	4,867.94
Employee stock compensation expense	-	0.70
Gratuity expense	42.69	40.12
Contribution to provident and other funds	56.86	180.70
Staff welfare expenses	6.47	21.41
	2,078.50	**5,110.88**

Summary of significant accounting policies and other explanatory information

a. Defined contribution plan

During the year ended 31 March 2020, the Company has contributed ₹ 51.56 Lakhs (31 March 2019:₹ 159.34 lakhs) to provident fund and ₹ 1.29 lakhs (31 March 2019: ₹ 7.75 lakhs) towards employee state insurance fund.

b. Defined benefit plan

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on lower of either 15 days last drawn salary for each completed year of service or ₹ 20 lakhs and is determined based on an independent actuarial valuation at the balance sheet date at entity level.

(i) The assumptions used in accounting for the gratuity plan are set out as below:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Retirement age	58 years	58 years
Attrition rate	14.40%	14.40%
Salary escalation rate	7%	5.62%
Discount rate (per annum)	7.63%	7.63%

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market. However, the Company has not invested the accrued liability as of 31 March 2020. The Company evaluates these assumptions annually based on its long-term plans of growth and industry standards.

(ii) Details of obligation at the end of the year

	For the year ended 31 March 2020	For the year ended 31 March 2019
Obligation at the beginning of the year	88.37	82.10
Current service cost	36.15	33.70
Interest cost	6.54	6.42
Benefits paid	(3.32)	(0.92)
Actuarial gain recognised in the year	(38.74)	(32.93)
Obligation at the end of the year	**89.00**	**88.37**

(iii) Expenses recognised in the Statement of Profit and Loss:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	36.15	33.70
Past service cost	-	-
Interest cost	6.54	6.42
Obligation at the end of the year	**42.69**	**40.12**

Summary of significant accounting policies and other explanatory information

Recognised in other comprehensive income:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Actuarial gain for the year	38.74	32.93
Total	**38.74**	**32.93**

(vi) Impact on defined benefit obligations

	For the year ended 31 March 2020	For the year ended 31 March 2019
Assumptions		
Sensitivity level		
Increase /(decrease) in the defined benefit liability		
- Discount rate : 1% increase	(2.87)	(5.59)
- Discount rate : 1% decrease	3.06	6.28
- Future salary : 1% increase	2.38	6.62
- Future salary : 1% decrease	(2.35)	(6.00)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

21. Finance costs

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense	114.53	270.74
Interest expense on discounting of financial liabilities	25.45	-
	139.97	**270.74**

22. Other expenses

	For the year ended 31 March 2020	For the year ended 31 March 2019
Rent	182.91	465.61
Rates and taxes	51.54	34.34
Repairs and maintenance-others	13.36	94.35
Business promotion expenses	54.89	87.65
Brokerage and commission expense	2.74	28.26
Professional charges	222.61	154.51
Technology infrastructure expenses	602.93	752.38
Electricity charges	11.32	43.86
Insurance expenses	7.19	7.76
Printing and stationary	2.97	10.66
Telecommunication expenses	7.70	30.35
Travelling expenses	89.02	255.98

Summary of significant accounting policies and other explanatory information

	For the year ended 31 March 2020	For the year ended 31 March 2019
Payments to auditor		
- as auditor	2.00	12.70
Bank charges	11.88	20.82
Postage and courier	8.90	2.05
Provision for doubtful advances and receivables	6.16	93.55
Assets written-off	12.98	64.60
Miscellaneous expenses	-	4.23
	1,291.10	**2,163.66**

23. Other comprehensive income

	For the year ended 31 March 2020	For the year ended 31 March 2019
Actuarial gain/(losses) on post employment benefit expenses	38.74	32.93
	38.74	**32.93**

24. Earnings per equity share

	For the year ended 31 March 2020	For the year ended 31 March 2019
(a) **Computation of loss for the year**		
Net loss attributable to equity shareholders	(1,157.01)	(4,357.72)

(i) Computation of weighted average number of equity shares:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Weighted average number of shares considered for computation of basic EPES	1,82,148	1,62,454
Add: Effect of potential dilutive shares*	-	-
Weighted average number of shares considered for computation of diluted EPES	1,82,148	1,62,454

*In view of losses incurred during the year, potential equity shares are anti-dilutive in nature.

(ii) **EPES:**

	For the year ended 31 March 2020	For the year ended 31 March 2019
Basic (in absolute ₹ terms)	(635.20)	(2,682.44)
Diluted (in absolute ₹ terms)	(635.20)	(2,682.44)

25. Dues to Micro and small enterprises

There are no micro, small and medium enterprises, as defined under the provisions of Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues as at the reporting date. The micro, small and medium enterprises have been identified by management on the basis of information available with the Company and have been relied upon by the auditors.

Summary of significant accounting policies and other explanatory information

26. Fair Value measurements

(i) Financial instruments by category

	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets Investments	1,715.40	-	0.07	-	0.07	-
Loans to related parties	-	-	-	-	-	1.86
Rental deposits	-	23.61	-	101.20	-	172.24
Employee loans	-	17.12	-	14.69	-	1.48
Other loans	-	0.20	-	-	-	3.95
Trade receivables	-	35.53	-	22.83	-	0.75
Cash and cash equivalents	-	118.98	-	620.98	-	1,968.44
Other bank balances	-	3.00	-	15.00	-	67.87
Interest accrued	-	0.10	-	3.22	-	0.50
Fixed deposits	-	-	-	113.00	-	-
Financial liabilities Borrowings	-	11.54	-	681.29	-	500.00
Secutiy deposit	-	13.85	-	18.00	-	-
Lease liability	-	209.97				
Trade payables	-	189.45	-	261.49	-	335.11
Dues to employees	-	122.07	-	482.34	-	355.08
Dues to related parties	-	-	-	0.79	-	10.55
Other financial liablities	-	-	-	-	-	4.40
Interest accrued	-	-	-	128.08	-	-

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations. The Company also holds FVTPL (Fair value through profit and loss) investments.

(ii) The carrying amounts of trade receivables, trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. Difference between carrying amounts and fair values of bank deposits, earmarked balances with banks, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented. For all other amortised cost instruments, carrying value represents the best estimate of fair value.

For the financial assets measured at fair values, the carrying amounts are equal to the fair values.

(iii) Valuation technique used to determine fair value:

The fair value of the financials assets and liabilities is reported at the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

a. The fair values of the quoted shares are based on price quotations at the reporting dates.

b. The fair value of unquoted equity shares are based on the Net Assets Value, available for Equity Shareholders of the underlying Companies which was ascertained based on data available from the financial statements of the respective Companies.

Summary of significant accounting policies and other explanatory information

(iv) Fair Value hierarchy:

Financial assets and financial liabilities measured at fair value in the balance sheet are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

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

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

Level 3: Unobservable inputs for the asset or liability.

The following table shows the Levels within the hierarchy, of financial assets and liabilities measured at fair value on a recurring basis as at 31 March 2020, 31 March 2019 and 1 April 2018:

Quantitative disclosures of fair value measurement hierarchy as at 31 March 2020:

Particulars	**Level 1**	**Level 2**	**Level 3**
Financial Assets measured at FVTPL			
Investments	1,715.40	-	-

Quantitative disclosures of fair value measurement hierarchy as at 31 March 2019:

Particulars	**Level 1**	**Level 2**	**Level 3**
Financial Assets measured at FVTPL			
Investments	0.07	-	-

Quantitative disclosures of fair value measurement hierarchy as at 1 April 2018:

Particulars	**Level 1**	**Level 2**	**Level 3**
Financial Assets measured at FVTPL			
Investments	0.07	-	-

27. Net debt reconciliation

The following table sets out an analysis of the movements in net debt for the year:

Particulars	**Lease liabilities**	**Interest accrued**	**Non - Current borrowings**	**Interest accrued**
Net debt as on 1 April 2018	-	-	500.00	-
Cash flows, net	-	-	181.29	-
Interest expense	-	-	-	270.74
Interest paid	-	-	-	(142.66)
Net debt as on 31 March 2019	**-**	**-**	**681.29**	**128.08**
Lease liabilities recognised during the year*	274.86	-	-	-
Cash flows, net	(64.89)	-	(669.75)	-
Interest expense	-	25.45	-	114.53
Interest paid	-	(25.45)	-	(114.52)
Other adjustment	-	-	-	(128.08)
Net debt as on 31 March 2020	**209.97**	**-**	**11.54**	**-**

* Represents recognition on account of transition to Ind AS 116

Summary of significant accounting policies and other explanatory information

28. Related party disclosures

(a) Name of the related parties and nature of relationship

Name of the parties	Nature of relationship
Reliance Strategic Business Ventures Limited	Holding Company
Nitin Jain (Upto 11 December 2019) Ronak Kumar Samantray Jasminder Singh (Upto 11 December 2019) Neeraj Sabharwal (Upto 11 December 2019)	Key managerial personnel ('KMP')
Moving Floats	Enterprises over which KMP exercise significant influence

(b) Transactions during the year

Managerial remuneration:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Nitin Jain	49.00	53.32
Ronak Kumar Samantray	60.00	53.32
Jasminder Singh	49.00	53.32
Neeraj Sabharwal	41.00	53.32

(c) Balances receivable / (payable)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Nitin Jain	1.50	(2.62)	1.31
Ronak Kumar Samantray	5.80	(1.58)	1.97
Jasminder Singh	0.94	(3.25)	0.21
Neeraj Sabharwal	1.50	(1.24)	(5.18)
Moving Floats	-	-	(7.00)

- Balances as at the year ended 31 March 2020 pertain to salary and travel advances.

29. Financial Risk Management objectives and policies:

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include liquidity risk. The Company's risk management policies are established to identify and analyse the risks faced by the Company and seek to, where appropriate, minimize potential impact of the risk and to control and monitor such risks. There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for management of these

(a) Other price risk

Other price risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Company based on working capital requirement keeps its liquid funds in current accounts. Excess funds are invested in long term instruments. The Company has listed and non-listed equity securities that are susceptible to market price risk arising from uncertainities about future values of the investment securities. The Company manages the equity price risk through diversification and reports on the equity portfolio are submitted to the management on a regular basis.

Summary of significant accounting policies and other explanatory information

The following table demonstrates the sensitivity to the impact of increase/decrease of the index on the Company's equity and profit for the period. The analysis is based on the assumption that index has increased or decreased by 10%, with all other variables held constant and that the Company's equity instruments moved in line with the index.

Particulars	Change	31 March 2020	31 March 2019	1 April 2018
NSE Nifty 50 sensitivity				
- Increase by	10%	172	0.01	0.01
- Decrease by	-10%	(172)	-0.01	(0.01)

(i) Credit risk:

Credit risk is the risk of loss that may arise on outstanding financial instruments when a counterparty defaults on its obligations. The Company's exposure to credit risk arises primarily from loans extended, security deposits, balances with bankers and trade and other receivables. The Company minimises credit risk by dealing exclusively with high credit rating counterparties. The Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Company trades only with recognised and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

(a) Exposure to credit risk:

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. No other financial assets carry a significant exposure to credit risk.

(b) Credit risk concentration profile:

At the end of the reporting period, there were no significant concentrations of credit risk. The maximum exposures to credit risk in relation to each class of recognised financial assets is represented by the carrying amount of each financial assets as indicated in the balance sheet.

(c) Financial assets that are neither past due nor impaired:

None of the Company's cash equivalents, other bank balances, loans, security deposits and other receivables were past due or impaired as at 31 March 2020. Trade and other receivables including loans that are neither past due nor impaired are from creditworthy debtors with good payment record with the Company. Cash and short-term deposits investment securities that are neither past due nor impaired, are placed with or entered with reputable banks financial institutions or companies with high credit ratings and no history of default.

(d) Financial assets that are either past due or impaired:

The Company doesn't have any significant trade receivables or other financial assets which are either past due or impaired. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the Management also evaluates the factors that may influence the credit risk of its customer base, including the default risk and country in which the customers operate. The management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if available, financial statements, credit agency information, industry information and in some case bank references. The Company's receivables turnover is quick and historically, there was no significant default on account of trade and other receivables. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Summary of significant accounting policies and other explanatory information

(ii) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as of 31 March 2020:

	On Demand	Upto 1 year	1 to 3 years	After 3 years
Borrowings	-	3.38	7.80	0.36
Trade payables	-	189.45	-	-
Lease liability	-	72.58	137.39	-
Other financial liabilities	-	122.07	13.85	-
	-	**387.48**	**159.05**	**0.36**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as of 31 March 2019:

	On Demand	Upto 1 year	1 to 3 years	After 3 years
Borrowings	-	503.08	170.05	8.16
Trade payables	-	261.49	-	-
Other financial liabilities	-	483.14	146.08	-
	-	**1,247.71**	**316.13**	**8.16**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as of 1 April 2018:

	On Demand	Upto 1 year	1 to 3 years	After 3 years
Borrowings	-	166.67	250.00	83.33
Trade payables	-	335.11	-	-
Other financial liabilities	-	370.03	-	-
	-	**871.81**	**250.00**	**83.33**

30. Segment Information

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses that relate to transactions with any of the Company's other components. All operating segments' operating results are reviewed regularly by the Company's Board of Directors (BOD), which has been identified as being the Chief Operating Decision Maker (CODM), to make decisions about resources to be allocated to the segments and assess their performance.

The Company is into the business of website development and updation of content information in those websites. The CODM reviews the results when making decisions about allocating resources and assessing performance of the Company as a whole and hence, the Company has only one reportable segment. The Company operates and manages its business as a single segment as per the requirements of Ind AS 108 "Operating Segments".

Information about geographical areas

The Company has operations only in India, hence there are no separately reportable geographical segments for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Summary of significant accounting policies and other explanatory information

31. Capital management

Capital includes equity capital and all other reserves attributable to the equity holders of the parent. The primary objective of the capital management is to ensure that it maintain an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder's value. The Company manages its capital structure and make adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, Company may adjust the dividend payment to shareholders return capital to shareholders or issue new shares.

The Company monitors capital using a debt to capital employed ratio which is debt divided by total capital plus debt. The Company's policy is to keep this ratio at an optimal level to ensure that the debt related covenants are complied with.

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Borrowings #	11.54	681.29	500.00
Less: Cash and cash equivalents	(118.98)	(620.98)	(1,968.44)
Net Debt	**130.52**	**1,302.27**	**2,468.44**
Total equity	526.26	(2,689.07)	(907.64)
Equity and net debt	**656.78**	**(1,386.80)**	**1,560.80**
Gearing ratio	19.87%	-93.90%	158.15%

Total Borrowings include long-term borrowing, current maturities of long-term borrowings

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call back loans and borrowings.

There have been no breaches in the financial covenants of any interest bearing loans and borrowings in the current period. No changes were made in the objectives, policies or processes for managing the capital during the year ended 31 March 2020, 31 March 2019 and 1 April 2018.

32. First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2020, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2020, together with the comparative period data as at and for the year ended 31 March 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2018 and the financial statements as at and for the year ended 31 March 2019. However, there were no reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS for both the years.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

a) Ind AS 101 permits first time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition to Ind AS, after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and its intangible assets at their previous GAAP carrying value.

Summary of significant accounting policies and other explanatory information

b) Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

c) Ind AS 101 requires a first-time adopter to apply derecognition requirements in Ind AS 109 prospectively to transactions occurring on or after the date of transition to Ind AS. Accordingly, the Company continues to de-recognize the financial assets and financial liabilities for transactions which have occurred before the date of transition to Ind AS.

d) The estimates as at 1 April 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation. The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2018 (transition date), 31 March 2019.

e) Ind AS 101 permits first time adopter to elect, not to apply Ind AS 102 to liabilities arising from share-based payment transactions that were settled before the date of transition to Ind AS. Accordingly, the Company has decided to measure all vested options as on transition date as per intrinsic value method only.

Other comprehensive income (OCI): Under Indian GAAP, the Company had not presented other comprehensive income separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

Cash flow statement - The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

(iii) Reconciliation of equity as previously reported (referred to as 'Previous GAAP') and that computed under Ind AS:

	As at 31 March 2019	**As at 1 April 2018**
Equity reported under previous GAAP	(7,235.85)	(2,917.18)
Adjustment on account of fair valuation of rental deposits (refer (b) below)	(1.48)	(4.14)
Adjustment on reclassification of money received against share warrants	0.40	0.20
Adjustment on account of fair valuation of investments (refer (c) below)	0.02	0.01
Equity under Ind AS	**(7,236.91)**	**(2,921.11)**

Reconciliation of net profit under Previous GAAP and Ind AS:

	For the year ended 31 March 2019
Net profit under Previous GAAP	**(4,323.81)**
Adjustment on account of acturial gain/loss transferred to OCI (refer (a) below)	(32.93)
Adjustment on account of fair valuation of rental deposits (refer (b) below)	(0.98)
Adjustment on account of fair valuation of investments (refer (c) below)	0.01
Net profit for the year under Ind AS	**(4,357.72)**

a) Both under Indian GAAP and Ind AS, the Company recognized costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, were charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

b) Ind AS requires all financial assets and financial liabilities to be measured at fair value and accordingly security deposit for use of premises is recorded at fair value on transition to Ind AS. On transition to Ind AS security deposit paid is derecognised

Summary of significant accounting policies and other explanatory information

to the extent of ₹ 46.85 lakhs with a corresponding increase in prepaid expenses and reduction in retained earnings to the tune of ₹ 42.71 lakhs and ₹ 4.14 lakhs. For the period ended 31 March 2019 rental expense is increased by

₹ 9.33 lakhs with a corresponding effect on prepaid expenses and interest income is increase to the tune of ₹ 8.35 lakhs with a corresponding effect on security deposits.

c) As on the date of transition, the company decided to classify non-current investments as Financial Assets which are measured at fair value with gains or losses recognised in profit and loss (FVTPL).

As per previous GAAP these are carried at cost. However, provision for permanent diminution in value is made to recognize any decline other than temporary in value of investments. As per Ind AS 109 all Equity Investments within the scope of Ind AS 109 are measured at Fair Value with the default recognition of gains and losses in Profit and Loss (FVTPL).

33. The Company does not have any contingent liabilities as on 31 March 2020 (31 March 2019:Nil, 1 April 2018: ₹ 49.11 lakhs) and commitment as on 31 March 2020 (31 March 2019: Nil, 1 April 2018: Nil).

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For **T Murty & Associates**
Chartered Accountants
Firm's Registration No.: 005524S

T.S.N. Murthy
Proprietor
Membership No.: 200617

Place: Hyderabad
Date: 20 April 2020

For and on behalf of the Board of Directors of
NowFloats Technologies Private Limited

Ronak Kumar Samantray
Director
DIN: 03567723

Anuj Panda
Director
DIN: 08634966

Kshitij Marwah
Director
DIN: 07028072

Place: Hyderabad
Date: 20 April 2020