

# INFORMED TECHNOLOGIES INDIA LIMITED

CIN L99999MH1958PLC011001

| Regd. Office: 'Nirmal', 20<sup>th</sup> Floor, Nariman Point, Mumbai - 400021|

| Tel# +91 22 2202 3055/66 | Fax# +91 22 2204 3162 |

| Email: itil\_investor@informed-tech.com | Website: www.informed-tech.com |

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Date: August 16, 2019

To,  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400 001.

Dear Sir/Madam,

SCRIP CODE: - 504810

**Sub: Annual Report for the Financial Year 2018-2019**

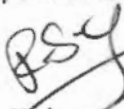
**Ref: Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**


In compliance with Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed please find the Annual Report of the Company for the Financial Year 2018-2019.

Kindly take the same on your records.

Yours faithfully,

For M/s. Informed Technologies India Limited

  
Reena Yadav  
Company Secretary & Compliance Officer  
Membership No. A36429



# **INFORMED TECHNOLOGIES INDIA LIMITED**

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**61<sup>st</sup> ANNUAL REPORT 2018-2019**

**BOARD OF DIRECTORS**

Mr. Gautam Khandelwal	Non Executive Chairman
Mrs. Suelve Khandelwal	Executive Director
Mr. Ajay Kumar Swarup	Independent Director (upto May 29, 2019)
Mr. Nimis Sheth	Independent Director
Mr. Virat Mehta	Independent Director

**CHIEF FINANCIAL OFFICER**

Mrs. Roshan D'souza

**COMPANY SECRETARY AND COMPLIANCE OFFICER**

Ms. Reena Yadav

**STATUTORY AUDITORS**

M/s. Parekh Sharma And Associates  
Chartered Accountants, Mumbai

**BANKERS**

Bank of Baroda  
The Hongkong and Shanghai Banking Corporation Ltd.  
ICICI Bank Ltd.

**LISTED AT**

Bombay Stock Exchange Limited  
ISIN : INE123E01014

**REGISTERED OFFICE**

Nirmal, 20<sup>th</sup> Floor, Nariman Point, Mumbai-400021.  
Tel No. : 022-22023055/66 Fax No.: 022-22043162  
Email id: itil\_investor@informed-tech.com  
Website : www.informed-tech.com  
CIN: L99999MH1958PLC011001

**SOFTWARE DEVELOPMENT CENTRE**

Millenium Business Park, 302, 303, Bldg. No. 4,  
Sector No. 3, TTC. MIDC, Mahape, Navi Mumbai-400710,  
Maharashtra, India.

**REGISTRAR & SHARE TRANSFER AGENTS**

**Link Intime India Private Limited**

C 101, 247 Park,  
L B S Marg, Vikhroli West,  
Mumbai 400 083  
Tel No: +91 22 49186000 Fax: +91 22 49186060  
Email Id: rnt.helpdesk@linkintime.co.in

<b>Contents .....</b>	<b>Page No.</b>
Company Information .....	1
Location Map .....	2
Notice .....	3
Directors' Report, Management Discussion & Analysis Report .....	12
Secretarial Auditor Report - Annexure I .....	24
Extract of the Annual Return - Annexure II .....	27
Auditors' Report .....	34
Balance Sheet .....	42
Profit & Loss Statement .....	43
Cash Flow Statement .....	44
Statement of Changes in Equity .....	45
Notes on Financial Statements .....	46
Consolidated Statements .....	78
Form AOC-1 .....	121

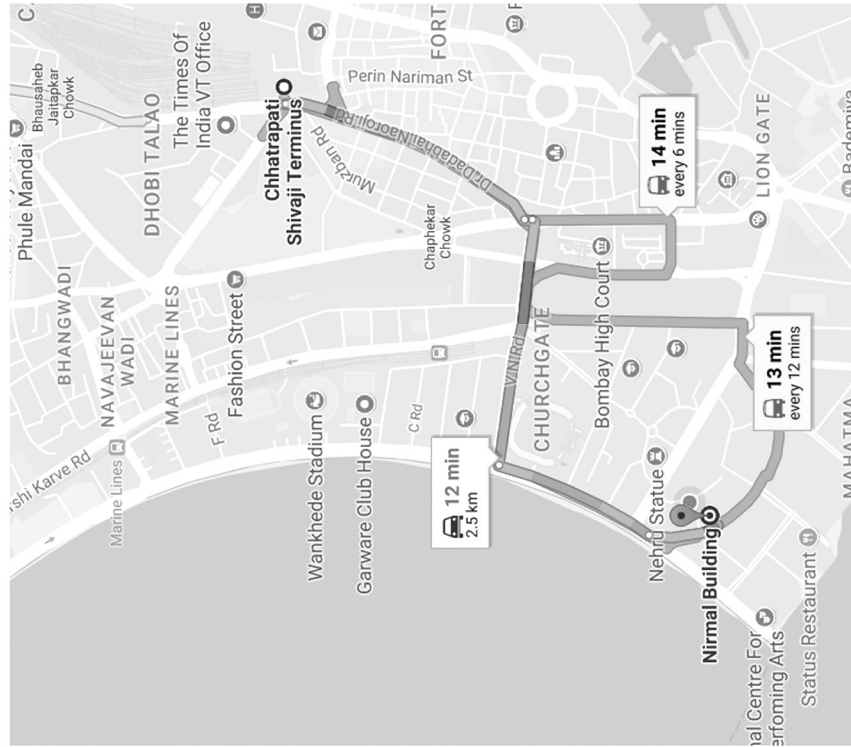
**As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.**

**ROUTE MAP TO THE VENUE OF THE AGM**

**ROUTE MAP TO THE VENUE OF THE AGM : 20TH FLOOR, NIRMAL BUILDING NARIMAN POINT MUMBAI - 400 021**



**Route from Churchgate Railway Station**



**Route from CST Railway Station**

**NOTICE**

**NOTICE** is hereby given that the Sixty First Annual General Meeting of the Members of **Informed Technologies India Limited** will be held **on Tuesday, September 10, 2019 at 1:30 PM** at the Registered Office Address of the Company at **20<sup>th</sup> Floor, Nirmal Building, Nariman Point, Mumbai – 400 021** to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019 together with the Directors' Report and Auditors Report thereon; and the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2019 together with the Auditors Report thereon.
2. To appoint a Director in place of Mr. Gautam Khandelwal (DIN 00270717), who retires by rotation and, being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

**3. RE-APPOINTMENT OF MR. NIMIS SAVAILAL SHETH (DIN 00482739) AS AN INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** that pursuant to the provisions of sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Nimis Savailal Sheth (DIN 00482739), who was appointed as an Independent Director of the Company at the 56<sup>th</sup> Annual General Meeting of the Company and who holds office up to September 14, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from September 15, 2019 to September 14, 2024.”

**4. APPROVAL FOR RELATED PARTY TRANSACTIONS UNDER SECTION 188 OF THE COMPANIES ACT, 2013**

To consider and, if thought fit to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Power) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and applicable provisions of the listing agreement executed with the stock exchange (including any amendment(s), modification(s) or re-enactment(s) thereof), consent of the members of the Company be and is hereby accorded for the transactions hitherto entered or to be entered into by the Company in the ordinary course of business and at arm's length price with the following related parties upto the maximum amount as mentioned herein below for the financial year 2019-2020 and for every financial year thereafter on such terms and condition as may be mutually agreed between the company and the related parties:

<b>Sr. No.</b>	<b>Name of the related party</b>	<b>Relationship with the related party</b>	<b>Transactions define under section 188 of the Companies Act, 2013</b>	<b>Maximum Value of the Transaction(s) per annum (Rs. In Cr)</b>
1.	Mr. Arnold Allen	Foreign Holding Company's Secretary	Availing of Services	0.10
2.	Nagpur Power And Industries Limited	Same Promoter Group Company	Re-imburements of Expenses to/from group company	1.00

“RESOLVED FURTHER THAT Board of Directors be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, proper or desirable to give effect to this resolution.”

For and on behalf of the Board

**Gautam Khandelwal**

Chairman

DIN (00270717)

Place: Mumbai

Date: July 30, 2019

**Registered Office:**

"Nirmal", 20th Floor, Nariman Point, Mumbai 400021

CIN: L99999MH1958PLC011001

Website: www.informed-tech.com

## NOTES

1. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of special business to be transacted at the Annual General Meeting (AGM), as set out under Item No. 3 and 4 above and the relevant details of the Directors seeking re-appointment and appointment under Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India is annexed thereto.
2. M/s. Parekh Sharma and Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 59<sup>th</sup> Annual General Meeting held on September 28, 2017. Pursuant to Notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending section 139 of the Companies Act, 2013 and the Rules framed thereunder, the mandatory requirement for ratification of appointment of Auditors by the Members at every Annual General Meeting (“AGM”) has been omitted, hence the Company is not proposing an item on ratification of appointment of Auditor at this AGM.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The proxies to be effective should be deposited at the Registered Office of the Company **not less than 48 (Forty Eight) hours before the commencement of the meeting.** Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A proxy form for the AGM is enclosed.
4. Corporate Members/Societies etc. intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution / Authority Letter etc. as applicable, authorizing their representatives to attend and vote at the AGM.
5. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, September 04, 2019 to Tuesday, September 10, 2019** (both days inclusive)..
6. In terms of Section 123 of the Companies Act, 2013 the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). *Accordingly, in the year 2018-2019 the Company has transferred unpaid dividend for the year ended March 31, 2011 to IEPF. Further, in the year 2019-20, the Company would be transferring the*

***unclaimed or unpaid final dividend for the year ended March 31, 2012 to IEPF. Thus, shareholders are requested to claim the dividend on or before September 20, 2019. No claim shall lie from a Member once the transfer is made to the said Fund. The Members who have not encashed their dividend warrants are requested to encash the same before the said transfer in their own interest.***

- 7. As per the provisions of Investor Education and Protection Fund (Uploading of Information regarding Unpaid and Unclaimed amounts lying with Companies) Rules, 2012, the Company has placed on its website (www.informed-tech.com), the information on dividend which remains unclaimed with the Company as on Saturday, September 29, 2018 i.e. date of the previous AGM. The information is also available on the website of the Ministry of Corporate Affairs (www.mca.gov.in).***
8. Further, pursuant to the provisions of section 124 of the Companies Act, 2013 read with IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs. In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the Shareholders whose shares are due for transfer to the IEPF Authority and has also published notice in newspapers. Further, the said details of shareholders are also uploaded on website of the Company and can be accessed at <http://informed-tech.com/investors/unclaimed-dividend/>. Further, the shareholders whose dividend/shares are/will be transferred to the IEPF Authority can claim the same from the IEPF Authority by following the procedure as detailed on the website of IEPF Authority (<http://www.iepf.gov.in/IEPF/refund.html>).
9. The Company's equity shares are listed at Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 and the Company has paid the Annual Listing Fees to the Stock Exchanges for the Financial Year 2019-20.
10. In terms of Section 72 of the Companies Act, 2013, and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, every share holder of the Company may, at any time, nominate, in the prescribed manner, a person to whom his/her shares in the Company shall vest in the event of his/her death. Members, who wish to avail this facility, may fill the prescribed Form No. SH-13 (which will be made available on request) and forward the same to the Registrar and Transfer Agent, M/s. Link Intime India Private Limited.
11. Members seeking any information with regards to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
12. For the convenience of the Members, attendance slip is enclosed in the Annual Report. Members/Proxy Holders/ Authorized Representatives are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue of the AGM. Proxy/Authorized Representatives of a member should state on the attendance slip as 'Proxy or Authorized Representative' as the case may be.
13. The Directors' Report, Auditors Report and Audited Financial Statements (Standalone and Consolidated) as at March 31, 2019 are enclosed.
14. Inspection of Documents - Copies of the Memorandum and Articles of Association of the Company and all other documents relevant for the resolution contained in the notice will be available for inspection at the Registered Office of the Company from 11:00 AM to 1:00 PM on all working days (excluding Saturday) up to the date of the Annual General Meeting.
15. In accordance with the Companies Act, 2013 read with the Rules, the Annual Reports are sent by electronic mode to those members whose email ids are registered with the Company/Depositories, unless any member has requested for a physical copy for the same. For members who have not registered their email ID, physical copies are being sent by the permitted mode.

16. The members are requested to intimate any change in their address with PIN Code, immediately and quote Folio Number in all correspondence. They are also requested to bring their copy of Annual Report while coming to the meeting.
17. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID Numbers for easy identification of attendance at the meeting.
18. ***The Name of the Company has been changed from Khandelwal Ferro Alloys Limited to KFA Corporation Limited and later from KFA Corporation Limited to Informed Technologies India Limited w.e.f. August 06, 2001.***
19. **THOSE MEMBERS WHO HAVE NOT SURRENDERED THEIR OLD CERTIFICATES FOR EXCHANGE TO OBTAIN THEIR NEW SHARE CERTIFICATES OR AFFIXATION OF STICKER/STAMP ARE REQUESTED TO SURRENDER THE SAME AT THE REGISTERED OFFICE ADDRESS OF THE COMPANY/RTAAT MUMBAI.**
20. SEBI has vide its Notifications dated 8th June, 2018 and 30th November, 2018 mandated that securities of listed companies can be transferred only in dematerialized form from April 01, 2019. In view of the above and to avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form.
21. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to Members electronically. As directed by SEBI, the Members holding shares in physical form are requested to submit particulars of their bank account alongwith the original cancelled cheque bearing the name of the Member to Link Intime/Company to update their Bank Account details.
22. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the M/s. Link Intime India Private Limited, Registrar and Share Transfer Agents, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083, Maharashtra.
23. ***To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with M/s. Link Intime India Private Limited /Depositories or send a request to the Company for the same.***
24. **Process and manner for members opting for Remote e-voting are as under:**

In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has engaged the services of CDSL to provide the facility of electronic voting ('e-voting') in respect of the Resolutions proposed at this AGM.

**A. The instructions for Shareholders voting electronically are as under:-**

- (i) The remote e-voting period begins on Saturday, September 07, 2019 (9:00 AM) and ends on Monday, September 09, 2019 (5:00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, September 03, 2019, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The Shareholders should Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID



- a. For CDSL: 16 digits beneficiary ID;
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. Please enter the DOB or Dividend Bank Details in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'PASSWORD CREATION' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant **<INFORMED TECHNOLOGIES INDIA LIMITED>** on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non-individual Shareholders & Custodians:**
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxi) Shareholders can also cast their vote using CDSL’s mobile app “CDSL m-Voting” available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- B. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Tuesday, September 03, 2019.
- C. Mr. Sanam Umbargikar, Partner of M/s. DSM and Associates, Practicing Company Secretary (Membership No. 26141, COP No. 9394), has been appointed as Scrutinizer for scrutinizing the remote e-voting procedure in a fair and transparent manner.
- D. The Scrutinizer shall after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- E. The declared Results, along with the Scrutinizer’s Report, will be available on the Company’s corporate website [www.informed-tech.com](http://www.informed-tech.com) under the section ‘Investor’ and on the website of CDSL; such Results will also be forwarded to the Stock Exchange where the Company’s shares are listed.
- F. The Facility for voting through poll shall be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting.
- G. The members who have casted their votes by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

Details of the Directors seeking appointment / re-appointment in the forthcoming Annual General Meeting

Name Of Director	MR. GAUTAM KHANDLWAL	Mr. NIMIS SAVAILAL SHETH
DINNO.	00270717	00482739
Date of Birth (Age)	01.04.1962 (57 Years)	01.04.1963 (56 Years)
Nationality	Indian	Indian
Date of Appointment	09.03.1988	22.03.2013
Qualifications	He holds a BA (Economics) from the University of Mumbai and studied Economics for One Year from London School of Economics.	B.E. (Hons) Electrical & Electronic Engg, M.E. Mfg. Engineering, Degree from Boston University, Boston, M.A. USA., MBA, Finance & Small Business Mgmt, Boston University, Boston, M.A. USA
Expertise in specific functional areas	He is having about 31 years of business experience across various industries.	He has vast experience of 31 years of which over 28 years is as an equity analyst in the stock market in various positions - analyst, head of research, stock broker, portfolio advisor for an offshore fund and most recently as a portfolio manager.
Directorships held in other companies	1. Nagpur Power and Industries Limited 2. The Motwane Manufacturing Co. Pvt. Ltd. 3. Varroc Polymers Pvt. Ltd. 4. Varroc Engineering Ltd. 5. Gras Education & Training Services Pvt. Ltd. 6. Zeppelin Investments Pvt. Ltd. 7. Entecres Labs Private Limited 8. Khandelwals Limited (U.K) 9. Durovalves India Private Limited	1. Nagpur Power And Industries Limited 2. Phoenix Share & Stock Brokers Private Limited
Committee position held in other companies	<b>AUDIT COMMITTEE</b> Nagpur Power And Industries Limited Varroc Engineering Limited Durovalves India Private Limited <b>STAKE HOLDER RELATIONSHIP COMMITTEE</b> Nagpur Power And Industries Limited Varroc Engineering Limited <b>NOMINATION AND REMUNERATION COMMITTEE</b> Nagpur Power And Industries Limited Varroc Engineering Limited Durovalves India Pvt. Ltd. <b>CSR COMMITTEE</b> Varroc Engineering Limited Varroc Polymers Private Limited	<b>AUDIT COMMITTEE</b> Nagpur Power And Industries Limited <b>STAKEHOLDER RELATIONSHIP COMMITTEE</b> Nagpur Power And Industries Limited <b>NOMINATION AND REMUNERATION COMMITTEE</b> Nagpur Power And Industries Limited
No. of shares held in the Company	1,10,751	1,000
Inter-se relationship between Directors, Manager and Key Managerial Personnel	Husband of Mrs. Suelve Gautam Khandelwal, Executive Director of the Company	None
Disclosure of relationship with promoter of the Company	He is promoter of the Company	None

Board Meeting Attendance And Remuneration Details Are Provided In Directors Report.

**EXPLANATORY STATEMENT****(PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013)****Item No. 3****RE-APPOINTMENT OF MR. NIMIS SAVAILAL SHETH (DIN 00482739) AS AN INDEPENDENT DIRECTOR**

Mr. Nimis Sheth was appointed as a Non-Executive Director of the Company effective March 22, 2013. On April 1, 2014, the Ministry of Corporate Affairs notified Section 149 of the Act and related Rules. Accordingly, Mr. Nimis Savailal Sheth was appointed as an Independent Director on the Board of your Company pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, by the Shareholders at the 56<sup>th</sup> Annual General Meeting (“AGM”) of the Company held on September 15, 2014. He hold office as Independent Director of the Company up to September 14, 2019 (“first term” in line with the explanation to Sections 149(10) and 149(11) of the Act).

The Board on July 30, 2019, based on the recommendations of the Nomination and Remuneration Committee and pursuant to the performance evaluation of Mr. Nimis Sheth as a Member of the Board and considering that the continued association of Mr. Nimis Sheth would be beneficial to the Company, proposed to re-appoint Mr. Nimis Sheth as an Independent Director of the Company, not liable to retire by rotation, for a second term effective September 15, 2019 up to September 14, 2024. Further, the Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member proposing the candidature of Mr. Nimis Sheth for the office of Director. The Company has received from Mr. Nimis Sheth (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (‘Listing Regulations’) and (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority. In terms of Section 149, 152 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, and in terms of the applicable provisions of the Listing Regulations, each as amended, the re-appointment of Mr. Nimis Sheth as an Independent Director of the Company for a second term commencing September 15, 2019 upto September 14, 2024 is being placed before the Shareholders for their approval by way of a special resolution.

Mr. Nimis Sheth, once appointed, will not be liable to retire by rotation. In the opinion of the Board, Mr. Nimis Sheth is a person of integrity, fulfils the conditions specified in the Act and the Rules made thereunder read with the provisions of the Listing Regulations, each as amended, and is independent of the Management of the Company. A copy of the draft letter of appointment of Mr. Nimis Sheth as an Independent Director setting out the terms and conditions of his appointment is available for inspection without any fee payable by the Members at the Registered Office of the Company during the normal business hours on working days up to the date of the Annual General Meeting (‘AGM’) and will also be kept open at the venue of the AGM till the conclusion of the Meeting. The profile and specific areas of expertise of Mr. Nimis Sheth are provided as annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Nimis Sheth, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 3 of the Notice. The Board of Directors recommends the Resolutions at Item No. 3 of the accompanying Notice for the approval of the Members of the Company as a Special Resolution.

**ITEM NO. 4****APPROVAL FOR RELATED PARTY TRANSACTIONS UNDER SECTION 188 OF THE COMPANIES ACT, 2013**

Section 188 of the Companies Act, 2013 provides that except with the consent of the Board of Directors given by a resolution at a meeting of the Board and subject to such conditions as prescribed in rules framed in this regard, no company shall enter into any contract or arrangement with a related party with respect to transactions specified therein. It is further provided that in case of a company having paid-up share capital of not less than such amount or transactions not exceeding such sums as are prescribed in the rules framed in this regard, no contract or arrangement shall be entered into except with the approval of the company by an ordinary resolution. It is further provided that nothing in this sub-section shall apply to any transaction entered into by the company which are entered in its ordinary course of business and are at arm's length.

Prior approval of shareholders is required for the transactions that are not in the ordinary course of business and not at an arm's length basis. Though your Company always seeks to enter into transactions with related parties in the ordinary course of business and/or at arm's length basis, still as better corporate governance measure, it is considered desirable to have the consent of the Members in respect of related party transactions.

Pursuant to rule 15(3) of Companies (Meetings of Board and its Powers) Rules, 2014, the nature of transactions with the related parties is provided in the said resolution.

The transactions entered with the Related Parties, were placed before the Audit Committee. The said transactions were approved and recommended to the Board.

The members are further informed that no member(s) of the Company being a related party or having any interest in the resolution as set out at item No. 4 shall be entitled to vote on this Ordinary Resolution.

None of the Directors other than those representing the related parties, Key Managerial Personnel's of the Company or their relative(s) are interested and/or concerned with the said Resolution. The Board recommends the resolution set forth in Item No. 4 for the approval of the Members as an Ordinary Resolution.

For and on behalf of the Board

**Gautam Khandelwal**  
Chairman  
DIN (00270717)

Place: Mumbai

Date: July 30, 2019

**Registered Office:**

"Nirmal", 20th Floor, Nariman Point, Mumbai 400021

CIN: L99999MH1958PLC011001

Website: [www.informed-tech.com](http://www.informed-tech.com)

**Directors Report, Management Discussion and Analysis Report**

**To the Members,**

Your Directors have pleasure in presenting their Sixty First Annual Report together with the Audited Financial Statements of your Company for the Financial Year ended March 31, 2019. The Management Discussion and Analysis are also included in this Report.

**Financial Highlights**

The performance of your Company for the financial year under review is summarized below (Rs. in Lakhs)

<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
Revenue from Operations and Other Income	276.81	530.59
Profit/(Loss) before Interest, Depreciation & Tax	(79.81)	198.79
Less: Interest	8.08	6.58
Profit before Depreciation & Tax	(87.89)	192.21
Less: Depreciation	26.12	23.69
Profit/ (Loss) before Taxation	(114.01)	168.52
Less: Provision for Current Tax / (MAT)	-	4.50
Minimum Alternate tax credit	-	-
Deferred Tax	(14.36)	37.35
Profit/ (Loss) after tax for the year	(99.65)	126.67
Total other comprehensive income (net of tax)	8.47	15.30
Total comprehensive income for the year	(91.18)	141.97

*\* Figures as per Ind AS for both the years.*

**Dividend and Reserves**

In order to conserve capital for future investments plan and considering the losses in the financial year ended March 31, 2019, the Board did not recommend any dividend for the year ended March 31, 2019. During the year under review, no amount was required to be transferred to General Reserve.

**Share Capital**

During the year, the Company has not issued shares with differential voting rights, nor has granted any stock options or sweats equity, no bonus shares were issued by the Company. There was no provision made by the Company for purchase of its own shares by employee or by the trustee. As on March 31, 2019, none of the Directors of the Company hold instruments convertible into equity shares of the Company. During the year, there was no change in the Share Capital of the Company. As on March 31, 2019, the issued, subscribed and paid up share capital of your Company stood at Rs. 41,691,000/- comprising 4,169,100 Equity shares of Rs. 10/- each.

**Directors and Key Managerial Personnel**

The Company is well supported by the knowledge and experience of its Directors and Key Managerial Personnel. Pursuant to provisions of the Companies Act, 2013, Mr. Gautam Khandelwal, Director of the Company is liable to retire by rotation and being eligible, has offered himself for re-appointment.

Mr. Ajay Kumar Swarup has resigned as an Independent Director of the Company due to his pre-occupation with effect from closure of business hours on May 29, 2019. The Company appreciates the valuable Service & Support rendered by him to the Company during his tenure as an Independent Director of the Company. Further, Mr. Ajay Kumar Swarup has confirmed that there was no material reason for his resignation other than those mentioned in his resignation and confirmation letter as available on company's website and on BSE website.

During the year, Mrs. Suelve Gautam Khandelwal was re-appointed as an Executive Director and Key Managerial Personnel of the Company with effect from April 01, 2018. Further, Mr. Virat Mehta was regularized as an Independent director in the AGM held on September 29, 2018.

The Nomination and Remuneration Committee, on the basis of performance evaluation of Independent Director and taking into account the external business environment, the business knowledge, experience and the contribution made by Mr. Nimis Sheth during his tenure, has recommended to the Board to re-appoint Mr. Nimis Sheth as an Independent Director of the Company for the second term. The board recommends his re-appointment as a Non-Executive, Independent Director of the Company.

All the Directors of the Company have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and not debarred or disqualified by the SEBI / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Director of the Company or any other Company where such Director holds such position in terms of Regulation (10)(i) of Part C of Schedule V of Listing Regulations.

**The Company has following persons as Key Managerial personnel:**

<b>Sr. No.</b>	<b>Name of the person</b>	<b>Designation</b>	<b>Date of Appointment</b>
1.	Mrs. Suelve Gautam Khandelwal	Executive Director	01.04.2015
2.	Mrs. Roshan D'souza	Chief Financial Officer	30.09.2014
3.	Ms. Reena Yadav	Company Secretary and Compliance Officer	13.08.2014

**Details of Board meetings**

During the year, the Board of Directors met 5(Five) times, details of which are as follows:

<b>Date of Meetings</b>	<b>No. of Directors attended the Meeting</b>
May 30, 2018	4
August 13, 2018	5
November 14, 2018	4
February 06, 2019	4
March 29, 2019	3

**Notes:**

- Mr. Gautam Khandelwal, Mr. Nimis Sheth and Mrs. Suelve Gautam Khandelwal have attended all the meetings during the year;
- Mr. Ajay Kumar Swarup has attended 2 Meetings out of 5 Meetings during the year; and
- Mr. Virat Mehta has attended 3 Meetings out of 4 Meetings during the year;

**Committees of the Board and attendance at last AGM**

The details of the various committees of the board and their composition and number of meetings attended as on March 31, 2019 are as under:

Name of Director(s)	Audit Committee		Stakeholders Relationship Committee		Nomination and Remuneration Committee		Attendance at last AGM
	Chairman/ Member	No. of Meeting attended/ Out of	Chairman/ Member	No. of Meeting attended/ Out of	Chairman/ Member	No. of Meeting attended/ Out of	
Mr. Nimis Seth	Chairman	4/4	Chairman	4/4	Chairman	2/2	Yes
Mr. Gautam Khandelwal	Member	4/4	Member	4/4	Member	2/2	Yes
Mr. Ajay Kumar Swarup	Member	2/3	-	-	Member	1/1	No
Mrs. Suelve Gautam Khandelwal	-	-	Member	4/4	-	-	Yes
Mr. Virat Mehta	Member	1/1	Member	1/1	Member	1/1	Yes

**Notes:**

- The Audit Committee met 4 (Four) times during the year i.e. on May 30, 2018, August 13, 2018, November 14, 2018, and February 06, 2019.
- The Stakeholders Relationship Committee met 4 (Four) times during the year i.e. on May 30, 2018, August 13, 2018, November 14, 2018, and February 06, 2019.
- Nomination and Remuneration Committee met 2 (Two) times during the year i.e. on May 30, 2018 and February 06, 2019.
- Mr. Ajay Kumar Swarup was member of Audit and Nomination & Remuneration Committee till November 14, 2018. Further, Mr. Virat Mehta was appointed as a Member of Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee w.e.f. November 14, 2018.

**Declaration by Independent Directors (IDs)**

The Company has received necessary declarations from its Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013.

During the year, the Independent Director meeting was held on August 13, 2018 as required by regulation 25 of SEBI (LODR) Regulations, 2015.



**Nomination And Remuneration Policy**

The policy of the Company on director's appointment and remuneration, including criteria for determining qualifications, positive attributes and independence of a director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013 is adopted by the Board and may be accessed on Companies website at the link: <http://informed-tech.com/investors/corporate-governance/>. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company. Further, the Nomination and Remuneration Committee devises the policy on Board diversity to provide for having a broad experience and diversity on the Board.

**Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and applicable provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared as per the requirement of the act which included various aspects of Boards and Committees functioning, Composition of the Board and its Committees, functioning of the Individual directors, board diversity. The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices and the fulfillment of Directors obligations and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings.

The evaluation of all directors, committees chairman of the board and the board as whole was conducted based on the criteria and framework and expressed their satisfaction with the evaluation process.

**Significant and material orders passed by the regulators or courts or tribunals**

There were no significant material orders passed by the regulators or courts or tribunals which may impact the going Concern status and Companies operations.

**Internal financial controls**

The details in respect of internal financial control and their advocacy are included in the management discussion and analysis which forms part of this Annual Report.

**IEPF Share Transfer and Nodal Officer**

As per Companies act, 2013 the Company has transferred 17,233 Equity shares to Investor Education and Protection fund. Further, Ms. Reena Yadav, Company Secretary and compliance officer is the Nodal Officer for IEPF.

**Deposits**

During the year, your Company has not accepted any deposits under the provisions of Chapter V of the Companies Act, 2013 and the rules made there under.

**Subsidiary/Joint Ventures/Associate Companies**

The Company does not have Subsidiary Companies /Joint Ventures. The Company has One Associate Company "Entecres Labs Private Limited".

**Loans, guarantees or investments**

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

**Management Discussion and Analysis****a) Industry Review and future outlook:**

The Indian IT industry has now matured and is internationally recognized for its technical skills & trained manpower. The need for greater transparency in governance of companies in international financial markets is continuing to drive businesses in which the Company is associated as a service provider. The Indian companies are now emphasizing on improving technology and offering higher value added services. The digital transformation of businesses provides opportunities for IT Services industry in providing a range of new services.

The Company is principally engaged in the business of Business Process Outsourcing which is only reportable segment.

The Company is actively looking for expansion opportunities in various sectors which are technology enabled in order to drive growth for the Company.

**b) Business Review & Development and Overview of Financial Performance & Operations:**

Your Company is operating as IT enabled service provider and is a content provider to the securities and financial research industry. Companies Data Management techniques enable organizations to leverage their operations and help them reduce costs and turnaround time.

Your Company has also developed insight into the market segment of financial content and has developed relationships with its customers, which are well known and respected American Corporations. During the year, the total operational revenue was Rs. 204.21 Lakhs as compared to Rs. 226.41 Lakhs in previous year. Your Company is also exploring new business opportunities in other areas in information technology services and is in the process of developing software application solutions for proprietary products. During the year, the total income of the Company was Rs. 276.81 Lakhs compared to Rs. 530.59 Lakhs in previous year.

**c) Internal Control Systems:**

The Company has adequate internal control systems in place with reference to the financial statements. The Audit Committee of the Board periodically reviews the internal control systems with the management, Internal Auditors and Statutory Auditors and the adequacy of internal audit function, significant internal audit findings and follow-ups thereon, there are no adverse observations having material impact on financials, commercial implications or material non-compliance which have not acted upon.

The Company has also implemented Quality Management System (QMS) and has got itself registered under ISO 9001:2015 Standard.

**d) Risks, Concerns & Threats:**

This section lists forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these statements as results of certain factors. Our Risks, Concerns & Threats are as follows:

- We may not be able to sustain our previous profit margins or levels of profitability.
- Our revenues are dependent on clients primarily located in the United States and Austria, as well as on clients concentrated in specific sectors. An economic slowdown or other factors that affect the economic health of the United States and Austria or those sectors, or any other impact on the growth of such sectors, may affect our business.

- Currency fluctuations may affect the revenue generation from our operations.
- Intense competition in the market could affect our pricing, which could reduce our share of business from clients and decrease our revenues.
- A large part of our revenues is dependent on our top clients and the loss of any one of our major clients could significantly impact our business.
- Our client contracts can typically be terminated without cause and with little or no notice or penalty, which could negatively impact our revenues and profitability.
- We may be liable to our clients for damages caused by the disclosure of confidential information, system failures, errors or unsatisfactory performance of services.
- We may engage in acquisitions, strategic investments, strategic partnerships or alliances or other ventures that may or may not be successful.
- Anti-outsourcing legislation in certain countries in which we operate i.e. Unites States and Austria, may restrict companies in those countries from outsourcing work to us, or may limit our ability to send our employees to certain client sites.
- In the event that the Government of India or the government of another country changes its tax policies in a manner that is adverse to us our tax expense may materially increase, reducing our profitability.
- If the Government of India modifies dividend distribution tax rates or introduces new forms of taxes on the distribution of profits, or changes the basis of application of these taxes, the same could materially affect the returns to our shareholders.

**e) Associate Company and Consolidated Statements**

Your Company has one associate company i.e. "Entecres Labs Private Limited" (ELPL). During the year, revenue of the ELPL has increased to Rs. 599.07 Lakhs from Rs. 351.66 Lakhs in the previous year and its net profit after tax has increased to Rs. 39.95 Lakhs from Rs. 24.58 Lakhs in the previous year.

The Consolidated Financial Statement of your Company for the financial year 2018-19, are prepared in compliance with applicable provisions of the Companies Act, 2013, Indian Accounting Standard and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Consolidated Financial Statements have been prepared on the basis of audited financial statements of the Company, its associates, as approved by their respective Board of Directors.

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient features of the financial statement of Company's associate is given as AOC -1. Brief particulars about the business of the Associate Company is as follows:-

Entecres Labs Private Limited (ELPL) is the brainchild of a group of research engineers along with some professors and educationalists. The Company core business is to promote STEM education (STEM stand for Science, Technology, Engineering, and Mathematics) among students at an earlier age. Apart from India, It also has presence in various countries including Japan, UAE, Singapore, Maldives, Sri Lanka, Bangladesh, Nepal and Malaysia. The investment has allowed your Company to enter the education sector and explore new opportunities for growth in education and technology sector.

**f) Material developments in human resources / industrial relations, including number of people employed**

The human resource plays a vital role in the growth and success of an organization. The Company has maintained cordial and harmonious relations with employees.

During the year under review, various training and development workshops were conducted to improve the competency level of employee with an objective to improve the operational performance of individuals. The Company has built a competent team to handle challenging assignments and projects.

The Company has 26 permanent employees as on March 31, 2019.

**g) Details Of Significant Changes**

<b>Ratios</b>	<b>2019</b>	<b>2018</b>
Debtors Turnover ratio	7.12	9.43
Interest coverage ratio	(15.21)	31.41
Current ratio	19.42	20.94
Debt equity ratio	0.02	0.02
Operating Profit Margin %	(0.52)	0.77
Net Profit Margin %	(48.80)%	55.95%
Return on Net worth	(7.41)%	8.82%
EPS	(2.39)	3.04
PE Ratio	(14.14)	17.20

**Reason for significant change:**

- Revenue from Operations & other Income: The Revenue has dropped in the current year amidst challenging business environment encountered during the year. Other Income has reduced mainly due to conservative approach adopted to avoid & limit our exposure to volatility & sensitivity in the Financial Markets.
- Debtors Turnover ratio: The Debtors Turnover Ratio has changed but it is realized within the credit permissible policy of the company.
- The Interest coverage ratio has come down due to loss incurred by the company during the year. However the management is of the view that the losses are due to Ind AS effect wherein the notional losses of current investments have been factored in and the company has adequate cash flow to service the interest.
- The net operating margin has come down due to decrease in sales in the current year as compared to the last year. However the management is of the view that effect of decrease in sales is not significant and it is mainly on account of IndAS effect wherein the notional losses of current investments have been factored in.
- The net loss margin has increased to (48.80%) as compared to last year as compared to net profit margin of 55.95% in the previous year. However the management's contention is that it is due to Ind AS effect wherein the notional losses of current investments have been factored in.

- The earnings per share have gone down from Rs 3.04 to Rs. (2.39) per share i.e there is a decrease of 179% due to the increased losses by the company in the current year. The negative EPS is mainly on account of notional losses of current investments and as such is of transitional nature.

**h) Details of any change in Return on Net Worth as compared to the immediately previous financial year**

Due to increase in loss for the current year the return on net worth i.e. the return on shareholders' equity has gone down by 184%. However the managements contention is that it the Ind AS affect wherein the notional losses of current investments have been factored in.

**Risk Management**

The Company is aware of the risks associated with the business. The Senior Managements regularly analyses and takes corrective actions for managing / mitigating the same. In terms of the requirement of the Act, the Company has authorized Senior Management to manage, monitor and report on the principal risks and uncertainties that can impact the ability to achieve the Companies strategic objectives. The Senior Management periodically informs the board on various issues along with its recommendations and comments for Boards review and necessary action.

**Statutory Auditors, their Report and Notes to Financial Statements**

M/s. Parekh Sharma and Associates, Chartered Accountants (Firm Registration No. 129301W) were appointed as the Statutory Auditors of the Company as per the provisions of Section 139 of the Companies Act, 2013 to hold office from the conclusion of the 59th Annual General Meeting (AGM) held on September 28, 2017 until the conclusion of the Fifth consecutive AGM of the Company to be held in the year 2022 (subject to ratification of their appointment by the Members at every AGM held after the AGM held on September 28, 2017).

Further, in accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. Therefore, it is not proposed to ratify the appointment of auditors at the ensuing Annual General Meeting.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

<b>Particular</b>	<b>As at March 31, 2019</b>
Audit Fees	3,24,500
Tax Audit Fees	-
Other Service	1,18,000
<b>Total</b>	<b>4,42,500</b>

**Details in respect of Frauds Reported By Auditors**

During the year under review, the Statutory Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

**Secretarial Auditor**

In terms of Section 204 of the Act and Rules made there under, M/s. DSM & Associates, Practicing Company Secretary (COP No. : 9394) have been appointed Secretarial Auditors of the Company. The secretarial audit report does not contain any adverse remarks or disclaimers it is enclosed as **Annexure I** to this report. The report is self-explanatory and do not call for any further comments.

**Secretarial Standards**

The Company is in compliance with the applicable secretarial standards.

**Internal Auditors**

In terms of Section 138 of the Companies Act, 2013 and the rules made there under, M/s M. V. Ghelani & Co., Chartered Accountants (ICAI Registration No. 119077W) are Internal Auditors of the Company. The audit Committee of the Board of Directors in consultation with the Internal Auditors, formulate the scope, functioning, periodicity and methodology for conducting the internal audit.

**Related Party Transactions**

There have been no materially significant related party transactions between the Company and the Directors, the management, the key managerial personnel or their relatives except for those disclosed in the financial statements.

Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC-2 does not form part of the report.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company website and can be accessed at the Web link: <http://informed-tech.com/investors/corporate-governance/>.

**Extract of the Annual Return**

Pursuant to the provisions of section 92 (3) of Companies Act, 2013, the extract of the annual return in Form No. MGT - 9 is enclosed with the report as **Annexure II**.

**Disclosures pursuant to The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director /KMP for financial year 2018-19 (Rs. In Lacs)	% increase in Remuneration in the financial year 2018-19	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Mr. Gautam Khandelwal Non Executive Chairman	NIL	Not Applicable	Not Applicable	Not Applicable
2.	Mr. Nimis Sheth Independent Director	NIL	Not Applicable	Not Applicable	Not Applicable
3.	Mr. Ajay Kumar Swarup Independent Director	NIL	Not Applicable	Not Applicable	Not Applicable
4.	Mr. Virat Mehta Independent Director	NIL	Not Applicable	Not Applicable	Not Applicable
5.	Mrs. Suelve Khandelwal Executive Director	24.00	No change	7.71:01	Profit / (Loss) After Tax decreased by 78.67% during the financial year 2018-19
6.	Mrs. Roshan Dsouza Chief Financial Officer	8.71	30.22%	Not Applicable	
7.	Ms. Reena Yadav Company Secretary and Compliance Officer	8.69	23.43%	Not Applicable	

**\* The Company has not paid any sitting fees to any directors during the year.**

**Notes**

- i) The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19: As per table given above.
- ii) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19 and: As per table given above.
- iii) The percentage increase in the median remuneration of employees in the financial year 2018-19: 38%
- iv) There were 26 confirmed employees on the rolls of the Company as on March 31, 2019.
- v) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out of there are any exceptional circumstances for increase in the managerial remuneration: As per table given above.
- vi) Affirmation that the remuneration is as per remuneration policy of the Company- Yes

B) Particulars of employees remuneration, as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016:

During the year under consideration, none of the employees of the Company were in receipt of remuneration in excess of limits prescribed section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 hence particulars as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are not given.

**Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo**

Disclosures pertaining to conservation of energy, technology absorption are not applicable to your company during the year under Review. The Company has not undertaken any R&D activity in the current year. The Company has not imported any technology during the year.

During the year, the foreign Exchange outgo was Rs. 6.32 Lakhs (Previous year - Rs. 11.89 Lakhs). The Foreign Exchange earning was Rs. 204.21 Lakhs (Previous year Rs. 226.41 Lakhs).

**Corporate Social Responsibility (CSR)**

Since the CSR norms are not applicable to the Company hence, the disclosures as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not required to be made.

**Cost Record**

Maintenance of cost records as specified under Section 148(1) of the Act is not applicable to your Company.

**Vigil Mechanism and Whistle Blower Policy**

The Company has adopted a Vigil Mechanism and Whistle Blower Policy to provide a mechanism for the directors and employees to report genuine concerns about any unethical behavior, actual or suspected fraud or violations of the Company's code of conduct. The provisions of this policy are in line with the provisions of Section 177 (9) of the Act. The policy can be accessed on the companys website at following link <http://informed-tech.com/investors/corporate-governance/>

**Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place Prevention of Sexual Harassment at Workplace Policy in line with the requirements of the Sexual Harassment of Women in the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contract, temporary, trainees) are covered under this policy.

The following is a summary of Sexual Harassment Complaints received and disposed off during the year 2018-2019.

<b>No. of Complaint received</b>	<b>No. of Complaints disposed off</b>	<b>No. of Complaints pending</b>
Nil	N.A.	N.A.



**Material Changes**

There were no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which this report relates and the date of the report except as otherwise mentioned in this director report, if any.

There had been no changes in the nature of Companies business. To the best of information and assessment there has been no material changes occurred during the financial year, generally in the classes of business in which the Company has an interest except as otherwise mentioned in this director report, if any.

**Directors Responsibility Statement**

Pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- iii) they have taken proper and sufficient care to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared on a going concern basis;
- v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Corporate Governance**

As per regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provisions as specified in regulation 27 shall not apply to your Company. As such there is no requirement to attach the corporate governance report.

**Acknowledgements**

Your Board of Directors wishes to place on record their appreciation for the whole-hearted cooperation received by the Company from the Shareholders, various Government departments, Business Associates, Companies Bankers and all the employees during the year.

For and on behalf of the Board

Place: Mumbai

Date: July 30, 2019

**Gautam Khandelwal**

Chairman

DIN (00270717)

**Annexure I****SECRETARIAL AUDIT REPORT****For the Financial Year ended 31<sup>st</sup> March, 2019**

*(Pursuant to section 204(1) of the Companies Act, 2013 and the Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)*

**To,  
The Members of  
Informed Technologies India Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Informed Technologies India Limited** (CIN: L99999MH1958PLC011001) (hereinafter called "The Company"). We have conducted Secretarial Audit in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under
- (iii) The Depositories Act, 1996 and the regulations and bye laws framed there under
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Director Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act)
  - a) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) Other specifically applicable laws to the Company during the period under review;
  - (i) Income Tax Act, 1961;
  - (ii) Chapter V of the Finance Act, 1994 (Service Tax);
  - (iii) Public Liability Insurance Act, 1991;
  - (iv) Registration Act, 1908;
  - (v) Indian Stamp Act, 1899;

- (vi) Indian Contract Act, 1872;
- (vii) Negotiable Instrument Act, 1881;
- (viii) Information Technology Act, 2000;
- (ix) Prevention of Money Laundering Act, 2002;
- (x) Consumer Protection Act, 1986;

We have also examined compliance with the applicable clause of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with The Bombay Stock Exchange or Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015

Based on the aforesaid information provided by the Company, we report that during the financial year under report, the Company has complied with the provisions of the above mentioned Act/s, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review, if any, were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that, based on the information provided and the representation made by the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

- i. Mr. Virat Mehta, was appointed as an additional director - Independent Director - of the Company with effect from 1<sup>st</sup> June, 2018. Members of the Company accorded the consent for appointment of Mr. Virat Mehta as a Director – Independent Director – in the Annual General meeting of the Company held on 29<sup>th</sup> September, 2018.

and there were no other specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs.

***For DSM & Associates,  
Company Secretaries***

***CS Sanam Umbargikar  
Partner  
M. No.26141.  
COP No.9394.***

Date: 30<sup>th</sup> July, 2019.

Place: Mumbai.

*To,*

*The Board of Directors*

*Informed Technologies India Limited*

Dear Sirs,

**Subject: Secretarial Audit Report for financial year ended 31<sup>st</sup> March, 2019.**

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of the management. Our examination was limited to the verification of procedures on test check basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

*For DSM & Associates,  
Company Secretaries*

*CS Sanam Umbargikar  
Partner*

**M. No.26141.  
COP No.9394.**

Date: 30<sup>th</sup> July, 2019.

Place: Mumbai.

**Annexure II  
FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

As on financial year ended on March 31, 2019  
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014

**I. REGISTRATION & OTHER DETAILS**

1.	CIN	L99999MH1958PLC011001
2.	Registration Date	07.01.1958
3.	Name of the Company	Informed Technologies India Limited
4.	Category/Sub-category of the Company	Company Limited by Shares/ Indian Non-Government Company
5.	Address of the Registered office & contact details	Nirmal, 20 <sup>th</sup> Floor, Nariman Point, Mumbai – 400021 Tel: 91-22-22023055, Fax: 91-22-22043162 Email: cs@informed-tech.com
6.	Whether listed company	Listed on BSE Ltd. (BSE)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel No: +91 22 49186000/49186270 Fax: +91 22 49186060 e-mail id: rnt.helpdesk@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Data Processing	63111	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Khandelwals Limited 10, Orange Street, London, UK , WC2H7DQ	Foreign Company	Holding Company	64.24%	2 (46)
2.	Entecres Labs Private Limited House No Rz D - 30 B, Dabri Extension East, New Delhi- 110045	U73100DL2012PTC230786	Associate Company	27.96%	2 (6)

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

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter's</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	448061	0	<b>448061</b>	10.75	448061	0	<b>448061</b>	10.75	0
b) Central Govt	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0
c) State Govt(s)	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0
d) Bodies Corp.	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0
e) Banks / FI	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0
f) Any other	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0
<b>Sub-total (A) (1)</b>	<b>448061</b>	<b>0</b>	<b>448061</b>	<b>10.75</b>	<b>448061</b>	<b>0</b>	<b>448061</b>	<b>10.75</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRI/ Individuals	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0
b) Other – Individuals	0	0	<b>0</b>	0	0	0	<b>00</b>	0	0
c) Bodies Corporate	2678220	0	<b>2678220</b>	64.24	2678220	0	<b>2678220</b>	64.24	0
d) Banks / FI	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0
e) Any Other	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0
<b>Sub-total (A) (2)</b>	<b>2678220</b>	<b>0</b>	<b>2678220</b>	<b>64.24</b>	<b>2678220</b>	<b>0</b>	<b>2678220</b>	<b>64.24</b>	<b>0</b>
<b>Total Share holdings of Promoter</b>									
<b>(A) = (A) (1) + (A) (2)</b>	<b>3126281</b>	<b>0</b>	<b>3126281</b>	<b>74.99</b>	<b>3126281</b>	<b>0</b>	<b>3126281</b>	<b>74.99</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	40	<b>40</b>	0	0	40	<b>40</b>	0	0
b) Banks / FI	10	1080	<b>1090</b>	0.03	10	1080	<b>1090</b>	0.03	0
c) Central Govt	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0
d) State Govt(s)	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0
e) Venture Capital Funds	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0
f) Insurance Companies	385380	0	<b>385380</b>	9.24	385380	0	<b>385380</b>	9.24	0
g) FII's	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0
h) Foreign Venture Capital Funds	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0
i) Others (specify)	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0
<b>Sub-total (B)(1)</b>	<b>385390</b>	<b>1120</b>	<b>386510</b>	<b>9.27</b>	<b>385390</b>	<b>1120</b>	<b>386510</b>	<b>9.27</b>	<b>0</b>
<b>(2) Non-Institutions</b>									
a) Bodies corporate									
i) Indian	8293	0	8293	0.20	8230	0	8230	0.20	0.00
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	162680	253700	416380	9.99	166859	231927	398786	9.56	(0.43)
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	85254	10550	95804	2.30	85254	10550	95804	2.30	0
c) Others (specify)									
Non Resident Individual (rep)	100	300	400	0.01	100	300	400	0.01	0
Clearing Members	2595	0	2595	0.06	2423	0	2423	0.06	0
Government Companies	0	0	0	0	0	0	0	0	0
Hindu Undivided Family	20244	0	20244	0.49	20282	0	20282	0.49	0
Non Resident Individual (non rep)	1398	0	1398	0.03	1956	0	1956	0.05	0.02
IEPF	111195	0	111195	2.67	128428	0	128428	3.08	0.41
<b>SUB TOTAL (B)(2):</b>	<b>391759</b>	<b>264550</b>	<b>656309</b>	<b>15.74</b>	<b>413532</b>	<b>242777</b>	<b>656309</b>	<b>15.74</b>	<b>0.00</b>
<b>Total Public Shareholding</b>									
<b>(B)= (B)(1)+(B)(2)</b>	<b>777149</b>	<b>265670</b>	<b>1042819</b>	<b>25.01</b>	<b>798922</b>	<b>243897</b>	<b>1042819</b>	<b>25.01</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>3903430</b>	<b>265670</b>	<b>4169100</b>	<b>100.00</b>	<b>3925203</b>	<b>243897</b>	<b>4169100</b>	<b>100.00</b>	<b>0.00</b>

ii) Shareholding of Promoter:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	
1	Gautam Khandelwal	110751	2.66	0	110751	2.66	0	0
2	Suelve Khandelwal	101580	2.44	0	101580	2.44	0	0
3	Geeta Khandelwal	115040	2.76	0	115040	2.76	0	0
4	Sia Khandelwal	40250	0.97	0	40250	0.97	0	0
5	Tara Khandelwal	40190	0.96	0	40190	0.96	0	0
6	Uday Siddharth Khandelwal	40250	0.97	0	40250	0.97	0	0
7	Khandelwals Limited	2678220	64.24	0	2678220	64.24	0	0
	<b>Total</b>	<b>3126281</b>	<b>74.99</b>	<b>0</b>	<b>3126281</b>	<b>74.99</b>	<b>0</b>	<b>0</b>

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

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	3126281	74.99	3126281	74.99
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	*	*	*	*
At the end of the year	3126281	74.99	3126281	74.99

\* There is no change in the total shareholding of promoters between 01.04.2018 and 31.03.2019.

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

Sr. No.	For Each of the Top 10 Shareholders *	Shareholding at the beginning of the year (01.04.2018)		Shareholding at the end of the year (31.03.2019)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Life Insurance Corporation Of India	384750	9.2286	384750	9.2286
2	Investor Education And Protection Fund Authority Ministry Of Corporate Affairs	111195	2.6671	128428	3.0805
3	Bhagwat Devidayal	12414	0.2978	12414	0.2978
4	Gulab Nihalchand Jain	11399	0.2734	11399	0.2734
5	Uday Acharya	10550	0.2531	10550	0.2531
6	Chandrprakash Kabra	8643	0.2073	8643	0.2073
7	**Devendra Khanduri	6550	0.1571	0	0
8	Samta Engineer	5130	0.123	5130	0.123
9	Thakker Bhupendra	4817	0.1155	4817	0.1155
10	Ashalata Gupta	4510	0.1082	4510	0.1082
11	Yogesh Harkishanlal Mandalia	4495	0.1078	4495	0.1078

\* The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in Shareholding is not indicated.

\*\* Shares has been transferred to IEPF.



v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>A</b>	<b>DIRECTORS</b>				
	Gautam Khandelwal (Non-Executive Chairman)	110751	2.66	110751	2.66
	Suelve Khandelwal (Executive Director)	101580	2.44	101580	2.44
	Virat Mehta (Independent Director)	0	0	0	0
	Nimis Sheth (Independent Director)	1000	0.02	1000	0.02
	Ajay Kumar Swarup (Independent Director)	72840	1.75	72840	1.75
<b>B</b>	<b>Key Managerial Personnel</b>				
	Suelve Khandelwal (Executive Director)	101580	2.44	101580	2.44
	Roshan D'Souza (CFO)	10	0.00	10	0.00
	Reena Yadav (Company Secretary And Compliance Officer)	Nil	Nil	Nil	Nil

V. INDEBTEDNESS

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

(Rs. In Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	28.20	0	0	28.20
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>28.20</b>	<b>0</b>	<b>0</b>	<b>28.20</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	0	0	0
* Reduction	(6.49)	0	0	(6.49)
<b>Net Change</b>	<b>(6.49)</b>	<b>0</b>	<b>0</b>	<b>(6.49)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	21.71	0	0	21.71
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>21.71</b>	<b>0</b>	<b>0</b>	<b>21.71</b>

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. In Lacs)

S.N.	Particulars of Remuneration	Name of MD/WTD/ Manager
		Mrs. Suelve Gautam Khandelwal
1	Gross salary	24.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	
2	Stock Option	N/A
3	Sweat Equity	N/A
4	Commission - as % of profit - others, specify...	N/A
5	Others, please specify	N/A
	Total (A)	24.00
	Ceiling as per the Act	As per Sec II of Part II of Schedule V to the Co. Act, 2013

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

Note: No Remuneration was paid to any other directors of the Company during the FY 2018-19.

C. Remuneration to Key Managerial Personnel Other than MD/MANAGER/WTD

(Rs. In Lacs)

SN	Particulars of Remuneration	Key Managerial Personnel		
		Reena Yadav Company Secretary	Roshan Dsouza CFO	Total
1	Gross salary	8.69	8.71	17.40
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	<b>8.69</b>	<b>8.71</b>	<b>17.40</b>

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

**Independent Auditors' Report**

**To the Members of  
Informed Technologies India Limited**

**Report on the Audit of the Standalone Financial Statements Opinion**

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

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

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone 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.

**Key Audit Matters**

Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr.no	Key Audit Matters	Our Response
1.	<p>Defined benefit obligation</p> <p>The valuation of the retirement benefit scheme in the company is determined with reference to various actuarial assumptions including discount rate, future salary increases, rate of inflation mortality rates and attrition rates. Due to the size of these assumptions can have a material impact on the defined benefit obligation</p>	<p>We have examined the key controls over the process involving member data, formulation of assumptions and the financial reporting process in arriving at the provision for retirement benefits. We tested the controls for determining the actuarial assumptions and the approval of those assumptions by senior management. We found these controls were designed, implemented and operated effectively, and therefore determined that we could place reliance on these key controls for the purpose of our audit. We tested the employee data used in calculating the obligation and where material, we also considered the treatment of curtailments, settlement, past</p>

		<p>service costs, remeasurements, benefits paid, and other amendments made to obligations during the year. From the evidence obtained, we found the data and assumptions used by the management in the actuarial valuations for retirement benefit obligations to be appropriate.</p>
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**Other Information**

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the standalone financial statements and our auditors’ report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

**Management’s Responsibility for the Standalone Financial Statements**

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

In preparing the standalone financial statements, management and Board of Directors are 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.

Board of Directors is also responsible for overseeing the Company’s financial reporting process.

**Auditor’s Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 with reference to standalone financial statements 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 standalone 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 auditors' 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(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 purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

- i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The Company did not have any long term contracts including derivatives contract for which there were any material foreseeable losses.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For Parekh Sharma & Associates**  
Chartered Accountants  
Firm's Registration No: 129301W

Mumbai  
29 May 2019

**Sujesh Sharma**  
Partner  
Membership No: 118944

**Annexure A****TO THE INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2019.**

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year in accordance with a phased programme of verification which, in our opinion, is reasonable having regards to the size of the company and nature of its fixed assets. The discrepancies noticed on verification between the physical fixed assets and the books records were not material having regard to nature and size of the operations of the company and the same have been properly dealt with in the books of accounts.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in fixed assets are held in the name of the current or former name of the company.

In respect of immovable properties been taken on lease and disclosed as property, plant and equipment in the standalone financial statements, the lease agreements are in the name of the Company.

- (ii) The nature of the company's operation during the year does not required it to hold inventories. Accordingly, paragraph 3(ii) of the order is not applicable to the company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.
- (v) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2019, for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of disputes, except for the following:

<b>Name of the Statute</b>	<b>Nature of the Dues</b>	<b>Amount (in lakhs)</b>	<b>Forum where dispute is pending</b>
The Income-tax Act, 1961	Income-tax	1.43	Deputy Commissioner of Income Tax

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. Further the Company does not have any debentures issued/outstanding any time during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as specified in Nidhi Rules 2014. Accordingly, the provisions of clause 3(xii) of the order is not applicable to the company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the order is not applicable to the company.

**For Parekh Sharma & Associates**  
Chartered Accountants  
Firm's Registration No: 129301W

Mumbai  
29 May 2019

**Sujesh Sharma**  
Partner  
Membership No: 118944

**Annexure B****TO THE INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2019.****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of Informed Technologies India Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system with reference to financial statements of the Company.

**Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial

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

**Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For Parekh Sharma & Associates**

Chartered Accountants

Firm's Registration No: 1 2 9 3 0 1 W

**Sujesh Sharma**

Partner

Membership No: 118944

Mumbai  
29 May 2019

**BALANCE SHEET AS AT 31ST MARCH, 2019**

Amount in ₹

Particulars	Note no.	As at 31st March, 2019	As at 31st March, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	26,676,847	28,551,160
Investment property	3	2,390,798	2,499,453
Other intangible assets	4	57,940	108,217
Intangible assets under development	5	1,814,238	1,814,238
Investments	6	40,621,141	40,362,905
Non-current tax assets (Net)	7	2,484,281	1,064,291
Other non-current assets	8	1,124,776	983,207
		<u>75,170,021</u>	<u>75,383,470</u>
<b>Current assets</b>			
Financial assets			
Investments	9	64,663,139	75,457,331
Trade receivables	10	3,662,758	2,075,167
Cash and cash equivalents	11	860,102	3,449,442
Bank balance other than mentioned in cash and cash equivalents	12	1,030,390	1,190,381
Other current assets	13	3,843,984	3,243,811
		<u>74,060,373</u>	<u>85,416,133</u>
<b>TOTAL ASSETS</b>		<b><u>149,230,394</u></b>	<b><u>160,799,603</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	41,691,000	41,691,000
Other equity	15	92,826,124	101,944,265
<b>Total Equity</b>		<b><u>134,517,124</u></b>	<b><u>143,635,265</u></b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	16	1,464,830	2,171,396
Provisions	17	1,146,335	1,202,847
Deferred tax liabilities (Net)	18	2,050,018	3,486,243
Other non-current liabilities	19	6,238,437	6,224,408
<b>Total non-current liabilities</b>		<b><u>10,899,620</u></b>	<b><u>13,084,894</u></b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	20	706,566	648,957
Trade payables	21	829,003	703,920
Other current liabilities	22	2,278,081	2,726,568
<b>Total current liabilities</b>		<b><u>3,813,650</u></b>	<b><u>4,079,444</u></b>
		<u>14,713,270</u>	<u>17,164,338</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>149,230,394</u></b>	<b><u>160,799,603</u></b>

**Significant accounting policies**

1

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

As per our report of even date attached  
For Parekh Sharma & Associates  
Chartered Accountants  
Firm Regn. No. 129301W

Sujesh Sharma  
Partner  
M.No. :118944

Mumbai : 29th May 2019

For and on behalf of the Board of Directors

Gautam P. Khandelwal  
Chairman  
DIN 00270717

Nimis Sheth  
Director  
DIN 00482739

Roshan Dsouza  
Chief Financial Officer

Reena Yadav  
Company Secretary  
(ICSI Reg.No. A36429)

Mumbai : 29th May 2019

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

Amount in ₹

Particulars	Note no.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
I Revenue from operations	23	20,421,621	22,641,198
II Other income	24	7,259,200	30,418,108
<b>III Total income ( I + II )</b>		<b>27,680,821</b>	<b>53,059,306</b>
<b>IV Expenses</b>			
Employee benefits expenses	25	16,151,021	17,664,972
Finance costs	26	807,866	657,515
Depreciation and amortization expenses	2 - 4	2,612,557	2,369,007
Other expenses	27	19,510,666	15,516,364
<b>Total expenses</b>		<b>39,082,110</b>	<b>36,207,859</b>
<b>V Profit before exceptional items and tax (III-IV)</b>		<b>(11,401,289)</b>	<b>16,851,448</b>
VI Exceptional items		-	-
<b>VII Profit/(Loss) before tax (V-VI)</b>		<b>(11,401,289)</b>	<b>16,851,448</b>
<b>VIII Tax expense</b>	28		
Current tax		-	450,000
Minimum alternate tax credit		-	-
Deferred tax		(1,436,225)	3,734,666
<b>IX Profit/(Loss) for the year (VII-VIII)</b>		<b>(9,965,064)</b>	<b>12,666,782</b>
<b>X Other comprehensive income</b>	29		
(i) <b>Items that will not be reclassified to statement of profit and loss</b>			
Re-measurement gains/(losses) on defined benefit plans		46,111	208,304
Fair value gains/ (losses) on equity instruments		800,812	1,322,180
(ii) <b>Items that will be reclassified to statement of profit and loss</b>			
Debt instruments through other comprehensive income		-	-
<b>Total Other Comprehensive Income</b>		<b>846,923</b>	<b>1,530,484</b>
<b>XI Total Comprehensive Income for the year (IX+X)</b>		<b>(9,118,141)</b>	<b>14,197,266</b>
(Comprising profit and other comprehensive income for the year)			
<b>Earnings per equity share</b>	30		
Basic (in Rs)		(2.39)	3.04
Diluted (in Rs)		(2.39)	3.04

Significant accounting policies

1

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

As per our report of even date attached  
For Parekh Sharma & Associates  
Chartered Accountants  
Firm Regn. No. 129301W

For and on behalf of the Board of Directors

Gautam P. Khandelwal  
Chairman  
DIN 00270717

Nimis Sheth  
Director  
DIN 00482739

Sujesh Sharma  
Partner  
M.No. :118944

Roshan Dsouza  
Chief Financial Officer

Reena Yadav  
Company Secretary  
(ICSI Reg.No. A36429)

Mumbai : 29th May 2019

Mumbai : 29th May 2019

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

Amount in ₹

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>A. Cash flows from operating activities:</b>		
Net profit / (loss) before exceptional items & tax	(11,401,289)	16,851,448
<b>Adjustments for:</b>		
Depreciation and amortization	2,612,557	2,369,007
Finance cost	807,866	657,515
Unrealised gain on investments measured at FVTOCI (net)	800,812	1,322,180
Re-measurement gains/(losses) on defined benefit plans	46,111	208,304
Profit on sale of investments	1,449,361	(8,677,225)
Unrealised gain/ loss from investments	3,224,271	(5,937,942)
Interest income	(18,756)	(21,158)
Dividend income	(1,094,269)	(1,515,975)
Income from investment assets	(10,509,816)	(12,884,816)
<b>Operational profit before working capital changes</b>	<b>(14,083,152)</b>	<b>(7,628,662)</b>
<b>Adjustments for changes in working capital :</b>		
Trade receivables	(1,587,591)	649,092
Other current assets	(600,173)	(270,434)
Trade payables	125,083	(737,274)
Other current liabilities	(185,016)	730,779
<b>Cash from/ (used) in operating activities</b>	<b>(16,330,849)</b>	<b>(7,256,498)</b>
Direct taxes paid, net	(1,419,990)	(1,596,055)
<b>Net cash from/ (used) in operating activities</b>	<b>(17,750,839)</b>	<b>(8,852,553)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(579,313)	(5,030,167)
Proceeds of (purchase) / sale of investments	5,862,324	2,055,473
Income from investment assets	10,509,816	12,884,816
Dividend received	1,094,269	1,515,975
Interest received	18,756	21,158
Proceeds / (repayment) of loans and deposits	(127,540)	(1,991,099)
<b>Net cash from/ (used) in investing activities</b>	<b>16,778,312</b>	<b>9,456,156</b>
<b>C. Cash flow from financing activities</b>		
Proceeds/(repayment) of non-current borrowings	(706,566)	1,318,048
Proceeds / (repayment) of current borrowings	57,609	75,602
Dividend paid	(159,991)	(163,290)
Finance cost	(807,866)	(657,515)
<b>Net cash generated from financing activities</b>	<b>(1,616,814)</b>	<b>572,845</b>
<b>D. Net cash flows during the year (A+B+C)</b>	<b>(2,589,341)</b>	<b>1,176,448</b>
<b>E. Cash and cash equivalents at the beginning</b>	<b>3,449,443</b>	<b>2,272,995</b>
<b>F. Cash and cash equivalents at the end (D+E)</b>	<b>860,102</b>	<b>3,449,443</b>
<b>G. Cash and cash equivalents comprise of:</b>		
Cash on hand	24,926	10,643
Cheques on hand	-	-
Balances with banks	835,176	3,438,800
<b>Cash and cash equivalents at the end</b>	<b>860,102</b>	<b>3,449,443</b>

As per our report of even date attached  
For Parekh Sharma & Associates  
Chartered Accountants  
Firm Regn. No. 129301W

Sujesh Sharma  
Partner  
M.No. :118944

Mumbai : 29th May 2019

For and on behalf of the Board of Directors

Gautam P. Khandelwal  
Chairman  
DIN 00270717

Nimis Sheth  
Director  
DIN 00482739

Roshan Dsouza  
Chief Financial Officer

Reena Yadav  
Company Secretary  
(ICSI Reg.No. A36429)

Mumbai : 29th May 2019

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

Equity						Amount in ₹
Particulars	As at 1st April, 2017	Change in Equity share capital during the year	As at 1st April, 2018	Change in Equity share capital during the year	As at 31st March, 2019	
Equity Share Capital	41,691,000	-	41,691,000	-	41,691,000	

Other Equity						(Amount in ₹)
Particulars	Reserve and Surplus		Items of Other Comprehensive Income		Total	
	General Reserve	Retained Earnings	Equity instruments	Other Items		
<b>Balance as at 31st March 2017</b>	<b>110,407,865</b>	<b>9,631,382</b>	<b>(31,945,981)</b>	<b>(346,269)</b>	<b>87,746,997</b>	
Profit for the year	-	12,666,782	-	-	12,666,782	
Proposed dividend on equity shares	-	-	-	-	-	
Tax paid thereon	-	-	-	-	-	
Transfer to retained earnings	-	(24,999,018)	24,999,018	-	-	
Re-measurement of gain/(loss) on defined benefit plans (net of tax)	-	-	-	208,304	208,304	
Fair value gain/(loss) of equity instruments through other comprehensive income (net of tax)	-	-	1,322,180	-	1,322,180	
<b>Balance as at 1st April 2018</b>	<b>110,407,865</b>	<b>(2,700,854)</b>	<b>(5,624,783)</b>	<b>(137,965)</b>	<b>101,944,265</b>	
Profit for the year	-	(9,965,064)	-	-	(9,965,064)	
Proposed dividend on equity shares	-	-	-	-	-	
Tax paid thereon	-	-	-	-	-	
Transfer to retained earnings	-	-	-	-	-	
Re-measurement of gain/(loss) on defined benefit plans (net of tax)	-	-	-	46,111	46,111	
Fair value gain/(loss) of equity instruments through other comprehensive income (net of tax)	-	-	800,812	-	800,812	
<b>Balance as at 31st March 2019</b>	<b>110,407,865</b>	<b>(12,665,918)</b>	<b>(4,823,971)</b>	<b>(91,854)</b>	<b>92,826,124</b>	

As per our report of even date attached  
For Parekh Sharma & Associates  
Chartered Accountants  
Firm Regn. No. 129301W

Sujesh Sharma  
Partner  
M.No. :118944

Mumbai : 29th May 2019

For and on behalf of the Board of Directors

Gautam P. Khandelwal  
Chairman  
DIN 00270717

Nimis Sheth  
Director  
DIN 00482739

Roshan Dsouza  
Chief Financial Officer

Reena Yadav  
Company Secretary  
(ICSI Reg.No. A36429)

Mumbai : 29th May 2019

**Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2019****Note - 1****Significant Accounting Policies****1. Corporate Information**

Informed Technologies India Limited ('ITIL' 'The Company') is a limited Company incorporated and domiciled in India. The Company is a public limited company and its equity shares are listed with Bombay Stock Exchange ("BSE") in India.

The registered office of the Company is situated at 20<sup>th</sup> Floor, Nirmal Building, Nariman Point, Mumbai- 400021.

**2. Statement of Compliance**

These financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 as amended by the Companies (Indian Accounting Standard) Rules, 2017 notified under section 133 of the Companies Act, 2013, the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

**3. Basis of Preparation**

The financial statements of the Company have been prepared and presented on the going concern basis and at historical cost except for the following assets and liabilities which have been measure at fair value.

- Certain financial assets and liabilities at fair value (refer accounting policy regarding financial instruments)
- Employee's Defined Benefit Plan as per actuarial valuation

**4. Functional and Presentation Currency**

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

**5. Use of Estimates**

The preparation of financial statements in conformity with the Indian Accounting Standards requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosures of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

**6. Classification of Assets and Liabilities as Current and Non-Current**

All assets and liabilities are classified as current and non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realization in cash and cash equivalents, 12 months period has been considered by the Company as its normal operating cycle.

**7. Overall Consideration**

The financial statements have been prepared applying the significant accounting policies and measurement bases summarized below.

**8. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.



- Income from services is recognised (GST as applicable) as they are rendered, based on agreement / arrangement with the concerned customers.
- Dividend Income is recognized in the Statement of Profit and Loss only when the right to receive the income is established.
- Interest income is recognized using time proportion method based on the rates implicit in the transaction and the amount outstanding.
- Rental income is recognized in accordance with terms of lease.

**9. Property Plant and Equipment**

Property, plant and equipment are stated at acquisition or construction cost less accumulated depreciation and impairment loss. Cost comprises the purchase price and any attributable cost of bringing the assets to its location and working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognized as an assets if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the item can be measured reliably. However, cost of excludes indirect taxes to the extent credit of the duty or tax is availed off.

Items such as spare parts, standby equipment and servicing equipment are recognized as PPE when it is held for use in production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise such items are classified as inventory.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of assets. Any gain or loss arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognized in the Statement of Profit and Loss.

Capital Advance given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under Other Non-current Assets.

Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

**10. Depreciation and Amortization**

Depreciation on tangible assets is provided on Straight Line Method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, except in respect of the following assets, where the useful life is exceeding those prescribed in Schedule II based on the Chartered Engineer’s Valuation Certificate namely:

<b>Description</b>	<b>Range of Useful lives in years</b>
Furniture	1 – 9 years
Electrical Installation	2 years

Depreciation on assets purchased / sold during the period is proportionately charged. The residual value for all the above assets are retained at 5% of the cost. Residual values and useful lives are reviewed and adjusted, if appropriate, for each reporting period.

**11. Intangible Assets**

Intangible assets are stated at Cost of acquisition, less accumulated amortization/depletion and accumulated impairment losses, if any, are amortized over a period of 6 years or license period, whichever is lower.

Expenditure incurred on development is capitalized if such expenditure leads to creation of any intangible assets, otherwise, such expenditure is charged to the Statement of Profit and Loss.

**12. Investment Property**

Investment properties are recognized initially at cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation. The Company has depreciated assets based on Straight line method as per Schedule II to the Companies Act, 2013.

**13. Impairment of Assets**

At end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated to be less than its carrying amount, the carrying amount of the assets is reduced to its recoverable amount. An Impairment loss is recognised immediately in the Statement of Profit and Loss.

**14. Cash and Cash equivalents and Cash Flow Statement**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within three months from the date of acquisition and which are readily convertible into cash and which are subject to only an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby Profit or Loss before tax is appropriately classified for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents include cash in hand, cheques on hand, balances with banks in current accounts, EEFC accounts and other short- term highly liquid investments with original maturities of three months or less.

**15. Segment reporting**

The Company is principally engaged in the business of Business process outsourcing which is the only operating reportable segment as per Ind AS 108.

**16. Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred under finance costs. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to interest costs.

**17. Foreign Exchange Transactions**

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. At end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing on that date. Non-monetary items that are measured in terms of historical cost in a foreign currency, are not retranslated. Exchange difference on monetary items are recognised in the Statement of Profit and Loss in the period in which these arise.

**18. Income Taxes**

Tax expense recognized in the Statement of Profit and Loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the 'Balance Sheet approach on temporary differences between the carrying amounts of assets and liabilities in financial statements and the amount used for taxation purposes.

Deferred taxes pertaining to items recognized in other comprehensive income (OCI) are disclosed under OCI.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future tax liability. This is assessed based on the Company's forecast of future earnings, excluding non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognized in full, although Ind AS 12 'Income Taxes' specifies some exemptions.

Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for specified period of time, hence, it is presented as Deferred Tax Assets.

**19. Employee Benefits****Short-term obligations:**

Short term obligations are those that are expected to be settled fully within 12 months after the end of the reporting period. They are recognised up to the end of the reporting period at the amounts expected to be paid at the time of settlement.

**Other Long-term obligations:**

The liabilities for earned leave are not expected to be settled wholly within 12 months after end of the period in which the employees render the related service.

Long-term compensated absences are provided for on the basis of an actuarial valuation at the end of each financial year. Actuarial gains / losses, if any, are recognised immediately in Statement of Profit and Loss.

**Defined Contribution Plans:**

Contribution payable to recognised provident funds, which are substantially defined contribution plans, is recognised as expense in the Statement of Profit and Loss, as they are incurred.

**Defined Benefit Plan:**

The obligation in respect of defined benefit plan, which covers Gratuity, is provided for on the basis of an actuarial valuation at the end of each financial year. Gratuity is funded with an approved trust maintained by LIC.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in OCI Reserve and will not be reclassified to Statement of Profit and Loss.

**Bonus Payable:**

The Company recognized a liability and an expense for bonus. The Company recognised a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**20. Lease****Finance Lease****As a Lessee:**

Leases, where substantially all the risks and benefits incidental to ownership of the leased item are transferred to the Lessee, are classified as finance lease. The assets acquired under finance lease are capitalised at lower of fair value and present value of the minimum lease payments at the inception of the lease and disclosed as leased assets. Such assets are amortised over the period of lease or estimated life of such asset, whichever is lower. Lease payments are apportioned between the finance charges and reduction of the lease liability based on implicit rate of return. Lease management fees, lease charges and other initial direct costs are capitalised.

**Operating Lease****As a Lessee:**

Leases, where significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term.

**As a Lessor:**

The Company has leased certain tangible assets, and such leases, where the Company has substantially retained all the risks and rewards of ownership, are classified as operating leases. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over lease term. Associated cost such as maintenance and insurance are expensed out.

**21. Trade receivable**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business, if longer), they are classified as current assets otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component or pricing adjustments embedded in the contract.

**22. Financial Instruments****Initial Recognition and Measurement:**

Financial assets (other than trade receivables) and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through Statement of Profit and Loss which are measured initially at fair value.

Trade receivables are recognised at their transaction value as the same do not contain significant financing component.

Trade payable is in respect of the amount due on account of goods purchased in the normal course of business are recognised at their transaction value as the same do not contain significant financing component.

**(I) Financial Assets:****Classification and Subsequent Measurement:**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of both

- (a) Business model for managing the financial assets, and
- (b) The contractual cash flow characteristics of the financial asset

A Financial Asset is measured at amortised cost if both of the following conditions are met:

- (i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through Other Comprehensive Income (FVTOCI) if both of the following conditions are met:

- (i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A Financial Asset shall be classified and measured at fair value through profit or loss (FVTPL) unless it is measured at amortised cost or at fair value through OCI.

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Equity Investments:**

Equity investments in Associates are out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Associates at cost. All other equity investments are measured at fair value.

Equity instruments, which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the company has exercised irrevocable option to recognise in other comprehensive income subsequent changes in the fair value.

**Derecognition of financial assets:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of profit and loss or transfer to retained earnings, as the case may be.

**(II) Financial Liabilities and Equity Instruments****Classification as Debt or Equity:**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an

equity instrument.

**Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**Financial liabilities:**

Financial liabilities are classified, at initial recognition:

- At fair value through Statement of Profit and Loss,
- Loans and borrowings, payables, or
- As derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings, including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**Subsequent Measurement:**

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

**Financial Liabilities at FVTPL:**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at FVTPL are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

**Loans and Borrowings:**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

**Derecognition of Financial Liabilities:**

The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the statement of profit and loss or transfer to retained earnings, as the case may be.

**23. Provisions and contingent liabilities****Provisions:**

A Provision is recorded when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

**Contingent liabilities:**

Whenever there is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liability.

Show cause notices are not considered as Contingent Liabilities unless converted into demand.

**Contingent Assets:**

Contingent assets are not recognised in the financial statements since this may result in recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related assets is not a contingent assets and is recognised.

**24. Investment in Associates**

The investments in associates are carried in these financial statements at historical cost except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for as Non-current assets held for sale and discontinued operations.

When the Company is committed to a sale plan involving disposal of an investment, or a portion of an investment in an associate the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met.

Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for at historical cost. Upon loss of significant influence over the associate the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate and the fair value of retained investment and proceeds from disposal is recognised in Statement of Profit and Loss.

**25. Cash Dividend to Equity Holders of the Company**

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**26. Earnings per share**

Basic earnings per share are calculated by dividing the Net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the Net Profit or Loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are considered for the effects of all dilutive potential equity shares.

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

Note - 2

Property, plant and equipment F.Y. 2018-19

Sr. No.	Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
		As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
(a)	<b>Buildings :</b>									
	Buildings freehold	19,646,326	-	-	19,646,326	6,367,083	357,616	-	12,921,627	13,279,243
	Buildings leasehold	8,537,100	-	-	8,537,100	1,750,154	134,301	-	6,652,645	6,786,946
(b)	Plant and equipment	-	-	-	-	-	-	-	-	-
(c)	Furniture and fixtures	2,357,424	187,502	-	2,544,926	2,068,257	39,500	-	437,169	289,167
(d)	Vehicles*	10,366,555	-	-	10,366,555	3,871,107	1,278,507	-	5,149,614	6,495,448
(e)	Office equipment	2,581,962	288,423	-	2,870,385	1,759,999	384,035	-	2,144,034	821,963
(f)	Computers	2,275,140	103,388	-	2,378,528	1,956,610	197,351	-	2,153,961	318,530
(g)	Electrical installation	1,485,347	-	-	1,485,347	925,485	62,315	-	987,800	559,862
	<b>Total</b>	<b>47,249,854</b>	<b>579,313</b>	<b>-</b>	<b>47,829,167</b>	<b>18,698,695</b>	<b>2,453,625</b>	<b>-</b>	<b>21,152,320</b>	<b>28,551,160</b>

F.Y. 2017-18

Sr. No.	Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
		As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
(a)	<b>Buildings :</b>									
	Buildings freehold	19,646,326	-	-	19,646,326	6,009,467	357,616	-	6,367,083	13,636,859
	Buildings leasehold	8,537,100	-	-	8,537,100	1,615,853	134,301	-	1,750,154	6,921,247
(b)	Plant and equipment	-	-	-	-	-	-	-	-	-
(c)	Furniture and fixtures	2,357,424	3,261,470	-	2,357,424	2,033,997	34,260	-	2,068,257	323,427
(d)	Vehicles*	7,105,085	55,008	-	7,160,093	2,971,121	899,986	-	3,871,107	4,133,964
(e)	Office equipment	2,526,954	82,589	-	2,581,962	1,356,076	403,923	-	1,759,999	1,170,878
(f)	Computers	2,192,551	82,589	-	2,275,140	1,726,350	230,260	-	1,956,610	466,201
(g)	Electrical installation	1,485,347	-	-	1,485,347	863,170	62,315	-	925,485	622,177
	<b>Total</b>	<b>43,850,787</b>	<b>3,395,067</b>	<b>-</b>	<b>47,249,854</b>	<b>16,576,034</b>	<b>2,122,660</b>	<b>-</b>	<b>18,698,694</b>	<b>27,274,753</b>

\*Vehicles acquired under finance lease is recognized under PPE as substantially all the significant risk and rewards incidental to ownership of vehicles under lease have been transferred to the Company.



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

Note - 3

Investment Property F.Y.2018-19

Sr. No.	Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
		As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
(a)	<b>Buildings :</b>									
	Office Premises-freehold	4,353,726	-	-	4,353,726	1,854,273	108,655	-	1,962,928	2,390,798
	<b>Total</b>	<b>4,353,726</b>	<b>-</b>	<b>-</b>	<b>4,353,726</b>	<b>1,854,273</b>	<b>108,655</b>	<b>-</b>	<b>1,962,928</b>	<b>2,390,798</b>

F.Y.2017-18

Sr. No.	Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
		As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
(a)	<b>Buildings :</b>									
	Office premises-freehold	4,353,726	-	-	4,353,726	1,745,618	108,655	-	1,854,273	2,499,453
	<b>Total</b>	<b>4,353,726</b>	<b>-</b>	<b>-</b>	<b>4,353,726</b>	<b>1,745,618</b>	<b>108,655</b>	<b>-</b>	<b>1,854,273</b>	<b>2,608,108</b>

(a) Information regarding income and expenditure of Investment Property:

Particulars	Year Ended 2019 (Rs.)	Year Ended 2018 (Rs.)
I Rental income from investment property	10,065,600	10,065,600
II Direct expenses:		
Contribute to rental income (including R&M)	-	-
<b>III Profit before depreciation and indirect expenses (I - II)</b>	<b>10,065,600</b>	<b>10,065,600</b>
IV Depreciation	108,655	108,655
<b>V Profit before indirect expenses</b>	<b>9,956,945</b>	<b>9,956,945</b>

(b) The fair value of the Company's Investments properties as at March 31, 2019 have been arrived at on the basis of valuation carried out as at the respective dates by management based on ready reckoner Valuation published by local government with the authority which governs the Valuer in India.

<b>Fair Value of Investment Properties:</b>	<b>As at 31st March, 2019 (Rs.)</b>
Office Premises	<b>189,196,000</b>

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

Note - 4

Other Intangible assets F.Y.2018-19

Sr. Particulars No.	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
(a) Computer software	961,729	-	-	961,729	853,512	50,277	-	57,940	108,217
<b>Total</b>	<b>961,729</b>	<b>-</b>	<b>-</b>	<b>961,729</b>	<b>853,512</b>	<b>50,277</b>	<b>-</b>	<b>57,940</b>	<b>108,217</b>

F.Y.2017-18

Sr. Particulars No.	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
(a) Computer software	961,729	-	-	961,729	715,820	137,692	-	108,217	245,909
<b>Total</b>	<b>961,729</b>	<b>-</b>	<b>-</b>	<b>961,729</b>	<b>715,820</b>	<b>137,692</b>	<b>-</b>	<b>108,217</b>	<b>245,909</b>

Note - 5

Intangible assets under development F.Y.2018-19

Sr. Particulars No.	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
(a) Intangible asset under development	1,814,238	-	-	1,814,238	-	-	-	1,814,238	1,814,238
<b>Total</b>	<b>1,814,238</b>	<b>-</b>	<b>-</b>	<b>1,814,238</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,814,238</b>	<b>1,814,238</b>

F.Y.2017-18

Sr. Particulars No.	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
(a) Intangible asset under development	183,138	1,631,100	-	1,814,238	-	-	-	1,814,238	183,138
<b>Total</b>	<b>183,138</b>	<b>1,631,100</b>	<b>-</b>	<b>1,814,238</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,814,238</b>	<b>183,138</b>

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

Note - 6

Non-current financial assets - Investments

Amount in ₹

Particulars	Face value (Rs.)	Numbers As at 31st March 2019	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
<b>Investment in equity instruments</b>				
<b>Unquoted</b>				
<b>Associates:</b>				
<b>Carried at cost</b>				
Entecres Labs Private Ltd.	10	4,680	10,487,880	10,487,880
			<b>10,487,880</b>	<b>10,487,880</b>
<b>Others:</b>				
<b>Carried at fair value through other comprehensive income (FVTOCI)</b>				
Gras Education and Training Service P Ltd.	10	159,957	15,896,527	15,896,527
			<b>15,896,527</b>	<b>15,896,527</b>
<b>Quoted</b>				
<b>Others:</b>				
<b>Carried at fair value through other comprehensive income (FVTOCI)</b>				
Power Grid Corporation of India Ltd.	10	23,273	4,605,727	4,497,507
Gujarat Steel Tubes Ltd.	10	180	375	375
Nagpur Power & Industries Ltd.	10	254,232	9,470,142	9,152,352
Zenith Birla (I) Ltd.	10	164,132	160,490	328,264
			<b>14,236,734</b>	<b>13,978,498</b>
<b>Total</b>			<b>40,621,141</b>	<b>40,362,905</b>

Other details:

i Aggregate book value of:

Particulars

	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
Quoted investments	14,236,734	13,978,498
Unquoted investments	26,384,407	26,384,407
	<b>40,621,141</b>	<b>40,362,905</b>
Aggregate market value of quoted investments	14,236,734	13,978,498
Aggregate impairment in value of investments	-	-

ii Disclosure requirement of Ind AS 107- financial instruments : disclosure:

Equity instrument (other than subsidiary and associates) designated at FVTOCI:

These investment have been designated on initial recognition to be measured at FVTOCI as these are long-term investment and not intended for sale.

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

Amount in ₹

Particulars	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
<b>Note - 7</b>		
<b>Non-current tax assets/(liabilities) (Net)</b>		
Provision for taxation	(24,797,000)	(24,797,000)
Income tax paid	27,281,281	27,814,081
Less: MAT credit entitlement	-	(1,952,790)
<b>Total</b>	<b>2,484,281</b>	<b>1,064,291</b>

**Note - 8**

**Other non-current assets**

Security deposits	749,880	759,380
Advances to supplier for goods and services	374,896	223,827
<b>Total</b>	<b>1,124,776</b>	<b>983,207</b>

**Note - 9**

**Current financial assets - investments**

**Carried at fair value through profit and loss (FVTPL)**

**Quoted**

Investment in equity instruments	64,663,139	59,209,521
Investment in mutual funds	-	16,247,810
<b>Total</b>	<b>64,663,139</b>	<b>75,457,331</b>

**Other details:**

**i Aggregate book value of:**

Quoted investments	64,663,139	75,457,331
Unquoted investments	-	-
	<b>64,663,139</b>	<b>75,457,331</b>
Aggregate market value of quoted investments	64,663,139	75,457,331
Aggregate impairment in value of investments	-	-

**Note - 10**

**Trade receivables**

**(Unsecured, unless otherwise stated)**

Considered good	3,662,758	2,075,167
Doubtful	-	-
<b>Total</b>	<b>3,662,758</b>	<b>2,075,167</b>

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

Amount in ₹

Particulars	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
<b>Note - 11</b>		
<b>Cash and cash equivalents</b>		
<b>Balance with banks:</b>		
In Current accounts	748,731	2,205,026
In Deposit accounts	59,890	56,078
In EEFC accounts	26,555	1,177,696
<b>Cash on hand</b>	<b>24,926</b>	<b>10,643</b>
<b>Total</b>	<b>860,102</b>	<b>3,449,442</b>

**Note - 12**

**Bank balance other than mentioned in cash and cash equivalents**

**Earmarked balances with banks**

Unclaimed dividend	1,030,390	1,190,381
<b>Total</b>	<b>1,030,390</b>	<b>1,190,381</b>

Note: There are no amounts due and outstanding to be credited to the investor education and protection fund as at 31st March, 2019.

**Note - 13**

**Other current assets**

Balance with statutory/government authorities	2,798,447	2,540,018
Prepaid expenses	444,890	319,060
Advances to supplier for services	66,576	149,330
Advances to employees	188,000	146,000
Other receivables	346,071	89,403
<b>Total</b>	<b>3,843,984</b>	<b>3,243,811</b>

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

Amount in ₹

Particulars	As at		As at	
	31st March, 2019		31st March, 2018	
	(Rs.)		(Rs.)	

Note - 14

Equity Share Capital :

Particulars	No. of shares		Value	
<b>Authorized Capital</b>				
Equity shares of Rs. 10/- each	7,000,000	70,000,000	7,000,000	70,000,000
15% 'A' cumulative redeemable preference shares of Rs. 100/- each	50,000	5,000,000	50,000	5,000,000
	<b>7,050,000</b>	<b>75,000,000</b>	<b>7,050,000</b>	<b>75,000,000</b>
<b>Issued, Subscribed and Paid-up</b>				
Equity Shares of Rs. 10/- each fully paid up	4,169,100	41,691,000	4,169,100	41,691,000
<b>Total</b>	<b>4,169,100</b>	<b>41,691,000</b>	<b>4,169,100</b>	<b>41,691,000</b>

a Reconciliation of the number of shares outstanding is set out below:

Particulars

Number of Shares

Particulars	Number of Shares		
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
Equity shares at the beginning of the year	4,169,100	4,169,100	4,169,100
Add: shares issued during the year	-	-	-
Less: shares cancelled/bought back during the year	-	-	-
Equity shares at the end of the year	4,169,100	4,169,100	4,169,100

b The equity shares of the company having voting rights and are subject to the restriction as prescribed under the companies Act, 2013.

c Disclosure pursuant to note no. 6(D) (h,i,j,k,l) of part I of schedule III of companies act, 2013 is NIL.

d Shareholders holding more than 5% of the aggregate shares in the company

Particulars

As at

As at

Particulars	31st March, 2019		31st March, 2018	
	No. of shares	% of holdings	No. of shares	% of holdings
Khandelwals Limited*	2,678,220	64.24	2,678,220	64.24
Life Insurance Corporation of India Ltd.	384,750	9.23	384,750	9.23

\*Khandelwals Limited is registered outside India i.e. 10 Orange Street, London , United Kingdom

e During the financial year 2018-19 company has transferred 17,233 number of equity shares to IEPF account as per MCA general circular no. 12/2017 and section 124(6).

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

Amount in ₹

Note - 15

Other Equity

Particulars

Particulars	Reserve and Surplus		Items of Other Comprehensive Income		Total
	General Reserve	Retained Earnings	Equity instruments	Other Items	
<b>Balance as at 31st March 2017</b>	<b>110,407,865</b>	<b>9,631,382</b>	<b>(31,945,981)</b>	<b>(346,269)</b>	<b>87,746,997</b>
Profit for the year	-	12,666,782	-	-	12,666,782
Proposed dividend on equity shares	-	-	-	-	-
Tax paid thereon	-	-	-	-	-
Transfer to retained earnings	-	(24,999,018)	24,999,018	-	-
Re-measurement of gain/(loss) on defined benefit plans (Net of tax)	-	-	-	208,304	208,304
Fair value gain/(loss) of equity instruments through other comprehensive income (net of tax)	-	-	1,322,180	-	1,322,180
<b>Balance as at 1st April 2018</b>	<b>110,407,865</b>	<b>(2,700,854)</b>	<b>(5,624,783)</b>	<b>(137,965)</b>	<b>101,944,265</b>
Profit for the year	-	(9,965,064)	-	-	(9,965,064)
Proposed dividend on equity shares	-	-	-	-	-
Tax paid thereon	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Re-measurement of gain/(loss) on defined benefit plans (Net of tax)	-	-	-	46,111	46,111
Fair value gain/(loss) of equity instruments through other comprehensive income (net of tax)	-	-	800,812	-	800,812
<b>Balance as at 31st March 2019</b>	<b>110,407,865</b>	<b>(12,665,918)</b>	<b>(4,823,971)</b>	<b>(91,854)</b>	<b>92,826,124</b>

Note - 16

Borrowings

Particulars	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
<b>Secured</b>		
Term loan from banks	1,464,830	2,171,396
<b>Total</b>	<b>1,464,830</b>	<b>2,171,396</b>

Term loan consist of:

(1) Kotak Mahindra Prime Ltd having fixed interest @10.21% p.a. secured by hypothecation of motor car purchased under the loan. Repayment is to be made in 59 equated monthly instalments (EMI) of Rs 31,065/- each till October, 2020 of which principal sum therein totaling to Rs 2,11,085 /-payable over balance 7 EMI's are long term maturities.(2) Axis Bank Ltd having fixed interest @7.86% p.a. secured by hypothecation of motor car purchased under the loan. Repayment is to be made in 60 equated monthly instalments (EMI) of Rs 40,421/- each till February, 2023 of which principal sum therein totaling to Rs 12,53,937/-payable over balance 35 EMI's are long term maturities.

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

Amount in ₹

Particulars	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
<b>Note - 17</b>		
<b>Provisions</b>		
<b>Provision for Employee Benefits:</b>		
Gratuity	729,029	856,110
Leave encashment	417,306	346,737
<b>Total</b>	<b>1,146,335</b>	<b>1,202,847</b>
<b>Note - 18</b>		
<b>Deferred tax liabilities (Net)</b>		
Opening Balance	3,486,243	1,704,367
Add: DTL for the year	(1,436,225)	3,734,666
Less: MAT credit entitlement	-	(1,952,790)
<b>Total</b>	<b>2,050,018</b>	<b>3,486,243</b>
<b>Note - 19</b>		
<b>Other non-current liabilities</b>		
Security deposits	5,979,320	5,521,075
Other liabilities	259,117	703,333
<b>Total</b>	<b>6,238,437</b>	<b>6,224,408</b>
<b>Note - 20</b>		
<b>Borrowings</b>		
Current maturity of term loans from bank	706,566	648,957
<b>Total</b>	<b>706,566</b>	<b>648,957</b>
<b>Note - 21</b>		
<b>Trade Payables</b>		
Dues to micro, small and medium enterprises (MSME)	-	-
Dues to others	829,003	703,920
<b>Total</b>	<b>829,003</b>	<b>703,920</b>

(i) Total outstanding dues of micro, small and medium enterprises (MSME):

The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year. - -

The amount of interest paid by the buyer in terms of section 16 of the micro, small and medium enterprises development act, 2006, along with the amount of the payment made to the supplier beyond - -



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

Amount in ₹

Particulars	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
the appointed day during each accounting year.		
The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the micro, small and medium enterprises development act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year end.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the micro, small and medium enterprises development act, 2006.	-	-

(ii) The balance of trade payables are subject to confirmation.

(iii) The information has been given in respect of such vendor to the extent they could be identified as micro and small enterprises on the basis of information available with the company.

**Note - 22**

**Other current liabilities**

Statutory liabilities	542,014	737,518
Unclaimed dividend	1,030,390	1,190,381
Other payables	250,826	111,839
Provision for expenses	454,851	686,829
<b>Total</b>	<b>2,278,081</b>	<b>2,726,568</b>

**Movement of provisions during the year as required by Ind AS -37 - 'provisions, contingent liabilities and contingent assets' :**

**Provision for expenses:**

<b>Balance at the beginning of the year</b>	686,829	274,663
Add: created during the year	1,486,520	2,198,279
Less: settled during the year	1,718,498	1,767,852
Less: reversed during the year	-	18,261
<b>Balance at the end of the year</b>	<b>454,851</b>	<b>686,829</b>

Notes to financial statements for the year ended 31st March, 2019

Amount in ₹

Particulars	For the year ended 31st March, 2019 (Rs.)	For the year ended 31st March, 2018 (Rs.)
<b>Note - 23</b>		
<b>Revenue from operations</b>		
Sale of services	20,421,621	22,641,198
<b>Total</b>	<b>20,421,621</b>	<b>22,641,198</b>

**Note - 24**

**Other income**

Interest income	18,756	21,158
Dividend income	1,094,269	1,515,975
<b>Profit/(loss) on sale of :</b>		
Investment (net) - mutual funds units	(22,601)	1,843,002
Investment (net) - equity instruments	(1,426,760)	6,834,224
Gain/(Loss) on fair valuation of current investments (measure at FVTPL)	(3,224,271)	5,937,942
Rental income	10,509,816	12,884,816
Other non-operating income	267,128	-
Sundry balance w/off	42,863	1,380,992
<b>Total</b>	<b>7,259,200</b>	<b>30,418,108</b>

**Note - 25**

**Employee benefit expenses**

Salaries and wages, including bonus and ex-gratia	14,028,597	15,015,939
Contribution to provident and other funds	673,812	630,465
Staff welfare expenses	325,968	318,468
Gratuity and leave salary	358,466	780,075
Staff bus charges	764,178	920,025
<b>Total</b>	<b>16,151,021</b>	<b>17,664,972</b>

The employee benefit expenses includes the whole time director's remuneration within the limit approved by share holders with effect from 1st April 2018 at annual general meeting held on 29th September, 2018

**Note - 26**

**Finance costs**

Interest expenses	703,489	554,191
Bank charges	104,377	103,324
<b>Total</b>	<b>807,866</b>	<b>657,515</b>

Notes to financial statements for the year ended 31st March, 2019

Amount in ₹

Particulars	For the year ended 31st March, 2019 (Rs.)	For the year ended 31st March, 2018 (Rs.)
<b>Note - 27</b>		
<b>Other expenses</b>		
Advertisement and publicity	135,337	139,115
Auditors remuneration	375,000	550,000
Business promotion expenses	-	12,080
Conveyance	1,029,372	699,370
Electricity charges	808,174	762,892
Insurance charges	298,434	352,188
Legal & consultancy fees	3,984,017	3,487,632
Motor car expenses	128,651	528,226
Printing & stationery	138,153	53,647
Rates & taxes	3,355,799	676,495
Repair to buildings	2,611,020	2,024,208
Repairs to others	3,207,752	904,318
Research and development expenses	197,708	-
Software expenses	93,718	-
Travelling expenses-director's	276,003	402,296
Travelling expenses-foreign	835,576	2,908,277
Travelling expenses-others	384,184	314,480
Website, internet charges	541,135	443,278
Miscellaneous expenditures	882,273	861,296
Foreign exchange fluctuation	228,360	396,565
<b>Total</b>	<b>19,510,666</b>	<b>15,516,364</b>

**Note - 27.1**

**Auditors' remuneration (inclusive of taxes)**

Audit fees	324,500	324,500
For taxation matters including tax audit	-	-
For other services	118,000	324,500
<b>Total</b>	<b>442,500</b>	<b>649,000</b>

**Note - 28**

**Tax Expenses**

**Income tax expenses recognized in Statement of Profit and Loss:**

Current income tax for the year	-	450,000
Deferred Tax:		
Deferred income tax for the year	(1,436,225)	3,734,666
MAT Credit entitlement		-
<b>Total income tax expense recognized in statement of profit and loss for the year</b>	<b>(1,436,225)</b>	<b>4,184,666</b>

Notes to financial statements for the year ended 31st March, 2019

Amount in ₹

Particulars	For the year ended 31st March, 2019 (Rs.)
<b>Reconciliation of estimated income tax expense recognized in statement of profit and loss :</b>	
Income from continued operation before income taxes	(11,401,290)
<b>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expenses:</b>	
Income exempt from tax	-
Income taxable under taxable other heads i.e. capital gain, house property and other source	-
Expenses allowed on payment basis	-
Depreciation as per income tax act, 1961	-
Expenses related to exempt incomes	40,775
Depreciation as per schedule II of companies act, 2013	-
Provision for expenses allowed on payment basis	-
Income which is exempt under Section 10 (other than the provisions contained in clause (38) thereof or Section 11 or Section 12 of the Income-Tax, if any amount is credited to the Profit and loss accounts;	(1,094,269)
1/5th of Transition amount as per sec. 115JB(2C)	5,712,955
Expense related to income taxable under other heads	-
<b>Income from business / book profit</b>	<b>(6,741,829)</b>
<b>Income under capital gains:</b>	
- Short-term capital gain	-
<b>Income taxable under house property head</b>	-
<b>Income from other sources</b>	-
<b>Taxable income / book profit under MAT</b>	<b>(6,741,829)</b>
<b>Estimated Income Tax expenses</b>	-
<b>Income Tax expense recognized in Statement of Profit and Loss</b>	-

Note - 29

Other comprehensive income (OCI)

Particulars	For the year ended 31st March, 2019 (Rs.)	For the year ended 31st March, 2018 (Rs.)
<b>Items that will not be reclassified to profit and loss</b>		
Re-measurement gains/ (losses) on defined benefit plans	46,111	208,304
Equity instrument through other comprehensive income	800,812	1,322,180
Income tax relating to items will not be reclassified to profit and loss	-	-
<b>Items that will be reclassified to profit and loss</b>		
Debt instruments through other comprehensive income	-	-
Income tax relating to items will be reclassified to profit and loss	-	-
<b>Total (Net)</b>	<b>846,923</b>	<b>1,530,484</b>

Notes to financial statements for the year ended 31st March, 2019

Amount in ₹

Note - 30

Earnings per equity share (EPS)

Particulars	For the year ended 31st March, 2019 (Rs.)	For the year ended 31st March, 2018 (Rs.)
Nominal value of equity shares (Rs.)	10	10
Net profit for the year attributable to equity shareholders	(9,965,064)	12,666,782
Weighted average number of equity shares outstanding during the year (nos.)	4,169,100	4,169,100
<b>Basic earnings per equity shares (Rs.)</b>	<b>(2.39)</b>	<b>3.04</b>
Dilutive effect on profit		-
Net profit for the year attributable to equity shareholders for computing diluted EPS	(9,965,064)	12,666,782
Dilutive effect on weighted average number of equity shares outstanding during the year	-	-
Weighted average number of equity shares for computing diluted EPS (nos.)	4,169,100	4,169,100
<b>Diluted earnings per equity shares (Rs.)</b>	<b>(2.39)</b>	<b>3.04</b>

Note - 31

Assets given on operating lease

Particulars	For the year ended 31st March, 2019 (Rs.)	For the year ended 31st March, 2018 (Rs.)
Operating lease receipts recognized in statement of profit and loss	10,065,600	12,440,600
The total of future minimum lease receipts under non-cancellable operating leases are as follows:		
For a period not later than one year	5,871,600	10,065,600
For a period later than one year and not later than five years	-	5,871,600
For a period later than five years	-	-

General description of leasing agreements:

i Lease assets - Office building	-	-
ii Future lease rentals are determined on the basis of agreed terms	-	-
iii Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms	-	-

Notes to financial statements for the year ended 31st March, 2019

Note - 32

Segment information

For management purpose, the company comprise of only one reportable segment - Business Process Outsourcing. The Management monitors the operating results of this segment for the purpose of making decision about resource allocation and performance assessment. Segment information is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

(i) Revenue from geographical segments

Particulars	For the year ended	For the year ended
	31st March, 2019	31st March, 2018
	(Rs.)	(Rs.)
India	-	-
Outside India	20,421,621	22,641,198
<b>Total</b>	<b>20,421,621</b>	<b>22,641,198</b>

(ii) Entire non-current assets of the company are situated in India

(iii) Information about transaction with major customers:

Revenue from one customer of the company is Rs 1.92 Cr (previous year was Rs 1.96 Cr.) which is 94.18%of (previous year was 86.57%) of the company's total revenue.

Note - 33

Related party disclosures

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of Related Party	Nature of Relationship
1	Khandelwals Limited	Holding Company
2	Entecres Labs Private Limited	Associate Company
3	Nagpur Power & Industries Ltd	Enterprise that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise.
4	Zeppelin Investments Pvt. Ltd.	Enterprise that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise.
5	Ramprasad Khandelwal Memorial Trust	Enterprises owned or significantly influenced by any management personnel or their relatives.
6	<b>KEY MANAGERIAL PERSONNEL</b>	
i	Mr. Gautam P. Khandelwal	Non Executive Director (Chairman)
ii	Mrs. Suelve Khandelwal	Wholetime Director
iii	Mr. Ajay K. Swarup	Independent Director
iv	Mr. Nimis S. Sheth	Independent Director
v	Mr. Virat Mehta	Independent Director
vi	Ms. Reena Yadav	Key Management Personnel
vii	Mrs. Roshan Dsouza	Key Management Personnel

Notes to financial statements for the year ended 31st March, 2019

(ii) Transactions during the year with related parties:

Sr. No.	Nature of Transactions	For the Year ended 31.03.2019				For the Year ended 31.03.2018			
		Holding Company	Subsidiaries	Key Managerial Personnel	Total	Holding Company	Subsidiaries	Key Managerial Personnel	Total
1	Sale of services	-	-	-	-	-	-	-	-
2	Purchase of services	-	-	-	-	-	-	-	-
3	Payment to key managerial personnel - salaries	-	-	4,140,639	4,140,639	-	-	6,202,411	6,202,411
4	Donation given	-	-	-	-	-	-	-	-
<b>Outstanding balances:</b>									
1	Due to company	-	-	-	-	-	-	-	-
2	Due by company	-	-	-	-	-	-	-	-

Notes:

(a) No amounts have been written off / provided for or written back during the year in respect of debts due from or to related parties.

**Note - 34**

**Commitments, contingent liabilities and contingent assets:**

Particulars	As at	As at
	31st March, 2019 (Rs.)	31st March, 2018 (Rs.)
<b>(a) Contingent liabilities</b>		
<b>Claims made against the Company/ disputed liabilities not acknowledgement as debts:</b>		
<b>(i) Legal claims</b>		
- Income tax matters - under appeal	142,943	491,879
- Other matters	-	-
<b>(ii) Guarantees</b>		
-	-	-
<b>(b) Capital commitments</b>		
-	-	-
<b>(c) Contingent assets</b>		
-	-	-

Notes to financial statements for the year ended 31st March, 2019

Note - 35

Defined benefit plans as per actuarial valuation:

Employee benefits disclosure

i) Gratuity:

Retirement benefits in the form of gratuity liability (being administered by Life Insurance Corporation of India) is a defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year.

The present value of obligation is determined based on actuarial valuation using the projected unit credit method as prescribed by the Ind AS-19 - 'Employee Benefits', which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up final obligation.

ii) Compensated absences/leave encashment:

The company also extends defined plans in the form of compensated absences/leave encashment to employees. Provisions for compensated absences is made on actuarial valuation basis.

The company is exposed to various risks as regards its obligation towards gratuity benefit and leave salary which are as follows: (i) interest rate risk, (ii) liquidity risk, (iii) salary escalation risk, (iv) regulatory risk, (v) market risk and (vi) investment risk

Particulars	Amount in Rs.			
	Gratuity		Leave encashment	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
<b>(i) Reconciliation of present value of the obligation:</b>				
Opening defined benefit obligation	1,840,004	1,406,921	346,738	335,519
Adjustments of:				
Current service cost	245,387	332,267	56,341	45,825
Interest cost	135,154	104,234	20,843	20,804
Actuarial loss/(gain)		-		-
Liabilities assumed on acquisition/(settled on divestiture)		-		-
Benefits paid	(56,077)	(34,269)	(137,651)	(116,274)
Other (employee contribution, taxes, expenses)	(19,829)			
Remeasurements - due to financial assumptions	(31,858)		(3,295)	
Remeasurements - due to experience adjustments	(129,665)	30,851	134,331	60,864
<b>Closing defined benefit obligation</b>	<b>1,983,116</b>	<b>1,840,004</b>	<b>417,307</b>	<b>346,738</b>
<b>(ii) Reconciliation of fair value of the plan assets:</b>				
Opening fair value of the plan assets	983,894	669,236	-	-
Adjustments of:				
Return on plan assets	82,608	48,908		
Actuarial gain/(loss)		-		
Contributions by the employer	247,866	-	137,651	116,274
Assets acquired on acquisition/(distributed on divestiture)		-		
Benefits paid	(56,077)	(34,269)	(137,651)	(116,274)
Other (employee contribution, taxes, expenses)	(19,829)			
Remeasurements - return on assets (excluding interest income)	15,624	300,019		
<b>Closing fair value of the plan assets</b>	<b>1,254,086</b>	<b>983,894</b>	<b>-</b>	<b>-</b>



Notes to financial statements for the year ended 31st March, 2019

Particulars	Amount in Rs.			
	Gratuity		Leave encashment	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
<b>(iii) Net liabilities/(assets) recognised in the balance sheet:</b>				
Present value of the defined benefit obligation at the end of the period	1,983,115	1,840,004	417,306	346,737
Fair value of the plan assets	1,254,086	983,894	-	-
<b>Net liabilities recognised in the balance sheet</b>	<b>729,029</b>	<b>856,110</b>	<b>417,306</b>	<b>346,737</b>
Short term liability	26,322	21,262	51,423	51,094
<b>(iv) Amount recognised in salary and wages under employee benefits expense in the statement of profit and loss:</b>				
Current service cost	245,387	332,267	56,341	45,825
Interest on defined benefit obligation (net)	52,546	55,326	20,843	20,804
Net cost	297,933	387,593	77,184	66,629
Capitalised as Pre-Operative Expenses in respect of Net Charge to the Statement of Profit and Loss	-	-	-	-
<b>Net charge to the statement of profit and loss</b>	<b>297,933</b>	<b>387,593</b>	<b>77,184</b>	<b>66,629</b>
<b>(v) Amount recognised in other comprehensive income (OCI) for the year:</b>				
Changes in financial assumptions	(31,858)	-	(3,295)	-
Experience adjustments	(129,665)	30,851	134,331	60,864
Actual return on plan assets less interest on plan assets	(15,624)	(300,019)	-	-
<b>Recognised in OCI for the year</b>	<b>(177,147)</b>	<b>(269,168)</b>	<b>131,036</b>	<b>60,864</b>
<b>(vi) The major categories of plan assets as a % of total plan:</b>				
Insurance policies	100%	100%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>
<b>(vii) Experience adjustments on present value of DBO and plan assets</b>				
(Gain)/loss on plan liabilities	(129,665)	30,851	134,331	60,864
% of opening plan liabilities	(7.05%)	2.19%	38.74%	18.14%
(Gain)/loss on plan assets	15,624	(29,070)	-	-
% of opening plan assets	1.59%	(4.34%)	-	-
<b>(viii) Principal actuarial assumptions:</b>				
Discount rate	7.65%	7.50%	7.65%	7.50%
Salary escalation rate	5.00%	5.00%	5.00%	5.00%
Withdrawal rate	1.00%	1.00%	-	-
Attrition rate	-	-	1.00%	1.00%
Normal retirement age	58 years	58 years	58 years	58 years
Adjusted average future service	19.00	24.46	-	-
Leave encashment rate during employment	-	-	10%	10%
Leave availment rate	-	-	2%	2%
Mortality tables	Indian Assured Lives Mortality (2006-08)			

Notes to financial statements for the year ended 31st March, 2019

Note - 36

**Financial instruments : Fair values measurement Accounting classification and fair value hierarchy**

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

**The company uses the following hierarchy for determining and disclosing the fair value of financial instruments:**

Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: inputs other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: If one or more significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments and certain debt instruments which are valued using assumptions from market participants.

Set out below, is a comparison by category of the carrying amounts and fair value of the company's financial instruments.

As on 31st March, 2019:

Particulars	Carrying Amount			Fair Value	Fair value hierarchy
	FVTPL	FVTOCI	Amortised		
<b>Financial assets</b>					
<b>Non current:</b>					
Investments in equity instruments (other than associates)	-	30,133,261	-	30,133,261	Level 1
<b>Current:</b>					
Investments in equity instruments	64,663,139	-	-	64,663,139	Level 1
Investments in mutual funds	-	-	-	-	Level 2
Cash and cash equivalents	-	860,102	860,102	-	
Bank balance other than mentioned in cash and cash equivalents	-	-	1,030,390	1,030,390	-
Trade receivables	3,662,760	-	-	3,662,760	-
	<b>68,325,900</b>	<b>30,133,261</b>	<b>1,890,492</b>	<b>100,349,653</b>	
<b>Financial liabilities</b>					
Borrowings	-	-	2,171,396	2,171,396	-
Trade payables	829,003	-	-	829,003	-
Security deposit	-	-	6238437	6,238,437	Discounted cash flow method
	<b>829,003</b>	<b>-</b>	<b>8,409,833</b>	<b>9,238,836</b>	

Notes to financial statements for the year ended 31st March, 2019

As on 31st March, 2018:

Particulars	Carrying Amount			Amount in Rs.	
	FVTPL	FVTOCI	Amortised	Fair Value	Fair value hierarchy
<b>Financial assets</b>					
<b>Non current:</b>					
Investments in equity instruments (other than associates)	-	29,875,025	-	29,875,025	Level 1
<b>Current:</b>					
Investments in equity instruments	59,209,521	-	-	59,209,521	Level 1
Investments in mutual funds	16,247,810	-	-	16,247,810	Level 2
Cash and cash equivalents	-	-	3,449,442	3,449,442	-
Bank balance other than mentioned in cash and cash equivalents	-	-	1,190,381	1,190,381	-
Trade receivables	2,075,167	-	-	2,075,167	-
	<b>77,532,498</b>	<b>29,875,025</b>	<b>4,639,823</b>	<b>112,047,346</b>	
<b>Financial liabilities</b>					
Borrowings	-	-	2,820,353	2,820,353	-
Trade payables	703,920	-	-	703,920	-
Security deposit	-	-	6,224,408	6,224,408	Discounted cash flow method
	<b>703,920</b>	<b>-</b>	<b>9,044,761</b>	<b>9,748,681</b>	

**Key inputs:**

- Listed equity investments (other than subsidiaries, joint ventures and associates): quoted bid price on stock exchange (Level 1)
- Mutual funds: based on net asset value of the scheme (Level 2)
- The management assessed that fair value of cash and bank balances, trade receivables, loans, trade payables, borrowings, other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- During the reporting period ending 31st March, 2019 and 31st March, 2018, there was no transfer between Level 1 and Level 2 fair value measurement.

**Notes to financial statements for the year ended 31st March, 2019**

**Note - 37**

**Financial instruments : financial risk management**

The Company's activities exposes it to various risk such as market risk, liquidity risk and credit risks. This section explains the risks which the Company is exposed to and how it manages the risks.

The board of directors ('board') oversee the management of these risks through its audit committee The company's risk management policy has been formulated by the audit committee and approved by the board. The policy articulates on the company's approach to address uncertainties in its endeavor to achieve its stated and implicit objectives. It also prescribes the roles and responsibilities of the company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate risks in order to minimize potential adverse effects on the company's financial performance.

The board of directors reviews and agrees on policies for managing each of these risks, which are summarized below. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit Risk	Trade receivables, Other Cash and cash equivalents, Bank balances other than cash and cash equivalents, Security deposits, Loans and other financial assets	Credit ratings and Ageing analysis	Diversification of counterparties, investment limits, check on counterparties basis credit rating and number of overdue days
Liquidity Risk	Borrowings, Trade payables, Deposits from dealers and other financial liabilities	Maturity analysis	Preparing and monitoring forecasts of cash flows and maintaining sufficient cash and cash equivalents
Market Risk- Foreign Exchange	Financial assets and liabilities denominated in other than functional currency	Sensitivity analysis	Exposure limits
Market Risk- Price risk	Investment in equity instruments	Sensitivity analysis	Strategic investment
Market Risk- Interest rate risk	Security deposits	Sensitivity analysis	Periodical reset of interest rate linked to market

**1 Credit risk**

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivable from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Notes to financial statements for the year ended 31st March, 2019

(i) Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

The Company has established a credit policy under which each customer is analysed individually for creditworthiness before the company's standard payment terms and conditions are offered.

All the trade receivables are realised well with in due dates. Accordingly, management is in the opinion that requirement of provision is not arisen.

As at 31st March, 2019, the ageing of trade receivables was as follows;

Particulars	31st March, 2019	31st March, 2018
	Rs.	Rs.
Neither past due nor impaired	-	-
Due 1- 30 days	-	27,449
Due 31- 90 days	3,662,758	2,047,718
Due 90- 180 days	-	-
Due 181- 365 days	-	-
	3,662,758	2,075,167

(ii) Financial assets other than trade receivables

Credit risk from balances with banks and financial institutions is managed by the CFO in accordance with its policy. Surplus funds are parked only within approved investment categories. Investment category is periodically reviewed by the company's board of directors.

The company held cash and cash equivalents of Rs. 7.25 Lakhs as on 31st March, 2019 (Previous year ' Rs. 34.49 Lakhs). The cash and cash equivalent's are held with bank counterparties with good credit ratings.

2 Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the company's reputation.

**Maturity profile of financial liabilities**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Particulars	Amount in Rs.		
	Borrowings	Trade Payables	Other Financial Liabilities
(I) Carrying amount	2,171,396	829,003	6,238,437
(II) Contractual cash flow:			
Less than 12 months	706,566	829,003	-
More than 12 months	1,464,830	-	6,238,437

Notes to financial statements for the year ended 31st March, 2019

As on 31st March, 2018 Particulars	Amount in Rs.		
	Borrowings	Trade Payables	Other Financial Liabilities
(I) Carrying amount	2,820,353	703,920	6,224,408
(II) Contractual cash flow:			
Less than 12 months	648,957	703,920	-
More than 12 months	2,171,396	-	6,224,408

**Maturity profile of liquid financial assets**

**Surplus fund Investments in Equity, Mutual Funds, Bonds and deposits etc**

Period	Carrying Amount	Less than 12 months	More than 12 months
31st March, 2019	105,284,281	64,663,139	40,621,141
31st March, 2018	115,820,236	75,457,331	40,362,905

Company's surplus funds are more than to total borrowings outstanding as on 31st March, 2019. Hence, the liquidity risk is very low.

**3 Market risk**

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Management exposed to market risk primarily related to the market value of investments and interest rate risk. Thus, our exposure to market risk is function of investing and borrowing activities only.

**4 Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in interest rates.

**Exposure to interest rate risk**

Company is not having interest rate risk arises from borrowings, as company is having borrowings with fixed interest rate. The interest rate profile the company's interest bearing financial instruments as reported to the management of the company.

Particulars	Rate of interest
Kotak mahindra prime Ltd - car loan	10.21%
Axis Bank Ltd - car loan	7.86%

**Capital management**

For the purpose of the company's capital management, capital includes issued capital and other equity reserves. The primary objective of the company's capital management is to maximise shareholders value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

**Notes to financial statements for the year ended 31st March, 2019**

The Company monitors capital using debt to equity ratio.

	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
Noncurrent borrowings	1,464,830	2,171,396
Current borrowings	706,566	648,957
<b>Gross debts</b>	<b>2,171,396</b>	<b>2,820,353</b>
Less: Cash and cash equivalents	860,102	3,449,442
<b>Net debts</b>	<b>1,311,294</b>	<b>(629,089)</b>
<b>Total equity</b>	<b>134,517,126</b>	<b>143,635,265</b>
<b>Adjusted net debt to equity ratio</b>	<b>NA</b>	<b>NA</b>

**Note - 38**

**Additional Information Details :**

**1 Event after reporting period:**

No adjusting or significant non-adjusting event have occurred between the 31st March, 2019 reporting date and the date of authorization.

2 Previous GAAP figures have been reclassified / regrouped wherever necessary to conform with financial statements prepared under Ind AS.

As per our report of even date attached  
For Parekh Sharma & Associates  
Chartered Accountants  
Firm Regn. No. 129301W

Sujesh Sharma  
Partner  
M.No. :118944

Mumbai : 29th May 2019

For and on behalf of the Board of Directors

Gautam P. Khandelwal  
Chairman  
DIN 00270717

Nimis Sheth  
Director  
DIN 00482739

Roshan Dsouza  
Chief Financial Officer

Reena Yadav  
Company Secretary  
(ICSI Reg.No. A36429)

Mumbai : 29th May 2019

**Independent Auditors' Report**

**To the Members of  
Informed Technologies India Limited**

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of **Informed Technologies India Limited** (hereinafter referred to as "the Holding Company") and its associate 'Entecres Lab Private Limited (Holding Company and its associate together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr.no	Key Audit Matters	Our Response
1.	<p>Defined benefit obligation</p> <p>The valuation of the retirement benefit scheme in the company is determined with reference to various actuarial assumptions including discount rate, future salary increases, rate of inflation mortality rates and attrition rates. Due to the size of these assumptions can have a material impact on the defined benefit obligation</p>	<p>We have examined the key controls over the process involving member data, formulation of assumptions and the financial reporting process in arriving at the provision for retirement benefits. We tested the controls for determining the actuarial assumptions and the approval of those assumptions by senior management. We found these controls were designed, implemented and operated effectively, and therefore determined that we could place reliance on these key controls for the purpose of our audit. We tested the employee data used in calculating the obligation and where material, we also considered the treatment of curtailments, settlement, past</p>



		<p>service costs, remeasurements, benefits paid, and other amendments made to obligations during the year. From the evidence obtained, we found the data and assumptions used by the management in the actuarial valuations for retirement benefit obligations to be appropriate.</p>
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**Other Information**

The Holding Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company’s Annual Report, but does not include the financial statements and our auditors’ report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company’s management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity 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 entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

**Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated 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 entity 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 in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Group (Holding company and associate) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matters**

We did not audit the financial statements of the associate company, namely, Entecres Labs Private Limited whose financial statement reflects total assets of Rs. 327.44 Lacs as at 31<sup>st</sup> March 2019, total revenue of Rs.599.08 Lacs and net profit of Rs.39.95 Lacs for the year ended on that date, as considered in the consolidated Financial Statement. These Financial

statement and other information have been audited by the other auditor whose report has been furnished to us by the management, and our opinion on the Consolidated financial statement, in so far as it relates in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report of the other auditor.

**Report on Other Legal and Regulatory Requirements**

- A. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Holding Company and its associate which are incorporated in India, as on 31 March 2019 and taken on record by the Board of Directors of respective companies, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its associate company incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group. Refer Note 34 to the consolidated financial statements.
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any.
  - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its associate company incorporated in India during the year ended 31 March 2019.
- C. With respect to the matter to be included in the Auditors' report under Section 197(16) :
- In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its associate which are incorporated in India is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its associate which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For Parekh Sharma & Associates**  
Chartered Accountants  
Firm's Registration No: 129301W

**Sujesh Sharma**  
Partner

Membership No: 118944

Mumbai  
29 May 2019

**Annexure A****TO THE INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019****Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of Informed Technologies India Limited ("the Holding Company") as of 31 March 2019, we have audited the internal financial controls with reference to the financial statements of the Holding Company and its associate, which are incorporated in India as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company and its associate which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding company and its associate, which are incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective entity'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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its associate which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and 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 internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system with reference to financial statements of the Holding Company and its associate which are incorporated in India.

**Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in

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

#### Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

#### **Opinion**

In our opinion, the Holding Company and its associate which are incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2019, based on the internal control with reference to financial statements criteria established by the Holding Company and its associate which are incorporated in India, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

#### **Other Matters**

Our aforesaid report under section 143(3)(i) of the act on the adequacy and operation effectiveness of the internal financial controls over financial reporting in so far as it related to an associate company incorporated in India, based on the corresponding report of the auditor of such company.

**For Parekh Sharma & Associates**

Chartered Accountants

Firm's Registration No: 129301W

**Sujesh Sharma**

Partner

Membership No: 118944

Mumbai  
29 May 2019

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019**

Amount in ₹

Particulars	Note no.	As at 31st March, 2019	As at 31st March, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	26,676,847	28,551,160
Investment property	3	2,390,798	2,499,453
Other intangible assets	4	57,940	108,217
Intangible assets under development	5	1,814,238	1,814,238
Investments	6	42,812,671	41,437,463
Non-current tax assets (Net)	7	2,484,281	1,064,291
Other non-current assets	8	1,124,776	983,207
		<u>77,361,551</u>	<u>76,458,028</u>
<b>Current assets</b>			
Financial assets			
Investments	9	64,663,139	75,457,331
Trade receivables	10	3,662,758	2,075,167
Cash and cash equivalents	11	860,102	3,449,442
Bank balance other than mentioned in cash and cash equivalents	12	1,030,390	1,190,381
Other current assets	13	3,843,984	3,243,811
		<u>74,060,373</u>	<u>85,416,133</u>
<b>TOTAL ASSETS</b>		<u><b>151,421,924</b></u>	<u><b>161,874,161</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	41,691,000	41,691,000
Other equity	15	95,017,654	103,018,823
<b>Total Equity</b>		<u><b>136,708,654</b></u>	<u><b>144,709,823</b></u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	16	1,464,830	2,171,396
Provisions	17	1,146,335	1,202,847
Deferred tax liabilities (Net)	18	2,050,018	3,486,243
Other non-current liabilities	19	6,238,437	6,224,408
<b>Total non-current liabilities</b>		<u><b>10,899,620</b></u>	<u><b>13,084,894</b></u>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	20	706,566	648,957
Trade payables	21	829,003	703,920
Other current liabilities	22	2,278,081	2,726,568
<b>Total current liabilities</b>		<u><b>3,813,650</b></u>	<u><b>4,079,444</b></u>
		<u><b>14,713,270</b></u>	<u><b>17,164,338</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>151,421,924</b></u>	<u><b>161,874,161</b></u>
<b>Significant accounting policies</b>	1		

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

As per our report of even date attached  
For Parekh Sharma & Associates  
Chartered Accountants  
Firm Regn. No. 129301W

Sujesh Sharma  
Partner  
M.No. :118944

Mumbai : 29th May 2019

For and on behalf of the Board of Directors

Gautam P. Khandelwal  
Chairman  
DIN 00270717

Nimis Sheth  
Director  
DIN 00482739

Roshan Dsouza  
Chief Financial Officer

Reena Yadav  
Company Secretary  
(ICSI Reg.No. A36429)

Mumbai : 29th May 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note no.	Amount in ₹	
		For the year ended 31st March, 2019	For the year ended 31st March, 2018
I Revenue from operations	23	20,421,621	22,641,198
II Other income	24	7,259,200	30,418,108
<b>III Total income ( I + II )</b>		<b>27,680,821</b>	<b>53,059,306</b>
<b>IV Expenses</b>			
Employee benefits expenses	25	16,151,021	17,664,972
Finance costs	26	807,866	657,515
Depreciation and amortization expenses	2 - 4	2,612,557	2,369,007
Other expenses	27	19,510,666	15,516,364
<b>Total expenses</b>		<b>39,082,110</b>	<b>36,207,859</b>
<b>V Profit before exceptional items and tax (III-IV)</b>		<b>(11,401,289)</b>	<b>16,851,448</b>
VI Exceptional items		-	-
VII Share of profit/(loss) of associate company		1,116,972	676,273
<b>VIII Profit/(Loss) before tax (V-VI)</b>		<b>(10,284,317)</b>	<b>17,527,721</b>
<b>IX Tax expense</b>	28		
Current tax		-	450,000
Minimum alternate tax credit		-	-
Deferred tax		(1,436,225)	3,734,666
<b>X Profit/(Loss) for the year (VII-VIII)</b>		<b>(8,848,092)</b>	<b>13,343,055</b>
<b>XI Other comprehensive income</b>	29		
(i) <b>Items that will not be reclassified to statement of profit and loss</b>			
Re-measurement gains/(losses) on defined benefit plans		46,111	208,304
Fair value gains/ (losses) on equity instruments		800,812	1,322,180
(ii) <b>Items that will be reclassified to statement of profit and loss</b>			
Debt instruments through other comprehensive income		-	-
<b>Total Other Comprehensive Income</b>		<b>846,923</b>	<b>1,530,484</b>
<b>XII Total Comprehensive Income for the year (IX+X)</b>		<b>(8,001,169)</b>	<b>14,873,539</b>
(Comprising profit and other comprehensive income for the year)			
<b>Earnings per equity share</b>	30		
Basic (in Rs)		(2.12)	3.20
Diluted (in Rs)		(2.12)	3.20

Significant accounting policies

1

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

As per our report of even date attached  
For Parekh Sharma & Associates  
Chartered Accountants  
Firm Regn. No. 129301W

Sujesh Sharma  
Partner  
M.No. :118944

Mumbai : 29th May 2019

For and on behalf of the Board of Directors

Gautam P. Khandelwal  
Chairman  
DIN 00270717

Nimis Sheth  
Director  
DIN 00482739

Roshan Dsouza  
Chief Financial Officer

Reena Yadav  
Company Secretary  
(ICSI Reg.No. A36429)

Mumbai : 29th May 2019

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

Amount in ₹

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>A. Cash flows from operating activities:</b>		
Net profit / (loss) before exceptional items & tax	(11,401,289)	16,851,448
<b>Adjustments for:</b>		
Depreciation and amortization	2,612,557	2,369,007
Finance cost	807,866	657,515
Unrealised gain on investments measured at FVTOCI (net)	800,812	1,322,180
Re-measurement gains/(losses) on defined benefit plans	46,111	208,304
Profit on sale of investments	1,449,361	(8,677,225)
Unrealised gain/ loss from investments	3,224,271	(5,937,942)
Interest income	(18,756)	(21,158)
Dividend income	(1,094,269)	(1,515,975)
Income from investment assets	(10,509,816)	(12,884,816)
<b>Operational profit before working capital changes</b>	<b>(14,083,152)</b>	<b>(7,628,662)</b>
<b>Adjustments for changes in working capital :</b>		
Trade receivables	(1,587,591)	649,092
Other current assets	(600,173)	(270,434)
Trade payables	125,083	(737,274)
Other current liabilities	(185,016)	730,779
<b>Cash from/ (used) in operating activities</b>	<b>(16,330,849)</b>	<b>(7,256,498)</b>
Direct taxes paid, net	(1,419,990)	(1,596,055)
<b>Net cash from/ (used) in operating activities</b>	<b>(17,750,839)</b>	<b>(8,852,553)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(579,313)	(5,030,167)
Proceeds of (purchase) / sale of investments	5,862,324	2,055,473
Income from investment assets	10,509,816	12,884,816
Dividend received	1,094,269	1,515,975
Interest received	18,756	21,158
Proceeds / (repayment) of loans and deposits	(127,540)	(1,991,099)
<b>Net cash from/ (used) in investing activities</b>	<b>16,778,312</b>	<b>9,456,156</b>
<b>C. Cash flow from financing activities</b>		
Proceeds/(repayment) of non-current borrowings	(706,566)	1,318,048
Proceeds / (repayment) of current borrowings	57,609	75,602
Dividend paid	(159,991)	(163,290)
Finance cost	(807,866)	(657,515)
<b>Net cash generated from financing activities</b>	<b>(1,616,814)</b>	<b>572,845</b>
<b>D. Net cash flows during the year (A+B+C)</b>	<b>(2,589,341)</b>	<b>1,176,448</b>
<b>E. Cash and cash equivalents at the beginning</b>	<b>3,449,443</b>	<b>2,272,995</b>
<b>F. Cash and cash equivalents at the end (D+E)</b>	<b>860,102</b>	<b>3,449,443</b>
<b>G. Cash and cash equivalents comprise of:</b>		
Cash on hand	24,926	10,643
Cheques on hand	-	-
Balances with banks	835,176	3,438,800
<b>Cash and cash equivalents at the end</b>	<b>860,102</b>	<b>3,449,443</b>

As per our report of even date attached  
For Parekh Sharma & Associates  
Chartered Accountants  
Firm Regn. No. 129301W

Sujesh Sharma  
Partner  
M.No. :118944

Mumbai : 29th May 2019

For and on behalf of the Board of Directors

Gautam P. Khandelwal  
Chairman  
DIN 00270717

Nimis Sheth  
Director  
DIN 00482739

Roshan Dsouza  
Chief Financial Officer

Reena Yadav  
Company Secretary  
(ICSI Reg.No. A36429)

Mumbai : 29th May 2019



CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

Equity						Amount in ₹
Particulars	As at 1st April, 2017	Change in Equity share capital during the year	As at 1st April, 2018	Change in Equity share capital during the year	As at 31st March, 2019	
Equity Share Capital	41,691,000	-	41,691,000	-	41,691,000	

Other Equity						(Amount in ₹)
Particulars	Reserve and Surplus		Items of Other Comprehensive Income		Total	
			Items that will not be reclassified to Profit and Loss			
	General Reserve	Retained Earnings	Equity instruments	Other Items		
<b>Balance as at 31st March 2017</b>	<b>110,407,865</b>	<b>10,029,667</b>	<b>(31,945,981)</b>	<b>(346,269)</b>	<b>88,145,282</b>	
Profit for the year	-	13,343,055	-	-	13,343,055	
Proposed dividend on equity shares	-	-	-	-	-	
Tax paid thereon	-	-	-	-	-	
Transfer to retained earnings	-	(24,999,018)	24,999,018	-	-	
Re-measurement of gain/(loss) on defined benefit plans (net of tax)	-	-	-	208,304	208,304	
Fair value gain/(loss) of equity instruments through other comprehensive income (net of tax)	-	-	1,322,180	-	1,322,180	
<b>Balance as at 1st April 2018</b>	<b>110,407,865</b>	<b>(1,626,296)</b>	<b>(5,624,783)</b>	<b>(137,965)</b>	<b>103,018,823</b>	
Profit for the year	-	(8,848,092)	-	-	(8,848,092)	
Proposed dividend on equity shares	-	-	-	-	-	
Tax paid thereon	-	-	-	-	-	
Transfer to retained earnings	-	-	-	-	-	
Re-measurement of gain/(loss) on defined benefit plans (net of tax)	-	-	-	46,111	46,111	
Fair value gain/(loss) of equity instruments through other comprehensive income (net of tax)	-	-	800,812	-	800,812	
<b>Balance as at 31st March 2019</b>	<b>110,407,865</b>	<b>(10,474,388)</b>	<b>(4,823,971)</b>	<b>(91,854)</b>	<b>95,017,654</b>	

As per our report of even date attached  
For Parekh Sharma & Associates  
Chartered Accountants  
Firm Regn. No. 129301W

Sujesh Sharma  
Partner  
M.No. :118944

Mumbai : 29th May 2019

For and on behalf of the Board of Directors

Gautam P. Khandelwal  
Chairman  
DIN 00270717

Nimis Sheth  
Director  
DIN 00482739

Roshan Dsouza  
Chief Financial Officer

Reena Yadav  
Company Secretary  
(ICSI Reg.No. A36429)

Mumbai : 29th May 2019

**Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2019**

**Note - 1**

**Significant Accounting Policies**

**1. Corporate Information**

Informed Technologies India Limited ('ITIL' 'The Company') is a limited Company incorporated and domiciled in India. The Company is a public limited company and its equity shares are listed with Bombay Stock Exchange ("BSE") in India. The registered office of the Company is situated at 20<sup>th</sup> Floor, Nirmal Building, Nariman Point, Mumbai – 400021.

Under Companies Act, 2013 Group is defined as parent, subsidiaries, joint ventures and associates. As ITIL has no subsidiary the consolidation pertains to ITIL (hereafter holding Company) and it's Associate viz.

<b>Name of the Associate Companies</b>	<b>Percentage of Holding</b>
Entecres Labs Pvt. Ltd.	27.96%

**2. Statement of Compliance**

These financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 as amended by the Companies (Indian Accounting Standard) Rules, 2017 notified under section 133 of the Companies Act, 2013, the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

**3. Principles of Consolidation**

The consolidated financial statements relate to Informed Technologies India limited ('the Company or Investor') and it's Associate Entecres Labs Pvt. Ltd. The company and its Associate together constitute 'The Group'. The consolidated financial statements have been prepared on the following basis.

- i. The financial statements of the Company and Associate used in the consolidated procedure are drawn up to the same reporting date i.e. 31<sup>st</sup> March, 2019.
- ii. Investment in associate company has been accounted in this consolidated financial statements as per the equity method in terms of Indian Accounting Standards (Ind AS ) 28-'Investments in Associates and Joint Ventures'. They are initially recognised at cost, which include transactions costs. Subsequent to initial recognition, Consolidated Financial Statements include the Group' share of profit or loss and OCI of equity accounted investees until the date on which significant influence ceases.
- iii. Where the Group's share of losses of an equity accounted investee exceed the Group's interest in that associate, the group discontinues recognizing its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligation or made payments on behalf of the associate.
- iv. These consolidated financial statements have been prepared in compliance of section 129 of the Companies Act, 2013.

**4. Basis of Preparation**

The financial statements of the Company have been prepared and presented on the going concern basis and at historical cost except for the following assets and liabilities which have been measure at fair value.

- Certain financial assets and liabilities at fair value (refer accounting policy regarding financial instruments)
- Employee's Defined Benefit Plan as per actuarial valuation

**5. Functional and Presentation Currency**

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

**6. Use of Estimates**

The preparation of financial statements in conformity with the Indian Accounting Standards requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosures of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

**7. Classification of Assets and Liabilities as Current and Non-Current**

All assets and liabilities are classified as current and non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realization in cash and cash equivalents, 12 months period has been considered by the Company as its normal operating cycle.

**8. Overall Consideration**

The financial statements have been prepared applying the significant accounting policies and measurement bases summarized below.

**9. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

- Income from services is recognised (GST as applicable) as they are rendered, based on agreement / arrangement with the concerned customers.
- Dividend Income is recognized in the Statement of Profit and Loss only when the right to receive the income is established.
- Interest income is recognized using time proportion method based on the rates implicit in the transaction and the amount outstanding.
- Rental income is recognized in accordance with terms of lease.

**10. Property Plant and Equipment**

Property, plant and equipment are stated at acquisition or construction cost less accumulated depreciation and impairment loss. Cost comprises the purchase price and any attributable cost of bringing the assets to its location and working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognized as an assets if, and only if, it is probable that the economic benefits associated with the item will flow the Company in future periods and the item can be measured reliably. However, cost of excludes indirect taxes to the extent credit of the duty or tax is availed off.

Items such spare parts, standby equipment and servicing equipment are recognized as PPE when it is held for use in production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise such items are classified as inventory.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of assets. Any gain or loss arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognized in the Statement of Profit and Loss.

Capital Advance given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under Other Non-current Assets.

Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

**11. Depreciation and Amortization**

Depreciation on tangible assets is provided on Straight Line Method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, except in respect of the following assets, where the useful life is exceeding those prescribed in Schedule II based on the Chartered Engineer's Valuation Certificate namely:

<b>Description</b>	<b>Range of Useful lives in years</b>
Furniture	1 – 9 years
Electrical Installation	2 years

Depreciation on assets purchased / sold during the period is proportionately charged.

The residual value for all the above assets are retained at 5% of the cost. Residual values and useful lives are reviewed and adjusted, if appropriate, for each reporting period.

**12. Intangible Assets**

Intangible assets are stated at Cost of acquisition, less accumulated amortization / depletion and accumulated impairment losses, if any, are amortized over a period of 6 years or license period, whichever is lower.

Expenditure incurred on development is capitalized if such expenditure leads to creation of any intangible assets, otherwise, such expenditure is charged to the Statement of Profit and Loss.

PPE procured for research and development activities are capitalized.

**13. Investment Property**

Investment properties are recognized initially at cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation. The Company has depreciated assets based on Straight line method as per Schedule II to the Companies Act, 2013.

**14. Impairment of Assets**

At end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated to be less than its carrying amount, the carrying amount of the assets is reduced to its recoverable amount. An Impairment loss is recognised immediately in the Statement of Profit and Loss.

**15. Cash and Cash equivalents and Cash Flow Statement**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within three months from the date of acquisition and which are readily convertible into cash and which are subject to only an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby Profit or Loss before tax is appropriately classified for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents include cash in hand, cheques on hand, balances with banks in current accounts, EEFC accounts and other short-term highly liquid investments with original maturities of three months or less.

**16. Segment reporting**

The Company is principally engaged in the business of Business process outsourcing which is the only operating reportable segment as per Ind AS 108.

**17. Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred under finance costs. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to interest costs.

**18. Foreign Exchange Transactions**

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

At end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing on that date. Non-monetary items that are measured in terms of historical cost in a foreign currency, are not retranslated.

Exchange difference on monetary items are recognised in the Statement of Profit and Loss in the period in which these arise.

**19. Income Taxes**

Tax expense recognized in the Statement of Profit and Loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the Balance Sheet approach on temporary differences between the carrying amounts of assets and liabilities in financial statements and the amount used for taxation purposes.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future tax liability. This is assessed based on the Company's forecast of future earnings, excluding non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognized in full, although Ind AS 12 'Income Taxes' specifies some exemptions.

Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for specified period of time, hence, it is presented as Deferred Tax Assets.

**20. Employee Benefits****Short-term obligations:**

Short term obligations are those that are expected to be settled fully within 12 months after the end of the reporting period. They are recognised up to the end of the reporting period at the amounts expected to be paid at the time of settlement.

**Other Long-term obligations:**

The liabilities for earned leave are not expected to be settled wholly within 12 months after end of the period in which the employees render the related service.

Long-term compensated absences are provided for on the basis of an actuarial valuation at the end of each financial year. Actuarial gains / losses, if any, are recognised immediately in Statement of Profit and Loss.

**Defined Contribution Plans:**

Contribution payable to recognised provident funds, which are substantially defined contribution plans, is recognised as expense in the Statement of Profit and Loss, as they are incurred.

**Defined Benefit Plan:**

The obligation in respect of defined benefit plan, which covers Gratuity, is provided for on the basis of an actuarial valuation at the end of each financial year. Gratuity is funded with an approved trust maintained by LIC.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

Re-measurement recognised in other comprehensive income is reflected immediately in OCI Reserve and will not be reclassified to Statement of Profit and Loss.

**Bonus Payable:**

The Company recognised a liability and an expense for bonus. The Company recognised a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**21. Lease****Finance Lease****As a Lessee:**

Leases, where substantially all the risks and benefits incidental to ownership of the leased item are transferred to the Lessee, are classified as finance lease. The assets acquired under finance lease are capitalised at lower of fair value and present value of the minimum lease payments at the inception of the lease and disclosed as leased assets. Such assets are amortised over the period of lease or estimated life of such asset, whichever is lower. Lease payments are apportioned between the finance charges and reduction of the lease liability based on implicit rate of return. Lease management fees, lease charges and other initial direct costs are capitalised.

**Operating Lease****As a Lessee:**

Leases, where significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term.

**As a Lessor:**

The Company has leased certain tangible assets, and such leases, where the Company has substantially retained all the risks and rewards of ownership, are classified as operating leases. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over lease term. Associated cost such as maintenance and insurance are expensed out.

**22. Trade receivable**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business, if longer), they are classified as current assets otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component or pricing adjustments embedded in the contract.

**23. Financial Instruments****Initial Recognition and Measurement:**

Financial assets (other than trade receivables) and financial liabilities (other than trade payables) are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through Statement of Profit and Loss which are measured initially at fair value.

Trade receivables are recognised at their transaction value as the same do not contain significant financing component. Trade payable is in respect of the amount due on account of goods purchased in the normal course of business are recognised at their transaction value as the same do not contain significant financing component.

**(I) Financial Assets:****Classification and Subsequent Measurement:**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of both

- (a) Business model for managing the financial assets, and
- (b) The contractual cash flow characteristics of the financial asset

A Financial Asset is measured at amortised cost if both of the following conditions are met:

- (i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through Other Comprehensive Income (FVTOCI) if both of the following conditions are met:

- (i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

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

A Financial Asset shall be classified and measured at fair value through profit or loss (FVTPL) unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Equity Investments:**

Equity investments in Associates are out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Associates at cost. All other equity investments are measured at fair value.

Equity instruments, which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the company has exercised irrevocable option to recognize in other comprehensive income subsequent changes in the fair value.

**Derecognition of financial assets:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of profit and loss or transfer to retained earnings, as the case may be.

**(II) Financial Liabilities and Equity Instruments**

**Classification as Debt or Equity:**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**Financial liabilities:**

Financial liabilities are classified, at initial recognition:

- At fair value through Statement of Profit and Loss,
- Loans and borrowings, payables, or



- As derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings, including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**Subsequent Measurement:**

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

**Financial Liabilities at FVTPL:**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at FVTPL are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

**Loans and Borrowings:**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

**Derecognition of Financial Liabilities:**

The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the statement of profit and loss or transfer to retained earnings, as the case may be.

## 24. Provisions and contingent liabilities

**Provisions:**

A Provision is recorded when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

**Contingent liabilities:**

Whenever there is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a

present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liability.

Show cause notices are not considered as Contingent Liabilities unless converted into demand.

**Contingent Assets:**

Contingent assets are not recognised in the financial statements since this may result in recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related assets is not a contingent assets and is recognised.

**25. Investment in Associates**

The investments in associates are carried in these financial statements at historical cost except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for as Non-current assets held for sale and discontinued operations.

When the Company is committed to a sale plan involving disposal of an investment, or a portion of an investment in an associate the investment or the portion of the investment that will be disposed off is classified as held for sale when the criteria described above are met.

Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for at historical cost.

Upon loss of significant influence over the associate the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate and the fair value of retained investment and proceeds from disposal is recognised in Statement of Profit and Loss.

**26. Cash Dividend to Equity Holders of the Company**

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**27. Earnings per share**

Basic earnings per share are calculated by dividing the Net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the Net Profit or Loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are considered for the effects of all dilutive potential equity shares.

Notes to consolidated financial statements for the year ended 31st March, 2019

Note - 2

Property, plant and equipment F.Y. 2018-19

Sr. No.	Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
		As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
(a)	<b>Buildings :</b>									
	Buildings freehold	19,646,326	-	-	19,646,326	6,367,083	357,616	-	12,921,627	13,279,243
	Buildings leasehold	8,537,100	-	-	8,537,100	1,750,154	134,301	-	6,652,645	6,786,946
(b)	Plant and equipment	-	-	-	-	-	-	-	-	-
(c)	Furniture and fixtures	2,357,424	187,502	-	2,544,926	2,068,257	39,500	-	437,169	289,167
(d)	Vehicles*	10,366,555	-	-	10,366,555	3,871,107	1,278,507	-	5,149,614	6,495,448
(e)	Office equipment	2,581,962	288,423	-	2,870,385	1,759,999	384,035	-	726,351	821,963
(f)	Computers	2,275,140	103,388	-	2,378,528	1,956,610	197,351	-	224,567	318,530
(g)	Electrical installation	1,485,347	-	-	1,485,347	925,485	62,315	-	497,547	559,862
	<b>Total</b>	<b>47,249,854</b>	<b>579,313</b>	<b>-</b>	<b>47,829,167</b>	<b>18,698,694</b>	<b>2,453,625</b>	<b>-</b>	<b>26,676,847</b>	<b>28,551,160</b>

F.Y. 2017-18

Sr. No.	Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
		As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 1st March, 2017 Rs.
(a)	<b>Buildings :</b>									
	Buildings freehold	19,646,326	-	-	19,646,326	6,009,467	357,616	-	13,279,243	13,636,859
	Buildings leasehold	8,537,100	-	-	8,537,100	1,615,853	134,301	-	6,786,946	6,921,247
(b)	Plant and equipment	-	-	-	-	-	-	-	-	-
(c)	Furniture and fixtures	2,357,424	-	-	2,357,424	2,033,997	34,260	-	289,167	323,427
(d)	Vehicles*	7,105,085	3,261,470	-	10,366,555	2,971,121	899,986	-	6,495,448	4,133,964
(e)	Office equipment	2,526,954	55,008	-	2,581,962	1,356,076	403,923	-	821,963	1,170,878
(f)	Computers	2,192,551	82,589	-	2,275,140	1,726,350	230,260	-	318,530	466,201
(g)	Electrical installation	1,485,347	-	-	1,485,347	863,170	62,315	-	559,862	622,177
	<b>Total</b>	<b>43,850,787</b>	<b>3,399,067</b>	<b>-</b>	<b>47,249,854</b>	<b>16,576,034</b>	<b>2,122,660</b>	<b>-</b>	<b>28,551,160</b>	<b>27,274,753</b>

\* Vehicles acquired under finance lease is recognized under PPE as substantially all the significant risk and rewards incidental to ownership of vehicles under lease have been transferred to the Company.

Notes to consolidated financial statements for the year ended 31st March, 2019

Note - 3

Investment Property F.Y.2018-19

Sr. No.	Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
		As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.	
(a)	<b>Buildings :</b>										
	Office Premises-freehold	4,353,726	-	-	4,353,726	1,854,273	108,655	-	1,962,928	2,390,798	2,499,453
	<b>Total</b>	<b>4,353,726</b>	<b>-</b>	<b>-</b>	<b>4,353,726</b>	<b>1,854,273</b>	<b>108,655</b>	<b>-</b>	<b>1,962,928</b>	<b>2,390,798</b>	<b>2,499,453</b>

F.Y.2017-18

Sr. No.	Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
		As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	
(a)	<b>Buildings :</b>										
	Office premises-freehold	4,353,726	-	-	4,353,726	1,745,618	108,655	-	1,854,273	2,499,453	2,608,108
	<b>Total</b>	<b>4,353,726</b>	<b>-</b>	<b>-</b>	<b>4,353,726</b>	<b>1,745,618</b>	<b>108,655</b>	<b>-</b>	<b>1,854,273</b>	<b>2,499,453</b>	<b>2,608,108</b>

(a) Information regarding income and expenditure of Investment Property:

Particulars	Year Ended 2019 (Rs.)	Year Ended 2018 (Rs.)
I Rental income from investment property	10,065,600	10,065,600
II Direct expenses:		
Contribute to rental income (including R&M)	-	-
<b>III Profit before depreciation and indirect expenses (I - II)</b>	<b>10,065,600</b>	<b>10,065,600</b>
IV Depreciation	108,655	108,655
<b>V Profit before indirect expenses</b>	<b>9,956,945</b>	<b>9,956,945</b>

(b) The fair value of the Company's Investments properties as at March 31, 2019 have been arrived at on the basis of valuation carried out as at the respective dates by management based on ready reckoner Valuation published by local government with the authority which governs the Valuer in India.

<b>Fair Value of Investment Properties:</b>	<b>As at 31st March, 2019 (Rs.)</b>
Office Premises	<b>189,196,000</b>

Notes to consolidated financial statements for the year ended 31st March, 2019

Note - 4

Other Intangible assets F.Y.2018-19

Sr. No.	Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
		As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.	
(a)	Computer software	961,729	-	-	961,729	853,512	50,277	-	903,789	57,940	108,217
	<b>Total</b>	<b>961,729</b>	<b>-</b>	<b>-</b>	<b>961,729</b>	<b>853,512</b>	<b>50,277</b>	<b>-</b>	<b>903,789</b>	<b>57,940</b>	<b>108,217</b>

F.Y.2017-18

Sr. No.	Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
		As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	
(a)	Computer software	961,729	-	-	961,729	715,820	137,692	-	853,512	108,217	245,909
	<b>Total</b>	<b>961,729</b>	<b>-</b>	<b>-</b>	<b>961,729</b>	<b>715,820</b>	<b>137,692</b>	<b>-</b>	<b>853,512</b>	<b>108,217</b>	<b>245,909</b>

Note - 5

Intangible assets under development F.Y.2018-19

Sr. No.	Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
		As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 1st April, 2018 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.	
(a)	Intangible asset under development	1,814,238	-	-	1,814,238	-	-	-	-	1,814,238	1,814,238
	<b>Total</b>	<b>1,814,238</b>	<b>-</b>	<b>-</b>	<b>1,814,238</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,814,238</b>	<b>1,814,238</b>

F.Y.2017-18

Sr. No.	Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
		As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 1st April, 2017 Rs.	Additions Rs.	Disposals /De-recognition during the year Rs.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	
(a)	Intangible asset under development	183,138	1,631,100	-	1,814,238	-	-	-	-	1,814,238	183,138
	<b>Total</b>	<b>183,138</b>	<b>1,631,100</b>	<b>-</b>	<b>1,814,238</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,814,238</b>	<b>183,138</b>

Notes to consolidated financial statements for the year ended 31st March, 2019

Note - 6

Non-current financial assets - investments

Amount in ₹

Particulars	Face value (Rs.)	Numbers As at 31st March 2019	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
<b>Investment in equity instruments</b>				
<b>Unquoted</b>				
<b>Associates:</b>				
<b>Carried at cost</b>				
Entecres Labs Private Ltd.	10	4,680	12,679,410	11,562,438
			<b>12,679,410</b>	<b>11,562,438</b>
<b>Others:</b>				
<b>Carried at fair value through other comprehensive income (FVTOCI)</b>				
Gras Education and Training Service P Ltd.	10	159,957	15,896,527	15,896,527
			<b>15,896,527</b>	<b>15,896,527</b>
<b>Quoted</b>				
<b>Others:</b>				
<b>Carried at fair value through other comprehensive income (FVTOCI)</b>				
Power Grid Corporation of India Ltd.	10	23,273	4,605,727	4,497,507
Gujarat Steel Tubes Ltd.	10	180	375	375
Nagpur Power & Industries Ltd.	10	254,232	9,470,142	9,152,352
Zenith Birla (I) Ltd.	10	164,132	160,490	328,264
			<b>14,236,734</b>	<b>13,978,498</b>
<b>Total</b>			<b>42,812,671</b>	<b>41,437,463</b>

Other details:

i Aggregate book value of:

Particulars

	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
Quoted investments	14,236,734	13,978,498
Unquoted investments	28,575,937	27,458,965
	<b>42,812,671</b>	<b>41,437,463</b>
Aggregate market value of quoted investments	14,236,734	13,978,498
Aggregate impairment in value of investments	-	-

ii Disclosure requirement of Ind AS 107- financial instruments : disclosure:

Equity instrument (other than subsidiary and associates) designated at FVTOCI:

These investment have been designated on initial recognition to be measured at FVTOCI as these are long-term investment and not intended for sale.

Notes to consolidated financial statements for the year ended 31st March, 2019 Amount in ₹

Particulars	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
<b>Note - 7</b>		
<b>Non-current tax assets/(liabilities) (Net)</b>		
Provision for taxation	(24,797,000)	(24,797,000)
Income tax paid	27,281,281	27,814,081
Less: MAT credit entitlement	-	(1,952,790)
<b>Total</b>	<b>2,484,281</b>	<b>1,064,291</b>

**Note - 8**

**Other non-current assets**

Security deposits	749,880	759,380
Advances to supplier for goods and services	374,896	223,827
<b>Total</b>	<b>1,124,776</b>	<b>983,207</b>

**Note - 9**

**Current financial assets - investments**

**Carried at fair value through profit and loss (FVTPL)**

**Quoted**

Investment in equity instruments	64,663,139	59,209,521
Investment in mutual funds	-	16,247,810
<b>Total</b>	<b>64,663,139</b>	<b>75,457,331</b>

**Other details:**

**i Aggregate book value of:**

Quoted investments	64,663,139	75,457,331
Unquoted investments	-	-
	<b>64,663,139</b>	<b>75,457,331</b>
Aggregate market value of quoted investments	64,663,139	75,457,331
Aggregate impairment in value of investments	-	-

**Note - 10**

**Trade receivables**

**(Unsecured, unless otherwise stated)**

Considered good	3,662,758	2,075,167
Doubtful	-	-
<b>Total</b>	<b>3,662,758</b>	<b>2,075,167</b>

Notes to consolidated financial statements for the year ended 31st March, 2019 Amount in ₹

Particulars	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
<b>Note - 11</b>		
<b>Cash and cash equivalents</b>		
<b>Balance with banks:</b>		
In Current accounts	748,731	2,205,026
In Deposit accounts	59,890	56,078
In EEFC accounts	26,555	1,177,696
<b>Cash on hand</b>	<b>24,926</b>	<b>10,643</b>
<b>Total</b>	<b>860,102</b>	<b>3,449,442</b>

**Note - 12**

**Bank balance other than mentioned in cash and cash equivalents**

**Earmarked balances with banks**

Unclaimed dividend	1,030,390	1,190,381
<b>Total</b>	<b>1,030,390</b>	<b>1,190,381</b>

Note: There are no amounts due and outstanding to be credited to the investor education and protection fund as at 31st March, 2019.

**Note - 13**

**Other current assets**

Balance with statutory/government authorities	2,798,447	2,540,018
Prepaid expenses	444,890	319,060
Advances to supplier for services	66,576	149,330
Advances to employees	188,000	146,000
Other receivables	346,071	89,403
<b>Total</b>	<b>3,843,984</b>	<b>3,243,811</b>



Notes to consolidated financial statements for the year ended 31st March, 2019 Amount in ₹

Particulars	As at		As at	
	31st March, 2019		31st March, 2018	
	(Rs.)		(Rs.)	
<b>Equity Share Capital :</b>				
	<b>No. of shares</b>	<b>Value</b>	<b>No. of shares</b>	<b>Value</b>
<b>Authorized Capital</b>				
Equity shares of Rs. 10/- each	7,000,000	70,000,000	7,000,000	70,000,000
15% 'A' cumulative redeemable preference shares of Rs. 100/- each	50,000	5,000,000	50,000	5,000,000
	<b>7,050,000</b>	<b>75,000,000</b>	<b>7,050,000</b>	<b>75,000,000</b>
<b>Issued, Subscribed and Paid-up</b>				
Equity Shares of Rs. 10/- each fully paid up	4,169,100	41,691,000	4,169,100	41,691,000
<b>Total</b>	<b>4,169,100</b>	<b>41,691,000</b>	<b>4,169,100</b>	<b>41,691,000</b>

a Reconciliation of the number of shares outstanding is set out below:

Particulars	Number of Shares		
	As at	As at	As at
	31st March, 2019	31st March, 2018	31st March, 2017
Equity shares at the beginning of the year	4,169,100	4,169,100	4,169,100
Add: shares issued during the year	-	-	-
Less: shares cancelled/bought back during the year	-	-	-
Equity shares at the end of the year	4,169,100	4,169,100	4,169,100

b The equity shares of the company having voting rights and are subject to the restriction as prescribed under the companies Act, 2013.

c Disclosure pursuant to note no. 6(D) (h,i,j,k,l) of part I of schedule III of companies act, 2013 is NIL.

d Shareholders holding more than 5% of the aggregate shares in the company

Particulars	As at		As at	
	31st March, 2019		31st March, 2018	
	No. of shares	% of holdings	No. of shares	% of holdings
Khandelwals Limited*	2,678,220	64.24	2,678,220	64.24
Life Insurance Corporation of India Ltd.	384,750	9.23	384,750	9.23

\*Khandelwals Limited is registered outside India i.e. 10 Orange Street, London , United Kingdom

e During the financial year 2018-19 company has transferred 17,233 number of equity shares to IEPF account as per MCA general circular no. 12/2017 and section 124(6).

Notes to consolidated financial statements for the year ended 31st March, 2019

Amount in ₹

Note - 15

Other Equity

Particulars

Particulars	Reserve and Surplus		Items of Other Comprehensive Income		Total
	General Reserve	Retained Earnings	Equity instruments	Other Items	
<b>Balance as at 31st March 2017</b>	<b>110,407,865</b>	<b>10,029,667</b>	<b>(31,945,981)</b>	<b>(346,269)</b>	<b>88,145,282</b>
Profit for the year	-	13,343,055	-	-	13,343,055
Proposed dividend on equity shares	-	-	-	-	-
Tax paid thereon	-	-	-	-	-
Transfer to retained earnings	-	(24,999,018)	24,999,018	-	-
Re-measurement of gain/(loss) on defined benefit plans (Net of tax)	-	-	-	208,304	208,304
Fair value gain/(loss) of equity instruments through other comprehensive income (net of tax)	-	-	1,322,180	-	1,322,180
<b>Balance as at 1st April 2018</b>	<b>110,407,865</b>	<b>(1,626,296)</b>	<b>(5,624,783)</b>	<b>(137,965)</b>	<b>103,018,823</b>
Profit for the year	-	(8,848,092)	-	-	(8,848,092)
Proposed dividend on equity shares	-	-	-	-	-
Tax paid thereon	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Re-measurement of gain/(loss) on defined benefit plans (Net of tax)	-	-	-	46,111	46,111
Fair value gain/(loss) of equity instruments through other comprehensive income (net of tax)	-	-	800,812	-	800,812
<b>Balance as at 31st March 2019</b>	<b>110,407,865</b>	<b>(10,474,388)</b>	<b>(4,823,971)</b>	<b>(91,854)</b>	<b>95,017,654</b>

Note - 16

Borrowings

Particulars	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
<b>Secured</b>		
Term loan from banks	1,464,830	2,171,396
<b>Total</b>	<b>1,464,830</b>	<b>2,171,396</b>

Term loan consist of:

(1) Kotak Mahindra Prime Ltd having fixed interest @10.21% p.a. secured by hypothecation of motor car purchased under the loan. Repayment is to be made in 59 equated monthly instalments (EMI) of Rs 31,065/- each till October, 2020 of which principal sum therein totaling to Rs 2,11,085 /- payable over balance 7 EMI's are long term maturities. (2) Axis Bank Ltd having fixed interest @7.86% p.a. secured by hypothecation of motor car purchased under the loan. Repayment is to be made in 60 equated monthly instalments (EMI) of Rs 40,421/- each till February, 2023 of which principal sum therein totaling to Rs 12,53,937/- payable over balance 35 EMI's are long term maturities.



**Notes to consolidated financial statements for the year ended 31st March, 2019**

Amount in ₹

**Particulars**

As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
------------------------------------	------------------------------------

the appointed day during each accounting year.

The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the micro, small and medium enterprises development act, 2006.

The amount of interest accrued and remaining unpaid at the end of each accounting year end.

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the micro, small and medium enterprises development act, 2006.

-	-
-	-
-	-

(ii) The balance of trade payables are subject to confirmation.

(iii) The information has been given in respect of such vendor to the extent they could be identified as micro and small enterprises on the basis of information available with the company.

**Note - 22**

**Other current liabilities**

Statutory liabilities	542,014	737,518
Unclaimed dividend	1,030,390	1,190,381
Other payables	250,826	111,839
Provision for expenses	454,851	686,829
<b>Total</b>	<b>2,278,081</b>	<b>2,726,568</b>

**Movement of provisions during the year as required by Ind AS -37 - 'provisions, contingent liabilities and contingent assets' :**

**Provision for expenses:**

<b>Balance at the beginning of the year</b>	686,829	274,663
Add: created during the year	1,486,520	2,198,279
Less: settled during the year	1,718,498	1,767,852
Less: reversed during the year	-	18,261
<b>Balance at the end of the year</b>	<b>454,851</b>	<b>686,829</b>

Notes to consolidated financial statements for the year ended 31st March, 2019 Amount in ₹

Particulars	For the year ended 31st March, 2019 (Rs.)	For the year ended 31st March, 2018 (Rs.)
<b>Note - 23</b>		
<b>Revenue from operations</b>		
Sale of services	20,421,621	22,641,198
<b>Total</b>	<b>20,421,621</b>	<b>22,641,198</b>

**Note - 24**

**Other income**

Interest income	18,756	21,158
Dividend income	1,094,269	1,515,975
<b>Profit/(loss) on sale of :</b>		
Investment (net) - mutual funds units	(22,601)	1,843,002
Investment (net) - equity instruments	(1,426,760)	6,834,224
Gain/(Loss) on fair valuation of current investments (measure at FVTPL)	(3,224,271)	5,937,942
Rental income	10,509,816	12,884,816
Other non-operating income	267,128	-
Sundry balance w/off	42,863	1,380,992
<b>Total</b>	<b>7,259,200</b>	<b>30,418,108</b>

**Note - 25**

**Employee benefit expenses**

Salaries and wages, including bonus and ex-gratia	14,028,597	15,015,939
Contribution to provident and other funds	673,812	630,465
Staff welfare expenses	325,968	318,468
Gratuity and leave salary	358,466	780,075
Staff bus charges	764,178	920,025
<b>Total</b>	<b>16,151,021</b>	<b>17,664,972</b>

The employee benefit expenses includes the whole time director's remuneration within the limit approved by share holders with effect from 1st April 2018 at annual general meeting held on 29th September, 2018

**Note - 26**

**Finance costs**

Interest expenses	703,489	554,191
Bank charges	104,377	103,324
<b>Total</b>	<b>807,866</b>	<b>657,515</b>

Notes to consolidated financial statements for the year ended 31st March, 2019 Amount in ₹

Particulars	For the year ended 31st March, 2019 (Rs.)	For the year ended 31st March, 2018 (Rs.)
<b>Note - 27</b>		
<b>Other expenses</b>		
Advertisement and publicity	135,337	139,115
Auditors remuneration	375,000	550,000
Business promotion expenses	-	12,080
Conveyance	1,029,372	699,370
Electricity charges	808,174	762,892
Insurance charges	298,434	352,188
Legal & consultancy fees	3,984,017	3,487,632
Motor car expenses	128,651	528,226
Printing & stationery	138,153	53,647
Rates & taxes	3,355,799	676,495
Repair to buildings	2,611,020	2,024,208
Repairs to others	3,207,752	904,318
Research and development expenses	197,708	-
Software expenses	93,718	-
Travelling expenses-director's	276,003	402,296
Travelling expenses-foreign	835,576	2,908,277
Travelling expenses-others	384,184	314,480
Website, internet charges	541,135	443,278
Miscellaneous expenditures	882,273	861,296
Foreign exchange fluctuation	228,360	396,565
<b>Total</b>	<b>19,510,666</b>	<b>15,516,364</b>

**Note - 27.1**

**Auditors' remuneration (inclusive of taxes)**

Audit fees	324,500	324,500
For taxation matters including tax audit	-	-
For other services	118,000	324,500
<b>Total</b>	<b>442,500</b>	<b>649,000</b>

**Note - 28**

**Tax Expenses**

**Income tax expenses recognized in Statement of Profit and Loss:**

Current income tax for the year	-	450,000
Deferred Tax:		
Deferred income tax for the year	(1,436,225)	3,734,666
MAT Credit entitlement	-	-
<b>Total income tax expense recognized in statement of profit and loss for the year</b>	<b>(1,436,225)</b>	<b>4,184,666</b>

Notes to consolidated financial statements for the year ended 31st March, 2019 Amount in ₹

Particulars	For the year ended 31st March, 2019 (Rs.)
<b>Reconciliation of estimated income tax expense recognized in statement of profit and loss :</b>	
Income from continued operation before income taxes	(11,401,290)
<b>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expenses:</b>	
Income exempt from tax	
Income taxable under taxable other heads i.e. capital gain, house property and other source	-
Expenses allowed on payment basis	-
Depreciation as per income tax act, 1961	-
Expenses related to exempt incomes	40,775
Depreciation as per schedule II of companies act, 2013	-
Provision for expenses allowed on payment basis	-
Income which is exempt under Section 10 (other than the provisions contained in clause (38) thereof or Section 11 or Section 12 of the Income-Tax, if any amount is credited to the Profit and loss accounts;	(1,094,269)
1/5th of Transition amount as per sec. 115JB(2C)	5,712,955
Expense related to income taxable under other heads	-
<b>Income from business / book profit</b>	<b>(6,741,829)</b>
<b>Income under capital gains:</b>	
- Short-term capital gain	-
<b>Income taxable under house property head</b>	-
<b>Income from other sources</b>	-
<b>Taxable income / book profit under MAT</b>	<b>(6,741,829)</b>
<b>Estimated Income Tax expenses</b>	-
<b>Income Tax expense recognized in Statement of Profit and Loss</b>	-

**Note - 29**

**Other comprehensive income (OCI)**

Particulars	For the year ended 31st March, 2019 (Rs.)	For the year ended 31st March, 2018 (Rs.)
<b>Items that will not be reclassified to profit and loss</b>		
Re-measurement gains/ (losses) on defined benefit plans	46,111	208,304
Equity instrument through other comprehensive income	800,812	1,322,180
Income tax relating to items will not be reclassified to profit and loss	-	-
<b>Items that will be reclassified to profit and loss</b>		
Debt instruments through other comprehensive income	-	-
Income tax relating to items will be reclassified to profit and loss	-	-
<b>Total (Net)</b>	<b>846,923</b>	<b>1,530,484</b>

**Notes to consolidated financial statements for the year ended 31st March, 2019**

Amount in ₹

**Note - 30**

**Earnings per equity share (EPS)**

Particulars	For the year ended	For the year ended
	31st March, 2019	31st March, 2018
	(Rs.)	(Rs.)
Nominal value of equity shares (Rs.)	10	10
Net profit for the year attributable to equity shareholders	(8,848,092)	13,343,055
Weighted average number of equity shares outstanding during the year (nos.)	4,169,100	4,169,100
Basic earnings per equity shares (Rs.)	(2.12)	3.20
Dilutive effect on profit		-
Net profit for the year attributable to equity shareholders for computing diluted EPS	(8,848,092)	13,343,055
Dilutive effect on weighted average number of equity shares outstanding during the year		-
Weighted average number of equity shares for computing diluted EPS (nos.)	4,169,100	4,169,100
Diluted earnings per equity shares (Rs.)	(2.12)	3.20

**Note - 31**

**Assets given on operating lease**

Particulars	For the year ended	For the year ended
	31st March, 2019	31st March, 2018
	(Rs.)	(Rs.)
Operating lease receipts recognized in statement of profit and loss	10,065,600	12,440,600
The total of future minimum lease receipts under non-cancellable operating leases are as follows:		
For a period not later than one year	5,871,600	10,065,600
For a period later than one year and not later than five years	-	5,871,600
For a period later than five years	-	-

**General description of leasing agreements:**

i Lease assets - Office building	-	-
ii Future lease rentals are determined on the basis of agreed terms	-	-
iii Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms	-	-



**Notes to consolidated financial statements for the year ended 31st March, 2019**

**Note - 32**

**Segment information**

For management purpose, the company comprise of only one reportable segment - Business Process Outsourcing. The Management monitors the operating results of this segment for the purpose of making decision about resource allocation and performance assessment. Segment information is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

**(i) Revenue from geographical segments**

Particulars	For the year ended	For the year ended
	31st March, 2019	31st March, 2018
	(Rs.)	(Rs.)
India	-	-
Outside India	20,421,621	22,641,198
<b>Total</b>	<b>20,421,621</b>	<b>22,641,198</b>

**(ii) Entire non-current assets of the company are situated in India**

**(iii) Information about transaction with major customers:**

Revenue from one customer of the company is Rs 1.92 Cr (previous year was Rs 1.96 Cr.) which is 94.18%of (previous year was 86.57%) of the company's total revenue.

**Note - 33**

**Related party disclosures**

**(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:**

Sr. No.	Name of Related Party	Nature of Relationship
1	Khandelwals Limited	Holding Company
2	Entecres Labs Private Limited	Associate Company
3	Nagpur Power & Industries Ltd	Enterprise that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise.
4	Zeppelin Investments Pvt. Ltd.	Enterprise that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise.
5	Ramprasad Khandelwal Memorial Trust	Enterprises owned or significantly influenced by any management personnel or their relatives
6	<b>KEY MANAGERIAL PERSONNEL</b>	
i	Mr. Gautam P. Khandelwal	Non Executive Director (Chairman)
ii	Mrs. Suelve Khandelwal	Wholetime Director
iii	Mr. Ajay K. Swarup	Independent Director
iv	Mr. Nimis S. Sheth	Independent Director
v	Mr. Virat Mehta	Independent Director
vi	Ms. Reena Yadav	Key Management Personnel
vii	Mrs. Roshan Dsouza	Key Management Personnel

Notes to consolidated financial statements for the year ended 31st March, 2019

(ii) Transactions during the year with related parties:

Amount in Rs.

Sr. No.	Nature of Transactions	For the Year ended 31.03.2019				For the Year ended 31.03.2018			
		Holding Company	Subsidiaries	Key Managerial Personnel	Total	Holding Company	Subsidiaries	Key Managerial Personnel	Total
1	Sale of services	-	-	-	-	-	-	-	-
2	Purchase of services	-	-	-	-	-	-	-	-
3	Payment to key managerial personnel - salaries	-	-	4,140,639	4,140,639	-	-	6,202,411	6,202,411
4	Donation given	-	-	-	-	-	-	-	-
<b>Outstanding balances:</b>									
1	Due to company	-	-	-	-	-	-	-	-
2	Due by company	-	-	-	-	-	-	-	-

Notes:

(a) No amounts have been written off / provided for or written back during the year in respect of debts due from or to related parties.

**Note - 34**

**Commitments, contingent liabilities and contingent assets:**

Particulars	As at	As at
	31st March, 2019 (Rs.)	31st March, 2018 (Rs.)
<b>(a) Contingent liabilities</b>		
<b>Claims made against the Company/ disputed liabilities not acknowledgement as debts:</b>		
<b>(i) Legal claims</b>		
- Income tax matters - under appeal	142,943	491,879
- Other matters	-	-
<b>(ii) Guarantees</b>		
-	-	-
<b>(b) Capital commitments</b>		
-	-	-
<b>(c) Contingent assets</b>		
-	-	-

Notes to consolidated financial statements for the year ended 31st March, 2019

Note - 35

Defined benefit plans as per actuarial valuation:

Employee benefits disclosure

i) Gratuity:

Retirement benefits in the form of gratuity liability (being administered by Life Insurance Corporation of India) is a defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year.

The present value of obligation is determined based on actuarial valuation using the projected unit credit method as prescribed by the Ind AS-19 - 'Employee Benefits', which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up final obligation.

ii) Compensated absences/leave encashment:

The company also extends defined plans in the form of compensated absences/leave encashment to employees. Provisions for compensated absences is made on actuarial valuation basis.

The company is exposed to various risks as regards its obligation towards gratuity benefit and leave salary which are as follows: (i) interest rate risk, (ii) liquidity risk, (iii) salary escalation risk, (iv) regulatory risk, (v) market risk and (vi) investment risk

Particulars	Amount in Rs.			
	Gratuity		Leave encashment	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
<b>(i) Reconciliation of present value of the obligation:</b>				
Opening defined benefit obligation	1,840,004	1,406,921	346,738	335,519
Adjustments of:				
Current service cost	245,387	332,267	56,341	45,825
Interest cost	135,154	104,234	20,843	20,804
Actuarial loss/(gain)		-		-
Liabilities assumed on acquisition/(settled on divestiture)		-		-
Benefits paid	(56,077)	(34,269)	(137,651)	(116,274)
Other (employee contribution, taxes, expenses)	(19,829)			
Remeasurements - due to financial assumptions	(31,858)		(3,295)	
Remeasurements - due to experience adjustments	(129,665)	30,851	134,331	60,864
<b>Closing defined benefit obligation</b>	<b>1,983,116</b>	<b>1,840,004</b>	<b>417,307</b>	<b>346,738</b>
<b>(ii) Reconciliation of fair value of the plan assets:</b>				
Opening fair value of the plan assets	983,894	669,236	-	-
Adjustments of:				
Return on plan assets	82,608	48,908		
Actuarial gain/(loss)		-		-
Contributions by the employer	247,866	-	137,651	116,274
Assets acquired on acquisition/(distributed on divestiture)		-		-
Benefits paid	(56,077)	(34,269)	(137,651)	(116,274)
Other (employee contribution, taxes, expenses)	(19,829)			
Remeasurements - return on assets (excluding interest income)	15,624	300,019		
<b>Closing fair value of the plan assets</b>	<b>1,254,086</b>	<b>983,894</b>	<b>-</b>	<b>-</b>

Notes to consolidated financial statements for the year ended 31st March, 2019

(iii) Net liabilities/(assets) recognised in the balance sheet:

Present value of the defined benefit obligation at the end of the period	1,983,115	1,840,004	417,306	346,737
Fair value of the plan assets	1,254,086	983,894	-	-
<b>Net liabilities recognised in the balance sheet</b>	<b>729,029</b>	<b>856,110</b>	<b>417,306</b>	<b>346,737</b>
Short term liability	26,322	21,262	51,423	51,094

(iv) Amount recognised in salary and wages under employee benefits expense in the statement of profit and loss:

Current service cost	245,387	332,267	56,341	45,825
Interest on defined benefit obligation (net)	52,546	55,326	20,843	20,804
Net cost	297,933	387,593	77,184	66,629
Capitalised as Pre-Operative Expenses in respect of Net Charge to the Statement of Profit and Loss			-	-
<b>Net charge to the statement of profit and loss</b>	<b>297,933</b>	<b>387,593</b>	<b>77,184</b>	<b>66,629</b>

(v) Amount recognised in other comprehensive income (OCI) for the year:

Changes in financial assumptions	(31,858)	-	(3,295)	-
Experience adjustments	(129,665)	30,851	134,331	60,864
Actual return on plan assets less interest on plan assets	(15,624)	(300,019)	-	-
<b>Recognised in OCI for the year</b>	<b>(177,147)</b>	<b>(269,168)</b>	<b>131,036</b>	<b>60,864</b>

(vi) The major categories of plan assets as a % of total plan:

Insurance policies	100%	100%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>

(vii) Experience adjustments on present value of DBO and plan assets

(Gain)/loss on plan liabilities	(129,665)	30,851	134,331	60,864
% of opening plan liabilities	(7.05%)	2.19%	38.74%	18.14%
(Gain)/loss on plan assets	15,624	(29,070)	-	-
% of opening plan assets	1.59%	(4.34%)	-	-

(viii) Principal actuarial assumptions:

Discount rate	7.65%	7.50%	7.65%	7.50%
Salary escalation rate	5.00%	5.00%	5.00%	5.00%
Withdrawal rate	1.00%	1.00%	-	-
Attrition rate	-	-	1.00%	1.00%
Normal retirement age	58 years	58 years	58 years	58 years
Adjusted average future service	19.00	24.46	-	-
Leave encashment rate during employment	-	-	10%	10%
Leave availment rate	-	-	2%	2%
Mortality tables			Indian Assured Lives Mortality (2006-08)	

Notes to consolidated financial statements for the year ended 31st March, 2019

Note - 36

**Financial instruments : Fair values measurement Accounting classification and fair value hierarchy**

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

**The company uses the following hierarchy for determining and disclosing the fair value of financial instruments:**

Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: inputs other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: If one or more significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments and certain debt instruments which are valued using assumptions from market participants.

Set out below, is a comparison by category of the carrying amounts and fair value of the company's financial instruments.

As on 31st March, 2019:

Amount in Rs.

Particulars	Carrying Amount			Fair Value	Fair value hierarchy
	FVTPL	FVTOCI	Amortised		
<b>Financial assets</b>					
<b>Non current:</b>					
Investments in equity instruments (other than associates)	-	30,133,261	-	30,133,261	Level 1
<b>Current:</b>					
Investments in equity instruments	64,663,139	-	-	64,663,139	Level 1
Investments in mutual funds	-	-	-	-	Level 2
Cash and cash equivalents	-	-	860,102	860,102	
Bank balance other than mentioned in cash and cash equivalents	-	-	1,030,390	1,030,390	-
Trade receivables	3,662,758	-	-	3,662,758	-
	<b>68,325,898</b>	<b>30,133,261</b>	<b>1,890,492</b>	<b>100,349,651</b>	
<b>Financial liabilities</b>					
Borrowings	-	-	2,171,396	2,171,396	-
Trade payables	829,003	-	-	829,003	-
Security deposit	-	-	6238437	6,238,437	Discounted cash flow method
	<b>829,003</b>	<b>-</b>	<b>8,409,833</b>	<b>9,238,836</b>	

Notes to consolidated financial statements for the year ended 31st March, 2019

As on 31st March, 2018:

Particulars	Carrying Amount			Fair Value	Fair value hierarchy
	FVTPL	FVTOCI	Amortised		
<b>Financial assets</b>					
<b>Non current:</b>					
Investments in equity instruments (other than associates)	-	29,875,025	-	29,875,025	Level 1
<b>Current:</b>					
Investments in equity instruments	59,209,521	-	-	59,209,521	Level 1
Investments in mutual funds	16,247,810	-	-	16,247,810	Level 2
Cash and cash equivalents	-	-	3,449,442	3,449,442	
Bank balance other than mentioned in cash and cash equivalents	-	-	1,190,381	1,190,381	-
Trade receivables	2,075,167	-	-	2,075,167	-
	<b>77,532,498</b>	<b>29,875,025</b>	<b>4,639,823</b>	<b>112,047,346</b>	
<b>Financial liabilities</b>					
Borrowings	-	-	2,820,353	2,820,353	-
Trade payables	703,920	-	-	703,920	-
Security deposit	-	-	6,224,408	6,224,408	Discounted cash flow method
	<b>703,920</b>	<b>-</b>	<b>9,044,761</b>	<b>9,748,681</b>	

**Key inputs:**

- Listed equity investments (other than subsidiaries, joint ventures and associates): quoted bid price on stock exchange (Level 1)
- Mutual funds: based on net asset value of the scheme (Level 2)
- The management assessed that fair value of cash and bank balances, trade receivables, loans, trade payables, borrowings, other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- During the reporting period ending 31st March, 2019 and 31st March, 2018, there was no transfer between Level 1 and Level 2 fair value measurement.

**Notes to consolidated financial statements for the year ended 31st March, 2019**

**Note - 37**

**Financial instruments : financial risk management**

The Company's activities exposes it to various risk such as market risk, liquidity risk and credit risks. This section explains the risks which the Company is exposed to and how it manages the risks.

The board of directors ('board') oversee the management of these risks through its audit committee. The company's risk management policy has been formulated by the audit committee and approved by the board. The policy articulates on the company's approach to address uncertainties in its endeavor to achieve its stated and implicit objectives. It also prescribes the roles and responsibilities of the company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate risks in order to minimize potential adverse effects on the company's financial performance.

The board of directors reviews and agrees on policies for managing each of these risks, which are summarized below. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit Risk	Trade receivables, Other Cash and cash equivalents, Bank balances other than cash and cash equivalents, Security deposits, Loans and other financial assets	Credit ratings and Ageing analysis	Diversification of counterparties, investment limits, check on counterparties basis credit rating and number of overdue days
Liquidity Risk	Borrowings, Trade payables, Deposits from dealers and other financial liabilities	Maturity analysis	Preparing and monitoring forecasts of cash flows and maintaining sufficient cash and cash equivalents
Market Risk- Foreign Exchange	Financial assets and liabilities denominated in other than functional currency	Sensitivity analysis	Exposure limits
Market Risk- Price risk	Investment in equity instruments	Sensitivity analysis	Strategic investment
Market Risk- Interest rate risk	Security deposits	Sensitivity analysis	Periodical reset of interest rate linked to market

**1 Credit risk**

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivable from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

**Notes to consolidated financial statements for the year ended 31st March, 2019**

**(i) Trade receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

The Company has established a credit policy under which each customer is analysed individually for creditworthiness before the company's standard payment terms and conditions are offered.

All the trade receivables are realised well with in due dates. Accordingly, management is in the opinion that requirement of provision is not arisen.

As at 31st March, 2019, the ageing of trade receivables was as follows;

Particulars	31st March, 2019	31st March, 2018
	Rs.	Rs.
Neither past due nor impaired	-	-
Due 1- 30 days	-	27,449
Due 31- 90 days	3,662,758	2,047,718
Due 90- 180 days	-	-
Due 181- 365 days	-	-
	<b>3,662,758</b>	<b>2,075,167</b>

**(ii) Financial assets other than trade receivables**

Credit risk from balances with banks and financial institutions is managed by the CFO in accordance with its policy. Surplus funds are parked only within approved investment categories. Investment category is periodically reviewed by the company's board of directors.

The company held cash and cash equivalents of Rs. 7.25 Lakhs as on 31st March, 2019 (Previous year ' Rs. 34.49 Lakhs). The cash and cash equivalent's are held with bank counterparties with good credit ratings.

**2 Liquidity risk**

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the company's reputation.

**Maturity profile of financial liabilities**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Particulars	Amount in Rs.		
	Borrowings	Trade Payables	Other Financial Liabilities
(I) Carrying amount	2,171,396	829,003	6,238,437
(II) Contractual cash flow:			
Less than 12 months	706,566	829,003	-
More than 12 months	1,464,830	-	6,238,437



**Notes to consolidated financial statements for the year ended 31st March, 2019**

<b>As on 31st March, 2018</b>	<b>Amount in Rs.</b>		
<b>Particulars</b>	<b>Borrowings</b>	<b>Trade Payables</b>	<b>Other Financial Liabilities</b>
(I) Carrying amount	2,820,353	703,920	6,224,408
(II) Contractual cash flow:			
Less than 12 months	648,957	703,920	-
More than 12 months	2,171,396	-	6,224,408

**Maturity profile of liquid financial assets**

<b>Surplus fund Investments in Equity, Mutual Funds, Bonds and deposits etc</b>			<b>Amount in Rs.</b>
<b>Period</b>	<b>Carrying Amount</b>	<b>Less than 12 months</b>	<b>More than 12 months</b>
31st March, 2019	107,475,810	64,663,139	42,812,671
31st March, 2018	116,894,794	75,457,331	41,437,463

Company's surplus funds are more than to total borrowings outstanding as on 31st March, 2019. Hence, the liquidity risk is very low.

**3 Market risk**

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Management exposed to market risk primarily related to the market value of investments and interest rate risk. Thus, our exposure to market risk is function of investing and borrowing activities only.

**4 Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in interest rates.

**Exposure to interest rate risk**

Company is not having interest rate risk arises from borrowings, as company is having borrowings with fixed interest rate. The interest rate profile the company's interest bearing financial instruments as reported to the management of the company.

Particulars	Rate of interest
Kotak mahindra prime Ltd - car loan	10.21%
Axis Bank Ltd - car loan	7.86%

**Capital management**

For the purpose of the company's capital management, capital includes issued capital and other equity reserves. The primary objective of the company's capital management is to maximise shareholders value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

Notes to consolidated financial statements for the year ended 31st March, 2019

The Company monitors capital using debt to equity ratio.

	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
Noncurrent borrowings	1,464,830	2,171,396
Current borrowings	706,566	648,957
<b>Gross debts</b>	<b>2,171,396</b>	<b>2,820,353</b>
Less: Cash and cash equivalents	860,102	3,449,442
<b>Net debts</b>	<b>1,311,294</b>	<b>(629,089)</b>
<b>Total equity</b>	<b>136,708,656</b>	<b>144,709,823</b>
<b>Adjusted net debt to equity ratio</b>	<b>NA</b>	<b>NA</b>

**Note - 38**

**Additional Information Details :**

**1 Event after reporting period:**

No adjusting or significant non-adjusting event have occurred between the 31st March, 2019 reporting date and the date of authorization.

**2 Previous GAAP figures have been reclassified / regrouped wherever necessary to conform with financial statements prepared under Ind AS.**

**Note - 39**

**Share of profit/(loss) of Associate company**

Amount in Rs.

Name of Associate	Extent of Holding(%)	Original cost of Investment	Share of post acquisition Reserve and surplus		Carrying amount of Investments	
			For the Year ended 31st March 2019	For the Year ended 31st March 2018	For the Year ended 31st March 2019	For the Year ended 31st March 2018
Entecres Labs Private Limited	27.96	10,487,880	1,116,972	676,273	12,679,410	11,562,438

As per our report of even date attached

For Parekh Sharma & Associates

Chartered Accountants

Firm Regn. No. 129301W

Sujesh Sharma

Partner

M.No. :118944

Mumbai : 29th May 2019

For and on behalf of the Board of Directors

Gautam P. Khandelwal

Chairman

DIN 00270717

Roshan Dsouza

Chief Financial Officer

Mumbai : 29th May 2019

Nimis Sheth

Director

DIN 00482739

Reena Yadav

Company Secretary

(ICSI Reg.No. A36429)

**FINANCIAL YEAR ENDED 31ST MARCH, 2019**

**FORM AOC-1**

**Part "B": Associates and Joint Ventures**

Statement pursuant to first proviso to sub-section(3) of section 129 of the companies Act 2013, read with rule 5 of Companies (accounts) Rules, 2014 in the prescribed Form AOC-1 related to Associate Companies and Joint Ventures.

(In ₹)

<b>Sr No</b>	<b>Name of the Associate Company</b>	<b>M/s. Entecres Labs Private Limited</b>
1	Latest Audited Balance Sheet Date	31 March, 2019
2	Shares of Associates/Joint Ventures held by the company on the year end No's	27.96% 4680
3	Amount of Investment in Associates / Joint Ventures (Rs)	1,04,87,880
4	Description of how there is significant influence	Associate
5	Reason why the associate / joint venture is not consolidated	Consolidated
6	Net worth attributable to Shareholding as per latest audited Balance Sheet (Rs)	62,44,006
	Profit & Loss for the year (Rs)	39,94,892
	i. Considered in consolidation (Rs)	11,16,972
	ii. Not considered in consolidation (Rs)	28,77,920

**Notes:**

Names of the subsidiaries which are yet to commence operations:- **Nil**

Names of subsidiaries which have been liquidated or sold during the year:- **Nil**

**As per our report of even date attached  
For Parekh Sharma & Associates**

**Chartered Accountants  
Firm Regn. No. 129301W**

**Sujesh Sharma  
Partner  
M.No. :118944**

**Mumbai : 29th May 2019**

**For and on behalf of the Board of Directors**

**Gautam P. Khandelwal  
Chairman  
DIN 00270717**

**Roshan Dsouza  
Chief Financial Officer**

**Mumbai : 29th May 2019**

**Nimis Sheth  
Director  
DIN 00482739**

**Reena Yadav  
Company Secretary  
(ICSI Reg.No. A36429)**

## INFORMED TECHNOLOGIES INDIA LIMITED

CIN L99999MH1958PLC011001

| Regd. Office: 'Nirmal', 20th Floor, Nariman Point, Mumbai - 400021|

| Tel# +91 22 2202 3055/66 | Fax# +91 22 2204 3162 |

| Email: itil\_investor@informed-tech.com | Website: www.informed-tech.com |

### ATTENDANCE SLIP

(PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL)

Regd. Folio No:	*DP ID:
*Client ID:	No. of Shares Held:

Name of the Member : _____	Signature: _____
Name of the Proxy Holder : _____	Signature: _____

I/We hereby record my presence at the 61<sup>st</sup> Annual General Meeting of the Company to be held on **Tuesday, September 10, 2019 at 1:30 PM at 20<sup>th</sup> Floor, Nirmal Building, Nariman Point, Mumbai – 400 021.**

#### Notes:

1. Only Member/Proxy holder can attend the Meeting.
2. Please complete the Folio No. /DP ID No., Client ID No. and name of the Member/Proxy holder, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3. A Member/Proxy holder attending the meeting should bring copy of the Annual Report for reference at the meeting.

# INFORMED TECHNOLOGIES INDIA LIMITED

Registered Office : 'Nirmal', 20th Floor, Nariman Point, Mumbai - 400 021.

| CIN: L99999MH1958PLC011001 | Website: www.informed-tech.com | Email id: itil\_investor@informed-tech.com |

## Proxy Form

### Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

CIN : L99999MH1958PLC011001  
Name of the Company : Informed Technologies India Limited  
Name of the Member (s) : \_\_\_\_\_  
Registered address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Folio No/Client Id /DP Id : \_\_\_\_\_

I/We, being the Member(s) of \_\_\_\_\_ Shares of the above named Company, hereby appoint

Name: .....	Name: .....	Name: .....
Address: .....	Address: .....	Address: .....
E-mail Id: .....	E-mail Id: .....	E-mail Id: .....
Signature:..... or failing him;	Signature:..... or failing him;	Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 61<sup>st</sup> Annual General Meeting of the Company, to be held on **Tuesday, September 10, 2019 at 1:30 PM at 20th Floor, Nirmal Building, Nariman Point, Mumbai – 400 021** and at any adjournment thereof in respect of such resolutions as are indicated below:

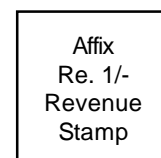
#### Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019 together with the Directors' Report and Auditors Report thereon; and the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2019 together with the Auditors Report thereon.
2. To appoint a Director in place of Mr. Gautam Khandelwal (DIN 00270717), who retires by rotation and, being eligible, offers himself for re-appointment.

#### Special Business

3. Re-Appointment of Mr. Nimis Savailal Sheth (Din 00482739) As An Independent Director.
4. Approval For Related Party Transactions Under Section 188 of The Companies Act, 2013.

Signed this..... day of .....2019



Signature of the Shareholder

Signature of the Proxy holder(s)

**Notes:**

- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company not less than 48 (forty eight) hours before the commencement of the meeting.**
- 2. A proxy need not be a member of the Company.**
3. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

# INFORMED TECHNOLOGIES INDIA LIMITED

CIN L99999MH1958PLC011001

| Regd. Office: 'Nirmal', 20<sup>th</sup> Floor, Nariman Point, Mumbai - 400021|

| Tel# +91 22 2202 3055/66 | Fax# +91 22 2204 3162 |

| Email: [itil\\_investor@informed-tech.com](mailto:itil_investor@informed-tech.com) | Website: [www.informed-tech.com](http://www.informed-tech.com) |

## BALLOT FORM FORM NO. MGT-12

(Pursuant to Section 109 (5) of the Companies Act, 2013 and Rule No. 21 (1) (c) of the Companies (Management & Administration) Rules 2014

(1) Name(s) of the First Named Shareholder (In block letter) \_\_\_\_\_

(2) Postal address \_\_\_\_\_

(3) Registered Folio No/ DP Id No / Client ID : \_\_\_\_\_

(4) Number of Shares held : \_\_\_\_\_

I/we hereby exercise my/our vote in respect of the Ordinary/ Special Resolution enumerated below by recording my/our assent or dissent to the said resolutions by placing the tick ( ✓ ) mark at the appropriate box below:

Resolution No.	Description	I/we assent to the resolution (FOR)	I/we dissent to the resolution (AGAINST)
	<b>ORDINARY BUSINESS</b>		
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019 together with the Directors' Report and Auditors Report thereon; and the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2019 together with the Auditors Report thereon.		
2.	To appoint a Director in place of Mr. Gautam Khandelwal (DIN 00270717), who retires by rotation and, being eligible, offers himself for re-appointment.		
	<b>SPECIAL BUSINESS</b>		
3.	Re-Appointment of Mr. Nimis Savailal Sheth (Din 00482739) As An Independent Director.		
4.	Approval For Related Party Transactions Under Section 188 of The Companies Act, 2013.		

Place:

Date:

\_\_\_\_\_  
Signature of the Shareholders/Beneficial Owner

Note: (i) If you opt to cast your vote by e-voting there is no need to fill up and send this form

(ii) Last date for receipt of Ballot Form Monday, September 09, 2019 (5:00 PM)

(iii) Please read the instructions printed overleaf carefully before exercising your vote

**INSTRUCTIONS:**

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutinizer, Mr. Sanam Umbargikar, Practicing Company Secretary at C-502, Raylon Arcade, Ram Krishna Mandir Road, Next to Pidilite Industries, Kondivita, Andheri East, Mumbai- 59 as to reach by 5:00 PM on Monday, September 09, 2019. Ballot Form received thereafter will strictly be treated as if not received.
2. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
3. In case the member casts his votes through both the processes i.e., E-voting and Physical Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
4. The right of voting by Ballot Form shall not be exercised by a proxy.
5. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company i.e., Link Intime India Private Limited. Members are requested to keep the same updated.
6. There will be only one Ballot Form for every Folio / DP ID & Client ID irrespective of the number of joint members.
7. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his / her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
8. Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/Society etc., a certified copy of the relevant authorization / Board Resolution to vote should accompany the Ballot Form.
9. Instructions for e-Voting procedure are available in the Notice of the Annual General Meeting.
10. Members are requested not to send any other paper along with the Postal Ballot Form as all such envelopes will be sent to the Scrutinizer and any extraneous papers found in such envelope would be destroyed by the Scrutinizer.

**Please follow the steps for e-Voting procedure as given in the Notice of AGM or as available on [www.evotingindia.com](http://www.evotingindia.com). In case you have any feedback, queries or issue regarding e voting, please contact [helpdesk.voting@cdslindia.com](mailto:helpdesk.voting@cdslindia.com)**