



R Sogani & Associates
Chartered Accountants

"Shree Dham"

R-20, Yudhishter Marg, 'C'-Scheme, Jaipur - 302005

Tel: 2222734, 2220735, 2220736

E-mail: rsa@soganiprofessionals.com

Website: www.soganiprofessionals.com

Independent Auditor's Report on FFC Accounts

Prepared for Consolidation Purposes

From: R Sogani & Associates

Date: 26 MAY 2018

Subject: Component Audit of Gravita Infotech for the Year Ended 31st March, 2018

To: Deloitte Haskins & Sells, Gurgaon, India

In accordance with the instructions in your e-mail dated 26th March, 2018, we have audited, for purpose of your audit of the consolidated financial statements of Gravita India Limited, the accompanying balance sheet of Gravita Infotech as at 31st March 2018, the Statement of profit and loss and also the Cash flow statement of the Firm for the year ended on the same date and other reconciliations and information (all collectively referred to as the Fit For Consolidation (FFC) Accounts).

Management's Responsibility for the FFC Accounts

Management is responsible for the preparation and presentation of this FFC Accounts in accordance with accounting policies generally accepted in India. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the FFC Accounts that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. This FFC Accounts has been prepared solely to enable Gravita India Limited to prepare its consolidated financial information.

Auditor's Responsibility

Our responsibility is to express an opinion on this FFC Accounts based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards on Auditing require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the FFC Accounts is free from material misstatement.





R Sogani & Associates
Chartered Accountants

"Shree Dham"

R-20, Yudhishter Marg, 'C'-Scheme, Jaipur - 302005

Tel: 2222734, 2220735, 2220736

E-mail: rsa@soganiprofessionals.com

Website: www.soganiprofessionals.com

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the FFC Accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the FFC Accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Firm's preparation and presentation of the FFC Accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Firm's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the FFC Accounts.

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the accompanying FFC Accounts for Gravita Infotech as of 31st March, 2018 and for the year then ended has been prepared, in all material respects, in accordance with accounting policies generally accepted in India.

Restriction on Use and Distribution



This FFC Accounts has been prepared for purposes of providing information to **Gravita India Limited** to enable it to prepare the consolidated financial statements of the group. As a result, the FFC Accounts is not a complete set of financial statements of Gravita Infotech in accordance with the accounting principles generally accepted in India and is not intended to give a true and fair view of the financial position of Gravita Infotech as of 31st March, 2018, and of its financial performance, and its cash flows for the year then ended in accordance with the accounting principles generally accepted in India. The financial information may, therefore, not be suitable for another purpose.

For R Sogani & Associates
Chartered Accountants
Firm Regn No.: 018755C


(BHARAT SONKHIYA)
PARTNER
Membership No: 403023

Place : JAIPUR

Date : 26 MAY 2018

Gravita Infotech (Formerly known as Gravita Technomech) 303, Rajputana Tower, A-27-B, Shanti Path, Tilak Nagar, Jaipur - 302001 (Raj.) Balance Sheet As at March 31, 2018				
(Amount in INR)				
	Notes	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
ASSETS				
Non-Current Assets				
Property, plant and equipment	2	799,397	1,429,967	2,316,796
Non-current tax assets (net)	3	33,602	33,602	32,597
Deferred tax assets (net)	3	-	-	3,124,482
		832,999	1,463,569	5,473,875
Current Assets				
Financial assets				
Trade receivables	4	-	-	40,000
Cash and cash equivalents	5	85,561	75,561	234,367
Other current assets	6	134,066	137,659	142,080
		219,627	213,220	416,447
TOTAL ASSETS		1,052,626	1,676,789	5,890,322
EQUITY AND LIABILITIES				
Equity				
Share capital	7	200,000	200,000	200,000
Other Equity	7	838,646	1,473,339	5,680,330
		1,038,646	1,673,339	5,880,330
Current Liabilities				
Financial liabilities				
Trade payables				
Outstanding to micro and small enterprises		-	-	-
Outstanding other than micro and small enterprises	8	6,900	3,450	9,992
Other current liabilities	9	7,080	-	-
		13,980	3,450	9,992
TOTAL EQUITY AND LIABILITIES		1,052,626	1,676,789	5,890,322
Significant Accounting Policies and Notes to Financial Statements 1 - 15				
For R Sogani & Associates Chartered Accountants Firm Reg. No.- 018755C  Bharat Sonkhiya Partner M, No:- 403023 Place: Jaipur Date: May 26, 2018		In confirmation of Facts Gravita Infotech (Formerly known as Gravita Technomech)  Rajat Agrawal (DIN:- 00855284) (Managing Director of Partner company Gravita India Limited and Director of Gravita Infotech Limited)		

26 MAY 2018



Gravita Infotech
(Formerly known as Gravita Technomech)
303, Rajputana Tower, A-27-B, Shanti Path, Tilak Nagar, Jaipur - 302001 (Raj.)
Statement of Profit and Loss account for the Period ended on 31st March, 2018

(Amount in INR)

PARTICULARS	Notes No.	For the year ended 31- March-2018	For the year ended 31- Mar-2017
INCOME			
Other Income	10	19,429	8,006
Total revenue (I)		19,429	8,006
EXPENSES			
Employee Benefit Expenses	11	926	3,011
Finance Cost	12	-	2,687
Depreciation and Amortization Expenses	2	548,399	662,985
Other Expense	13	10,530	17,623
Total expenses (II)		559,855	686,306
PROFIT BEFORE TAX (I - II)		(540,426)	(678,300)
Add: Prior period incomes		-	-
Profit Before Extraordinary Items & Tax		(540,426)	(678,300)
Add/ (Less): Extraordinary Items		-	-
PROFIT BEFORE TAX		(540,426)	(678,300)
Less: Tax expense			
Prior Period Tax		-	-
Earlier Year Tax (MAT Credit)		-	3,124,482
PROFIT FOR THE PERIOD		(540,426)	(3,802,782)
OTHER COMPREHENSIVE INCOME			
Net Surplus		(540,426)	(3,802,782)
Profits Transferred to Partners:			
Gravita India Ltd		(264,809)	(1,863,363)
Gravita Infotech Limited		(275,617)	(1,939,419)

Significant Accounting Policies and
Notes to Financial Statements

1 - 15

For R Sogani & Associates
Chartered Accountants
Firm Reg. No. :- 018755C

Bharat Sonkhiya
Partner
M, No:- 403023

Place: Jaipur

Date: May 26, 2018

In confirmation of Facts
Gravita Infotech

(Formerly known as Gravita Technomech)

Rajat Agrawal
(DIN:- 00855284)

(Managing Director of Partner company Gravita
India Limited and Director of Gravita Infotech
Limited)

26 MAY 2018



Gravita Infotech
303, Rajputana Tower, A-27-B, Shanti Path, Tilak Nagar, Jaipur - 302001 (Raj.)

Cash Flow Statement for the year ended 31st March, 2018

(Amount in INR)

	PARTICULARS	31st March, 2018	31st March, 2017
1)	NET CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax	(540,426)	(678,300)
	Non-cash adjustments to reconcile profit before tax to net cash flows		
	Depreciation of current year	548,399	662,985
	Profit on sale of Fixed Assets	(19,429)	2,802
	Operating Profit before working capital change	(11,456)	(12,513)
	Movements in working capital:		
	Increase/(decrease) in trade payables	3,450	(6,542)
	Increase/(decrease) in other current liabilities	7,080	-
	Decrease/(increase) in other current assets	3,593	4,421
	Decrease/(increase) in trade receivable	-	40,000
	Current Tax Assets (Net)	-	(1,005)
	Cash generate from/(used in) operating activities	2,668	24,361
	Direct taxes paid	-	-
	NET CASH FLOW FROM OPERATING ACTIVITIES	2,668	24,361
2)	CASH FLOW FROM INVESTING ACTIVITIES		
	(Pur)/Sale of Fixed Assets	101,600	221,042
	Deferred Tax Assets (Net)	-	3,124,482
	NET CASH FLOW FROM INVESTING ACTIVITIES	101,600	3,345,524
3)	NET CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds/(Repayment) from current capital	(94,267)	(3,528,691)
	NET CASH FLOW FROM FINANCING ACTIVITIES	(94,267)	(3,528,691)
	Increase in cash and cash equivalent (A+B+C)	10,000	(158,806)
	Add: Opening cash	75,561	234,367
	Closing cash	85,561	75,561

As per our report of even date

For R Sogani & Associates
Chartered Accountants
Firm Reg. No.- 018755C

(Bharat Sonkhya)

Partner

M, No:- 40323

Place: Jaipur

Date: May 26, 2018

In confirmation of the facts
Gravita Infotech

Rajat Agrawal
(DIN:- 0855284)

(Managing Director of partner company Gravita India Limited and Director of Gravita Infotech Limited)

26 MAY 2018



Gravita Infotech

(Formerly known as Gravita Technomech)

303, Rajputana Tower, A-27-B, Shanti Path, Tilak Nagar, Jaipur - 302001 (Raj.)

Notes forming part of the financial statements

Note 1 - General information and Significant Accounting Policies

Note 1.1 - General information

The firm is engaged in the business of information Technology, Software, Web & mobile applications and all other information technology related services.

Note 1.2 - Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("The Act") and other relevant provisions of the Act, as applicable. The financial statements up to the year ended March 31, 2018 were prepared in accordance with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and other relevant provisions of the Act ("Previous GAAP"). These are Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016.

Note 1.3 - Significant Accounting Policies

I. Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost basis and generally as per requirement of Indian Partnership Act 1932. The accounting policies not specifically mentioned are consistent with generally accepted accounting principles except for certain financial instruments which are

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the firm takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

Level 3 inputs are unobservable inputs for the asset or liability.

II. Property, Plant and Equipment

- i. Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2017 measured as per the previous GAAP. Cost is inclusive of inward freight, non refundable duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Freehold Land is not depreciated.

III. A. Depreciation / amortisation

- i. The firm is following the straight line method of depreciation in respect of Property,
- ii. Depreciation on all tangible assets is provided over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Freehold Land is not depreciated.
- iii. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

IV Use of estimates and judgement

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are:

(i) Useful lives and residual value of property, plant and equipment, intangible assets and investment properties : Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.

V Operating Cycle

Based on the nature of products / activities of the firm and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the firm determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

For R Sogani & Associates
Chartered Accountants
Firm Reg. No.- 018755C

Bharat Sonkhya
Partner
M, No:- 403023
Place: Jaipur
Date: May 26, 2018

26 MAY 2018

In confirmation of Facts
Gravita Infotech
(Formerly known as Gravita Technomech)

Rajat Agrawal
(DIN:- 00855284)
(Managing Director of Partner company Gravita India Limited and
Director of Gravita Infotech Limited)



NOTE- 2 Property, plant and equipment

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK	
	As on 01.04.2016	Addition	Adjustment	As on 31.03.2017	up to 01.04.2016	Current Year Depreciation	Sold/ Adjustments	Up to 31.03.2017
Office Equipment	235,897	-	-	235,897	-	25,149	-	25,149
Computer and Accessories	1,274,589	-	299,200	975,389	-	561,310	157,793	403,517
Furniture & Fixtures	806,310	-	110,538	695,772	-	76,526	28,100	48,426
Total	2,316,796	-	409,738	1,907,058	-	662,985	185,893	477,092
Grand Total	2,316,796	-	409,738	1,907,058	-	662,985	185,893	477,092

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK	
	As on 01.04.2017	Addition	Adjustment	As on 31.03.2018	up to 01.04.2017	Current Year Depreciation	Sold/ Adjustments	Up to 31.03.2018
Office Equipment	235,897	-	-	235,897	25,149	25,063	-	50,212
Computer and Accessories	975,389	-	299,200	676,189	403,517	456,060	246,968	612,609
Furniture & Fixtures	695,772	-	40,308	655,464	48,426	67,276	10,368	105,334
Total	1,907,058	-	339,508	1,567,550	477,092	548,399	257,336	768,155
Grand Total	1,907,058	-	339,508	1,567,550	477,092	548,399	257,336	768,155



Gravita Infotech
(Formerly known as Gravita Technomech)
303, Rajputana Tower, A-27-B, Shanti Path, Tilak Nagar, Jaipur - 302001 (Raj.)

Notes to Financial Statements for the quarter ended 31st March 2018

	As at 31-March-2018	As at 31-Mar-2017	As at 01-April-2016
Note 3: Non-Current Tax Assets (Net)			
TDS Receivable	11,733	11,733	480
Income Tax Refund Receivable	21,869	21,869	32,117
MAT credit entitlement	-	-	3,124,482
	33,602	33,602	3,157,079
Note 4: Trade Receivable			
Trade Receivable			
- Unsecured (considered good)	-	-	40,000
Less: Provision for doubtful trade receivables	-	-	-
	-	-	40,000
Note 5: Cash & Bank Balances			
Balances with banks:			
On current accounts	35,004	25,004	192,810
Cash balance	50,557	50,557	41,557
	85,561	75,561	234,367
Note 6: Other Current Assets			
Duties & taxes	30,001	137,659	142,080
Balances with government authorities			
-GST credit receivable	104,065	-	-
	134,066	137,659	142,080
Note 7: Partner's Capital			
a) Fixed Capital			
Gravita Infotech Limited	102,000	102,000	102,000
Gravita India Limited	98,000	98,000	98,000
	200,000	200,000	200,000
B) Current Capital			
Gravita India Limited	1,820,290	2,179,366	4,648,468
Gravita Infotech Limited	(981,644)	(706,027)	1,031,862
	838,646	1,473,339	5,680,330
b) Reserves and Surplus			
Opening Balance (Foreign Currency Monetary Items Translation Reserve)	-	-	-
Surplus (including General Reserve)	(540,426)	(3,802,781)	(896,918)
Less : Transferred to Partners	540,426	3,802,781	896,918
	-	-	-
Note 8: Trade Paybles			
Outstanding to Other than Micro and Small Enterprises	6,900	3,450	9,992
	6,900	3,450	9,992
Note 9: Other Current Liabilities			
Provision for Audit Fees	7,080	-	-
	7,080	-	-
Note No.10 Other Income			
Profit on sale of FA	19,429	-	-
Misc Balance Write Off	-	8,006	8,006
	19,429	8,006	8,006
Note No. 11			
Employee Cost			
Contribution to Provident and Other Fund	926	3,011	3,011
	926	3,011	3,011



Note No. 12			
Finance Cost			
Interest Expenses	-	2,687	2,687
	-	2,687	2,687
Note No. 13			
Others Expenses			
Payment to Auditor	10,530	4,476	4,476
Bank Charges	-	345	345
Business Promotion	-	10,000	10,000
Net Loss on sale of Fixed Assets	-	2,802	2,802
	10,530	17,623	17,623
Note 14 Disclosures Auditor's Remuneration			
Particular	As at 31-Mar-2018	As at 31-Mar-2017	
(a) For audit	10,530	4,476	
	10,530	4,476	

For R Sogani & Associates
Chartered Accountants
Firm Reg. No.- 018755C

Bharat Sonkhiya
Partner
M, No:- 403023
Place: Jaipur
Date: May 26, 2018

26 MAY 2018

In confirmation of Facts
Gravita Infotech
(Formerly known as Gravita Technomech)

Rajat Agrawal
(DIN-00855284)
(Managing Director of Partner company Gravita India Limited and Director
of Gravita Infotech Limited)



Gravita Infotech
Notes to the financial statement

Note -15 (A) Transition to Ind AS - Principle and reconciliations

Overall principle

These are the Firm first financial statement prepared in accordance with Ind AS, accordingly the firm has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the exception and certain optional exemptions availed by the firm as detailed below :

A. Mandatory exceptions

Estimates

The estimates as at April 1, 2016 and as at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation. The estimates used by the firm to present these amounts are in accordance with the Ind AS which reflects conditions as at April 1, 2016, the date of transition to Ind AS and as at March 31, 2017.

Derecognition of financial assets and financial liabilities

The firm has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after transition date.

Classification and measurement of financial instruments

(I) Financial Instruments: (Security deposits paid)

Financial assets / liabilities like security deposits paid, has been classified and measured at amortised cost on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(II) Impairment of financial assets

The firm has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the firm has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

B. Optional exemptions

Deemed cost for property, plant and equipment and intangible assets

The firm has opted to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value and use that carrying value as its deemed cost.

Reconciliation of Equity

Particulars	Note	As at March 31, 2017 (End of last period presented under previous GAAP)	As at April 01, 2016 (Date of transition)
Total equity (shareholders' funds) under previous GAAP		1,673,339.21	5,880,330.00
Impact of IND AS adjustments in partnership firm as on transition date		-	-
Total adjustment to equity		-	-
Total equity under Ind-AS		1,673,339.21	5,880,330.00



Gravita Infotech
Notes to the financial statement

Note :- 15(B) First - time Ind - AS adoption

i. Effect of Ind AS adoption on Balance sheet

Particulars	Note	As at March 31, 2017			As at April 01, 2016		
		(End of last period presented under previous GAAP)			(Date of transition)		
		Previous GAAP *	Effect of transition to Ind-AS	Ind-AS	Previous GAAP *	Effect of transition to Ind-AS	Ind-AS
I. ASSETS							
1 Non - current assets							
(a) Property, Plant and Equipment		14,29,967		14,29,967	23,16,796	-	23,16,796
(b) Capital work-in-progress		-		-	-	-	-
(c) Goodwill		-		-	-	-	-
(d) Other Intangible assets		-		-	-	-	-
(e) Intangible assets under development		-		-	-	-	-
(f) Financial Assets		-		-	-	-	-
(i) Investments		-		-	-	-	-
a) Investments in equity instruments of subsidiaries		-		-	-	-	-
b) Investments in partnership firms		-		-	-	-	-
c) Other Investments		-		-	-	-	-
(ii) Loans		-		-	-	-	-
(iii) Others		-		-	-	-	-
(g) Deferred tax (liabilities) / assets (net)		-		-	31,24,482	-	31,24,482
(h) Non current tax assets		33,602		33,602	32,597	-	32,597
(i) Other non current assets		-		-	-	-	-
		14,63,569	-	14,63,569	54,73,875	-	54,73,875
2 Current assets							
(a) Inventories		-		-	-	-	-
(b) Financial Assets		-		-	-	-	-
(i) Investments In Partnership Firms		-		-	-	-	-
(ii) Trade receivables		-		-	40,000	-	40,000
(iii) Cash and cash equivalents		50,557		50,557	41,557	-	41,557
(iv) Bank balances other than (iii) above		25,004		25,004	1,92,810	-	1,92,810
(v) Loans		1,37,659		1,37,659	1,42,080	-	1,42,080
(vi) Others		-		-	-	-	-
(d) Other current assets		-		-	-	-	-
(e) Assets classified as held for sale		-		-	-	-	-
		2,13,220	-	2,13,220	4,16,447	-	4,16,447
Total Assets		16,76,789	-	16,76,789	58,90,322	-	58,90,322
II. EQUITY AND LIABILITIES							
1 Equity							
(a) Equity Share Capital		2,00,000		2,00,000	2,00,000	-	2,00,000
(b) Other Equity		14,73,339		14,73,339	56,80,330	-	56,80,330
		16,73,339	-	16,73,339	58,80,330	-	58,80,330
2 Liabilities							
Non - current liabilities							
(a) Financial Liabilities							
(i) Borrowings		-		-	-	-	-
(ii) Other financial liabilities		-		-	-	-	-
(b) Provisions		-		-	-	-	-
(c) Other non current liabilities		-		-	-	-	-
		-	-	-	-	-	-
3 Current liabilities							
(a) Financial Liabilities							
(i) Borrowings		-		-	-	-	-
(ii) Trade payables		3,450		3,450	9,992	-	9,992
(iii) Other financial liabilities		-		-	-	-	-
(b) Other current liabilities		-		-	-	-	-
(c) Provisions		-		-	-	-	-
(d) Current Tax Liabilities (net)		-		-	-	-	-
		3,450	-	3,450	9,992	-	9,992
Total Equity and Liabilities		16,76,789	-	16,76,789	58,90,322	-	58,90,322

* The previous GAAP numbers have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.



ii. Effect of Ind-AS adoption on the Statement of profit and loss for the year ended March 31, 2017

Particulars	Note	For the year ended March 31, 2017		
		(Latest period presented under previous GAAP)		
		Previous GAAP	Effect of transition to Ind-AS	Ind-AS
I Revenue from operations		-	-	-
II Other income		8,006	-	8,006
III Total revenue (I + II)		8,006	-	8,006
IV Expenses:				
(a) Cost of materials consumed		-	-	-
(b) Purchases of stock-in-trade (traded goods)		-	-	-
(c) Changes in inventories of FG, stock-in-trade and work in progress		-	-	-
(d) Excise duty on sale of goods		-	-	-
(e) Employee benefits expense		3,011	-	3,011
(f) Finance costs		3,032	(345)	2,687
(g) Depreciation and amortisation expense		662,985	-	662,985
(h) Other expenses		17,278	345	17,623
Total expenses (IV)		686,306	-	686,306
V Profit before tax (III - IV)		(678,300)	-	(678,300)
VI Tax expense:				
(a) Current tax		-	-	-
(b) Deferred tax charge / (credit)		-	-	-
VII Profit for the year (V - VI)		(678,300)	-	(678,300)
VIII Other comprehensive income (OCI)				
Items that will not be reclassified to profit or loss				
Remeasurements of the defined benefit liabilities / (asset)		-	-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-	-
Total other comprehensive income for the year		-	-	-
IX Total other comprehensive income for the period		(678,300)	-	(678,300)

iii. Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars	Note	For the year ended March 31, 2017
		(Latest period presented under previous GAAP)
Profit as per previous GAAP		(678,300)
Total effect of transition to Ind-AS		-
Profit for the year as per Ind-AS		(678,300)
Other comprehensive income for the year (net of tax)		-
Total comprehensive income under Ind-AS		(678,300)

Note : Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

iv. Effect of Ind-AS adoption on the Statement of cash flows for the year ended March 31, 2017

Particulars	Note	For the year ended March 31, 2017		
		(Latest period presented under previous GAAP)		
		Previous GAAP	Effect of transition to Ind-AS	Ind-AS
Net cash flows from operating activities		13,633	10,728	24,361
Net cash flows from investing activities		3,356,253	(10,729)	3,345,524
Net cash flows from financing activities		(3,528,692)	1	(3,528,691)
Net increase (decrease) in cash and cash equivalents		(158,806)	0	(158,806)
Cash and cash equivalents at the beginning of the period		234,367	0	234,367
Cash and cash equivalents at the end of the period		75,561	0	75,561

v. Analysis of cash and cash equivalents as at March 31, 2017 and as at April 1, 2016 for the purpose of statement of cash flows under Ind-AS

Particulars	As at March 31, 2017	As at April 1, 2016
	(End of last period presented under previous GAAP)	(Date of transition)
Cash and cash equivalents for the purpose of statement of cash flows as per previous GAAP	75,561	234,367
Cash and cash equivalents for the purpose of statement of cash flows under Ind-AS	75,561	234,367

Note :-

(i) Other comprehensive income
Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains, or losses are required to be presented in other comprehensive income.

(ii) The transition from Indian GAAP to Ind-AS had no significant impact on cash flows generated by the firm.

