SATISH JINDAL & CO.
CHARTERED ACCOUNTANTS

G-55, Royal Palace, IInd Floor,
Laxmi Nagar, Vikas Marg,
Delhi – 110 092
Phones: 22502455, 22515914

INDEPENDENT AUDITOR'S REPORT

To,

The Members of Mobisoc Technology Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Mobisoc Technology Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018 and the statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory Information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statement that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015, as amended..

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records , relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in audit report under the provision of the Act and the Rules made there under.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act. Those Standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatements.

An audit involves performing procedures to obtain the audit evidence about the amounts and the disclosure in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

SATISH JINDAL & CO. CHARTERED ACCOUNTANTS DELHI

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements gives the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure '1' a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by section 143 (3) of the Act, we report that :
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

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

   c) The balance sheet, the statement of profit and loss, the cash flow statement and statement of changes in equity dealt with by this report are in agreement with the books of account.

   d) In our opinion, the aforesaid Ind As financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) On the basis of the written representation received from the Directors as on 31st March, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2018 from being appointed as a Director in terms of Section 164(2) of the Act.

   f) With respect to the adequate internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report; and

SATISH JINDAL & CO. ★ CHARTERED ACCOUNTANTS ★ DELHI

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

i) the Company does not have any pending litigations which would impact its financial position.

ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) there has been no amounts which are required to be transferred to the Investor Education and Protection Fund by the company.

For Satish Jindal & Co.
Chartered Accountants
FRN 009180N

SATISH JINDAL & CO. CHARTERED ACCOUNTANTS DELHI

(Satish Kumar Gupta)
Partner
M. No.: 087902

Place: Noida
Date : 15.05.2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MOBISOC TECHNOLOGY PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (f) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the members of Mobisoc Technology Private Limited

We have audited the internal financial controls over financial reporting of Mobisoc Technology Private Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

SATISH ... & CO. CHARTERED ACCOUNTANTS DELHI accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Satish Jindal & Co.
Chartered Accountants
FRN 009180N

SATISH JINDAL & CO. DELHI CHARTERED ACCOUNTANTS

(Satish Kumar Gupta)
Partner
M. No.: 087902

Place: Noida
Date: 15.05.2018

MOBISOC TECHNOLOGY PRIVATE LIMITED
CIN :- U72300DL2006PTC151960
Regd. Address :-622,6th Floor, DLF Tower A, Jasola District Centre,New Delhi 110025
Balance Sheet as at March 31, 2018

Particulars	Notes No.	As at Mar 31, 2018	As at Mar 31, 2017
Assets			
Non-current assets			
Property, plant and equipment	3	1,326,016	1,904,449
Intangible Assets	4	0.00	1,074,621
Financial assets			
(i) Others financial assets	5	-	2,998,178
Deferred tax assets	6	1,307,437	2,104,540
Non Current Tax Assets (Net)	7	5,591,872	4,538,890
		8,225,325	**12,620,678**
Current assets			
Financial assets			
(ii) Loans	8	-	42,000,000
(iii) Trade Receivable	9	57,653,850	31,144,165
(iv) Cash and cash equivalents	10	623,702	2,516,583
(v) Other Bank Balances other than (iv) above	10	7,958,829	6,488,715
(vi) Other Financial Assets	11	3,244,132	9,669,977
Current Tax Assets(Net)	12	10,734,639	21,081,382
Other Current Assets	13	1,339,712	2,282,465
		81,554,864	**115,183,287**
Total Assets		**89,780,188**	**127,803,965**
Equity and liabilities			
Equity			
Equity Share capital	14	100,100,000	100,100,000
Other Equity	SOCE- B	(36,444,797)	(5,000,491)
		63,655,203	**95,099,509**
Liabilities			
Non-Current Liabilities			
Provisions	15	1,231,269	2,450,037
		1,231,269	**2,450,037**
Current Liabilities			
Financial Liabilities			
(i) Trade payables	16	19,938,245	14,709,708
(ii) Other financial liabilities	17	3,154,411	10,987,022
Other Current Liabilities	18	1,055,837	2,271,662
Provisions	19	745,223	2,286,028
		24,893,716	**30,254,420**
		26,124,985	**32,704,457**
TOTAL Equity and Liabilities		**89,780,188**	**127,803,965**

Summary of significants accounting policies 1 &2

The accompanying notes are an integral parts of the financial statements.

Chartered Accountants
For Satish Jindal & Co
Chartered Accountants
FRN : 009180N

SATISH JINDAL & CO. DELHI CHARTERED ACCOUNTANTS

(Satish Kumar Gupta)
Partner
M. No. 087902

Place : Noida
Date : 15/05/2018

For and on behalf of the Board of Directors of
Mobisoc Technology Private Limited

(Sunil Kumar Kapoor)
Director & Manager
DIN: 05322540

(Madhusudan Venkatachary)
Director
DIN: 02650160

C.F.O.
(Sanjeev Kumar Jain)

Company Secretary
(Akansha Sharma)
(Memb.No.A41576)

MOBISOC TECHNOLOGY PRIVATE LIMITED
CIN :- U72300DL2006PTC151960
Regd. Address :-622,6th Floor, DLF Tower A, Jasola District Centre,New Delhi 110025
Statement of profit and loss for the year ended 31 Mar, 2018

Particulars	Notes No.	For the year Ended Mar 31, 2018	For the Year Ended Mar 31, 2017
Income			
Revenue From Operations	20	196,909,300	141,141,302
Other Income	21	2,885,003	6,488,745
Total Income		**199,794,303**	**147,630,047**
Expenses			
Purchases of Services	22	32,817,583	41,004,943
Operating Expenses	23	107,305,059	19,970,202
Employee Benefits Expense	24	26,648,953	54,844,966
Finance Cost	25	1,766	29,186
Depreciation and amortization expense	26	1,850,394	5,337,943
Other Expenses	27	7,744,784	27,968,672
Total Expenses		**176,368,539**	**149,155,912**
Profit before exceptional items and tax		**23,425,764**	
Exceptional items	28	**46,803,025**	
Profit(loss) before tax		(23,377,261)	(1,525,865)
Tax Expenses			
(i) Current Tax	29	7,067,415	27,830
(ii) Deferred tax (Net)		797,103	89,200
Profit/(Loss) for the period from continuing operations		(31,241,778)	(1,642,894)
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Acturial Gain/(loss)	30	(202,528)	(60,353)
(ii) Re-measurement gains (losses) on defined benefit plans			
(iii) Income Tax relating to items that will be reclassified to profit or loss			
Total Comprehensive Income for the period(Comprising Profit/(loss) and Other Comprehensive Income for the period)		(31,444,306)	(1,703,247)
Earning per share	31		
(i) Basic		(3.14)	(0.17)
(ii) Diluted		(3.14)	(0.17)
Summary of significants accounting policies	1&2		

The accompanying notes are an integral parts of the financial statements.

As per our attached report of even date
For Satish Jindal & Co
Chartered Accountants
FRN : 009180N

SATISH JINDAL & CO. CHARTERED ACCOUNTANTS DELHI

(Satish Kumar Gupta)
Partner
M. No. 087902

For and on behalf of the Board of Directors of
Mobisoc Technology Private Limited

(Sunil Kumar Kapoor)
Director & Manager
DIN: 05322540

(Madhusudan Venkatachary)
Director
DIN: 02650160

C.F.O.
(Sanjeev Kumar Jain)

Company Secretary
(Akansha Sharma)
(Memb.No.A41576)

Place : Noida
Date : 15/05/2018

MOBISOC TECHNOLOGY PRIVATE LIMITED
CIN :- U72300DL2006PTC151960
Regd. Address :- 622,6th Floor,DLF Tower A, Jasola District Centre, New Delhi 110025

Statement of Cash Flows for the year ended March 31, 2018

Amount in INR

	For the 12 Months ended 31-Mar-2018	For the 12 Months ended 31-Mar-2017
CASH FLOWS FROM OPERATING ACTIVITIES	Rs.	Rs.
Profit before tax from continuing operations		
Profit/(loss) before tax from discontinued operations	(23,377,261)	(1,525,865)
Profit before tax	-	-
	(23,377,261)	(1,525,865)
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and impairment of property, plant and equipment		
Amortisation and impairment of intangible assets	775,775	835,600
Provision against loans/advances	1,074,621	4,502,341
Finance income (including fair value change in financial instruments)	46,803,026	-
Finance costs (including fair value change in financial instruments)	(314,553)	(5,323,369)
Working capital adjustments	1,766	29,186
Movements in provisions, gratuity and leave encashment		
Increase in trade and other receivables and prepayments	(2,759,573)	803,713
Increase in trade and other payables	(19,141,088)	(9,178,510)
	(3,819,901)	(6,094,203)
Taxes Paid	(757,188)	(15,951,106)
Exceptional Item	2,226,351	50,836
Net cash flows from operating activities	(202,528)	(60,353)
	1,266,635	(15,960,623)
Investing Activities		
Purchase of property, plant and equipment		
Interest received (finance income)	(197,342)	(302,289)
Sale of investment	314,553	5,323,369
Loan Given	-	-
Loan to Staff & Others	(4,803,025)	-
	-	162,500
Net cash flows used in investing activities		
	(4,685,814)	5,183,580
Financing Activities		
Interest paid		
Net cash flows from/(used in) financing activities	(1,766)	(29,186)
	(1,766)	(29,186)
Cash and cash equivalents at the year end		
Cash and cash equivalents at the beginning of the year	(3,420,945)	(10,806,229)
Cash and cash equivalents at year end	12,003,476	22,809,705
	8,582,531	12,003,476
Cash in hand		
Cheques in hand	82,647	28,679
With banks- on current account	-	-
With banks- on deposit accounts	541,056	8,976,619
Total cash and cash equivalents	7,958,829	2,998,178
	8,582,531	12,003,476

ii) Movement in financial liabilities

As at 1 April 2017		
Cash flows	-	-
Interest Paid	-	-
As at 31 March 2018	-	-
	-	-

Notes :

1. The Cash flow statement has been prepared under the indirect method as set out in Revised Ind AS-7 on Statement of cash flows notified under the Companies (Indian Accounting Standards) Rules, 2015, and relevant amendment rules issued thereafter The Company adopted the amendment to Ind AS-7 and adoption of the amendment did not have any material impact on the financial statement.

2. Negative figures have been shown in brackets

Summary of significants accounting policies 1 & 2

The accompanying notes are an integral parts of the financial statements

As per our attached report of even date
For Satish Jindal & Co
Chartered Accountants
FRN : 009180N

(Satish Kumar Gupta)
Partner
M. No. 087902

Place : Noida
Date : 15/05/2018

For and on behalf of the Board of Directors of
Mobisoc Technology Private Limited

Director & Manager
(Sunil Kumar Kapoor)
(DIN 05322540)

Director
(Madhusudan Venkatachary)
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MOBISOC TECHNOLOGY PRIVATE LIMITED
CIN :- U72300DL2006PTC151960
Regd. Address :-622,6th Floor, DLF Tower A, Jasola District Centre,New Delhi 110025
Statement of changes in equity (SOCE) for the year ended March 31, 2018

(A). Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid

	No. of shares	Amount in Rs.
At 31 March 2017	10,010,000	100,100,000
	10,010,000	100,100,000
Issue of share capital	-	-
At 31 Mar 2018	10,010,000	100,100,000

(B) Other Equity

	Retained Earning	FVTOCI Reserve	Total
Balance as at 1 April 2017	(5,000,490)	-	(5,000,490)
Profit for the period	(31,241,778)	-	(31,241,778)
Other comprehensive income/ (expense)	-	(202,528)	(202,528)
Total comprehensive income for the year	(31,241,778)	(202,528)	(31,444,306)
As At 31 Mar 2018	(36,242,269)	(202,528)	(36,444,797)

Summary of significants accounting policies 1 &2

The accompanying notes are an integral parts of the financial statements.

As per our attached report of even date
For Satish Jindal & Co
Chartered Accountants
FRN : 009180N

SATISH JINDAL & CO. DELHI CHARTERED ACCOUNTANTS

(Satish Kumar Gupta)
Partner
M. No. 087902

Place : Noida
Date : 15|05|2018

For and on behalf of the Board of Directors of
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Director & Manager
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MOBISOC TECHNOLOGY PRIVATE LIMITED
CIN :- U72300DL2006PTC151960
Regd. Address :- 622,6th Floor, DLF Tower A, Jasola District Centre,New Delhi 110025
Notes to financial statements for the year ended Mar 31, 2018

1.Corporate Information

Mobisoc Technology Private Limited is engaged in software development activities and providing management and support services in the field of telecommunication technology.

2.Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) (Amendment) Rules, 2016. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the Act").

These financial statements for the year ended 31 March 2018 has prepared in accordance with Ind AS.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

2.2 Summary of Significant Accounting Policies

a) Current versus non-current classification

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

► Expected to be realised or intended to be sold or consumed in normal operating cycle

► Held primarily for the purpose of trading

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

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

All other assets are classified as non-current

A liability is current when:

► It is expected to be settled in normal operating cycle

► It is held primarily for the purpose of trading

► It is due to be settled within twelve months after the reporting period, or

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

b.) Foreign currencies

The Company's standalone financial statements are presented in INR.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's in its functional currency spot rates at the date the transaction first qualifies for recognition.

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

c.) Fair value measurement

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For all other financial instruments the carrying amounts approximates fair value due to the short maturity of those instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities.

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

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

SATISH JINDAL & CO. ★ CHARTERED ACCOUNTANTS ★ DELHI

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

d.) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.The following specific recognition criteria must also be met before revenue is recognized:

Sale of Services

Revenue from sale of services is recognized at the end of each month of the services rendered.

Income from services

Revenue from value added services are recognized as per arrangment with the customers at the end of each month/period in which the services are rendered.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "interest income" in the statement of profit and loss.

e.) Taxes

Current income tax

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authoritis in accordance with the Income Tax Act 1961 enacted in India. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.
At each balance sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

f.) Property, plant and equipment.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.
Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets

Depreciation is calculated on cost of PPE less their estimated residual values over their estimated useful lives using straight line method and is recognised in Statement of Profit and loss . The estimated useful lives of items of PPE for the current and comparative periods are as follows:

- Data Processing Machines : 3 years
- Furniture and Fittings : 10 years
- Office Equipment (excluding mobile handsets) : 5 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred.The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

g.) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost ,Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

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The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

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

Intangible assets	**Estimated useful life**
Computer software	3 Years

h.) Research and development costs

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

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

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

i.) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future, cash flows are discounted to their present value using a pre-tax discount rate that reflects current market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

j.) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

k.) Retirement and other employee benefits

i) Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

ii)Gratuity is a defined benefit obligation.The Company has created an approved gratuity fund for the future payment of gratuity to the employees. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for the plan using the projected unit credit method. Gratuity liability of an employee, who leaves the Company before the close of the year and which is remaining unpaid, is provided on actual computation basis. Actuarial gains and losses are recognized in full in the period in which they occur in OCI (the statement of profit and loss).

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

iii) Compensated absences, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

l.) Financial instruments

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

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Financial assets

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

► Debt instruments at amortised cost

Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

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

The Company's financial liabilities include trade and other payables, and borrowings including bank overdrafts.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

m.) borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or 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.

This category generally applies to borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company 's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

n.) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

O.) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

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Note 3: Property, plant and equipment

Amount in INR

	Data Processing Machines	Office equipmetns	Furniture & Fixtures	Total
COST				
At 31 March 2016	**5,094,069**	**267,781**	**55,536**	**5,417,386**
Additions	194,129	108,160	-	302,289
Disposals	-	-	-	-
At 31 March 2017	**5,288,198**	**375,941**	**55,536**	**5,719,675**
Additions	197,342	-	-	197,342
Disposals	-	-	-	-
At 31 March 2018	**5,485,540**	**375,941**	**55,536**	**5,917,017**
Depreciation and impairment				
At 31 March 2016	**2,941,350**	**37,927**	**349**	**2,979,626**
Depreciation charge during the year	706,304	115,187	14,109	835,600
Disposals	-	-	-	-
At 31 March 2017	**3,647,654**	**153,114**	**14,459**	**3,815,226**
Depreciation charge during the year	735,862	35,133	4,780	775,775
Disposals	-	-	-	-
At 31 Mar 2018	**4,383,516**	**188,247**	**19,239**	**4,591,001**

NET BOOK VALUE (CARRYING VALUE)

	Data Processing Machines	Office equipmetns	Furniture & Fixtures	Total
At 31 March 2018	1,102,024	187,694	36,297	1,326,016
At 31 March 2017	1,640,544	222,827	41,077	1,904,449

NET BOOK VALUE (CARRYING VALUE)

	As at March 31, 2018	As at March 31, 2017
Plant, property and Equipment	1,326,016	1,904,449
Capital work in progress	-	-

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5. Other Financial Assets	As at Mar 31, 2018	As at Mar 31, 2017
Bank deposits with more than 12 months maturity	-	2,998,178
	-	2,998,178

6 .DEFERRED TAX	As at Mar 31, 2018	As at Mar 31, 2017
Accelerated depreciation for tax purposes	(305,921)	(203,220)
Post-employment benefits	596,253	1,042,716
Gratuity	339,245	807,448
Provision for Doubtful Debts	677,860	457,596
Deferred tax expense/(income)	1,307,437	2,104,540
Reflected in the balance sheet as follows:		
Balance deferred tax		
Deferred tax assets (continuing operations)	1,613,358	2,193,740
Deferred tax liabilities:		114,021
Continuing operations	(305,921)	(203,220)
Discontinued operations	-	-
Deferred tax Asset/ (liabilities), Net	1,307,437	2,104,540

Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

7. Mat Credit Entitlement	As at Mar 31, 2018	As at Mar 31, 2017
Opening	5,591,872	4,538,890
Adjustment	-	-
Balance at the end of year	5,591,872	4,538,890

8. Loans (Unsecured considered good unless otherwise stated)		
Loans to related party		
Loan to Fellow Subsidary	46,803,025	42,000,000
Other Loans		
Loan to Employee	-	-
Less: Provision for Advances	(46,803,025)	
Total loans	-	42,000,000
Current	-	42,000,000
Non-Current	-	
	-	42,000,000

In the current year, the Company has identified an impairment of INR 4,68,03,025 (31 March 2017: Nil) on inter Company loans given to fellow subsidiaries as the net worth of the said companies has been fully eroded.The impairment of investment in fellow subsidiary companies have been recognised as exceptional items in the statement of profit or loss.

9. Trade receivables	As at Mar 31, 2018	As at Mar 31, 2017
Trade receivables	3,511,564	11,386,691
Receivables from related parties	54,142,287	19,757,474
Total Trade receivables	57,653,850	31,144,165
Secured, considered good		
Unsecured, considered good	57,653,850	31,144,165
Doubtful	2,460,248	1,522,277
	60,114,098	32,666,442
Impairment and allowance for doubtful debts		
Secured, considered good	-	-
Unsecured, considered good	60,114,098	-
Doubtful	(2,460,248)	(1,522,277)
	57,653,850	-1,522,277
Total Trade receivables	57,653,850	31,144,165

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10. Cash and Cash Equivalent	As at Mar 31, 2018	As at Mar 31, 2017
Balances with banks:		
On current accounts	541,055	2,487,904
Deposits with original maturity of less than three months	-	-
Bank Deposits for more than 3 months original maturity period but due within 12 months from balance sheet date	7,958,829	6,488,715
Cheques/ drafts on hand	-	-
Cash on hand	82,647	28,679
Total Cash and Cash Equivalent	8,582,531	9,005,298
Other Bank Balances		
Deposits with original maturity of more than Twelve months	-	2,998,178

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months , more than 3 months and in some cases more than 12 months also, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	As at Mar 31, 2018	As at Mar 31, 2017
Balances with banks:		
On current accounts	541,055	2,487,904
Cash on hand	82,647	28,679
Deposits with original maturity of less than three months	-	-
Bank Deposits for more than 12 months original maturity period but due within 12 months from balance sheet date	7,958,829	6,488,715
Deposits with original maturity of more than Twelve months	-	2,998,178
TOTAL Cash and Cash Equivalent	**8,582,531**	**12,003,476**
	8,582,531	**12,003,476**

Balances with banks:		
Current Balance	8,582,531	9,005,298
Non-Current Balance	-	2,998,178
TOTAL Cash and Cash Equivalent	**8,582,531**	**12,003,476**
TOTAL Cash and Cash Equivalent	**8,582,531**	**12,003,476**

Break up of financial assets carried at amortised cost		
Loans	46,803,025	42,000,000
Trade receivable (note 8)	57,653,850	31,144,165
Cash and cash equivalents (note 9)	8,582,531	12,003,476
Total financial assets carried at amortised cost	**113,039,406**	**85,147,641**

11. Other Financial Assets	As at Mar 31, 2018	As at Mar 31, 2017
Interest Receivable on ICD	-	4,803,024
Interest accrued on fixed deposits with banks	94,132	49,990
Security Deposit	50,000	50,000
Unbilled Revenue	3,100,000	4,766,963
	3,244,132	**9,669,977**
12. Current Tax Assets		
Advance Income Tax	10,734,634	21,081,382
Less:Provision for Tax	-	-
	10,734,634	**21,081,382**
13. Other Current Assets		
Balances with statutory / government authorities	270,402	282,200
Advances recoverable in cash or kind	1,069,310	1,811,516
Prepaid Expenses	-0	188,749
	1,339,712	**2,282,465**

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Particulars	As at Mar 31, 2018	As at Mar 31, 2017
14. Equity		
Number of shares	10,010,000	10,010,000
Equity Share Capital	100,100,000	100,100,000
Total	**100,100,000**	**100,100,000**

Share Capital

	As at Mar 31, 2018	As at Mar 31, 2017
Authorized		
15,000,000 (P.Y.15,000,000) Equity Shares of Rs. 10/- each	150,000,000	150,000,000

Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued, subscribed and fully paid-up		
10,010,000 (P.Y. 100,10,000) Equity Shares of Rs. 10/- each	100,100,000	100,100,000
	100,100,000	**100,100,000**

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year/period

	Numbers	Rs.
Outstanding at the end of the year/period as at 31st Mar'17	10,010,000	100,100,000
Outstanding at the end of the year/period as at 31st Mar'18	10,010,000	100,100,000

(b) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the company, shares held by its holding company / fellow subsidiary co. are stated below:

	As at Mar 31, 2018	As at Mar 31, 2017
Spice Digital Limited (Holding Co.)	10,010,000	10,000,000
Smart Entertainment Private Limited {formerly known as Spice Entertainment Limited} (Fellow Subsidiary Co.)	-	4,995

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:	Nil	Nil

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 Mar 2018 Nos.	As at 31 Mar 2018 % holding in the class	As at 31 March 2017 Nos.	As at 31 March 2017 % holding in the class
Equity shares of Rs.10/- each fully paid				
Spice Digital Limited	10,010,000	100.00%	10,000,000	99.90%

(e) The above information (from (a) to (d)) is as per records of the company, including its register of shareholders/ members.

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15. Provisions

	As at Mar 31, 2018	As at Mar 31, 2017
Provision for Employee Benefits		
Provision for Gratuity	1,231,269	2,450,037
Provision for Leave Benefits	-	-
	1,231,269	2,450,037

16. Trade payables

	As at Mar 31, 2018	As at Mar 31, 2017
Trade payables	19,938,245	12,732,190
Trade payables to related parties		1,977,518
	19,938,245	14,709,708

17. Other financial liabilities

	As at Mar 31, 2018	As at Mar 31, 2017
Employee related Payable	3,154,411	10,987,022
	3,154,411	10,987,022

18. Other Current liabilities

	As at Mar 31, 2018	As at Mar 31, 2017
Indirect Taxes and Duties Payable	(0)	2,180
TDS Payable	883,345	1,734,986
Employee Statutory Deductions	172,492	534,496
	1,055,837	2,271,662

19. Provisions

	As at Mar 31, 2018	As at Mar 31, 2017
Provision for Employee Benefits		
Provision for Gratuity	-	236,085
Provision for Leave Benefits	745,223	2,049,943
	745,223	2,286,028

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 60-day terms.
Other payables are non-interest bearing and have an average term of three months.
Interest payable is normally settled quarterly throughout the financial year.

Contingent Liabilities and commitments

(1) Contingent Liabilities

a) Claim against the company not acknowledged as debts	Nil	Nil
b) Guarantees excluding financial guarantees and	Nil	Nil
c) Other money for which the company is contingently liable.	Nil	Nil

(2) Commitments

a) Estimated amounts of contracts to be executed on capital account not provided for.	Nil	Nil
b) Uncalled liability on partly paid shares	Nil	Nil
c) Other commitments	Nil	Nil

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Notes to profit & Loss for the Year ended Mar 31, 2018

	For the Year ended Mar 31, 2018	For the year ended Mar 31, 2017
20. Revenue from operations:		
Sale of Services (Airtime)	32,817,583	41,004,943
Rendering of services	164,091,717	100,136,359
	196,909,300	**141,141,302**
Details of services rendered		
Commission Received	413,465	1,249,123
Site Maintainance	20,700,000	21,600,000
Technical Support	14,091,170	49,533,170
Digital Marketing	32,887,082	27,754,066
Vas Services	96,000,000	-
	164,091,717	**100,136,359**
21. Other income:		
Other non-operating income		
Provisions and unclaimed balances written back (net)	271,396	877,365
Miscellaneous income	4,364	3,021
	275,760	**880,386**
Finance income:		
Bank Deposits Interest	314,552	910,911
Interest on Loan to bodies corporates	1	4,410,000
Interest on Loan to Employee	-	2,458
Income Tax Refund	2,294,689	284,990
	2,609,242	**5,608,359**
Total Other Income	**2,885,003**	**6,488,745**
22. Purchase of Services		
Airtime Purchased	32,817,583	41,004,943
	32,817,583	**41,004,943**
23. Operating Expenses		
Digital Marketing Chgs	18,447,230	19,970,202
Value Added Service Charges	88,857,828	-
	107,305,059	**19,970,202**
24. Employee benefits expense		
Salaries, wages and bonus	23,890,307	49,660,490
Contribution to provident and other funds	1,781,631	3,052,125
Gratuity expense	463,889	924,202
Staff welfare expenses	513,126	1,208,149
	26,648,953	**54,844,966**
25. Finance costs		
Interest on Tds	1,766	29,186
	1,766	**29,186**
26. Depreciation and amortization expense		
Depreciation of tangible assets	775,774	835,600
Amortization of intangible assets	1,074,620	4,502,343
	1,850,394	**5,337,943**

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27. Other Expense	For the Year ended Mar 31, 2018	For the year ended Mar 31, 2017
Rent	10,48,575	61,74,000
Rates & Taxes	3,64,791	2,08,265
Repairs and maintenance		
Others	82,286	2,49,963
Business Promotion Exp	5,089	40,013
Commission on sales - other than sole selling agent	4,47,897	6,15,101
Travelling & Conveyance Exp.	4,75,322	8,11,598
Vehicle expenses	25,51,789	69,49,381
Communication Exp.	6,84,385	25,50,688
Legal and Professional fees	1,30,042	15,27,215
Director Sitting Fees	3,60,000	3,90,000
Audit fees (Refer details below)	2,10,000	1,70,000
Exchange Rate Fluctuation Loss	3,00,759	12,08,524
Provision for doubtful debts and advances	9,37,971	15,22,277
Bad debts written off	-	49,98,979
Membership & Subscription	1,500	
Miscelleneous Expenses	1,44,377	5,52,667
	77,44,784	2,79,68,672

As Auditor:		
Audit fee	1,00,000	1,00,000
Tax audit fee	25,000	25,000
Limited review	45,000	45,000
Other services (certification fees)	40,000	-
	2,10,000	1,70,000

28. Exceptional items		
Provision for doubtful advances	4,68,03,025	-
	4,68,03,025	-

The Company has identified an impairment of INR 468,03,025 (31 March 2017: NIL) on inter Company deposits in fellow subsidiary. Since amount is material, it is seperately reflected in the finanical statements.

29. Income Tax

The major components of income tax expense for the years ended 31 March 2018 and 31 March 2017 are:

Consolidated statement of profit and loss:

Profit or loss section

	For the Year ended Mar 31, 2018	For the year ended Mar 31, 2017
Current income tax:		
Current income tax charge	70,67,415	27,830
Deferred tax:-		
Relating to origination and reversal of temporary differences	7,97,103	89,200
Income tax expense reported in the statement of profit or loss	78,64,518	1,17,030

		For the year ended 31 March 2018		For the year ended 31 March 2017
Profit/(loss) before tax		(2,33,77,261)		(15,25,865)
Tax by applying normal rates	28%	(64,41,020)	30%	(4,58,675)
Permanent differences related to Fixed Assets	-2%	4,25,574	-75%	11,48,944
Diminishing in Value of investment	-56%	1,31,53,838		
Amount not eligile of CSR				
Standard deduction related to Property on rental				
Permanent differences in earlier years regarding 801C				
Others	-2%	5,50,572	1%	(9,369)
Changes in estimates related to prior years	-1%	1,75,553	37%	(5,63,872)
Unrecognised Tax losses				
Differences in tax rates for dividend received from foreign subsidiaries				
Effective tax rate		78,64,518		1,17,029

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	For the Year ended Mar 31, 2018	For the year ended Mar 31, 2017
30. OCI section		
Net gain on hedge of net investment		
Net loss/(gain) on remeasurements of defined benefit plans	(2,02,528)	(60,353)
Income tax charged to OCI	(2,02,528)	(60,353)

31. Earning per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting impact on profit of dilutive potential equity shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the Year ended Mar 31, 2018	For the year ended Mar 31, 2017
Profit attributable to equity holders of the Company:		
Continuing operations	(3,14,44,306)	(17,03,247)
Discontinued operation		
Profit attributable to equity holders for basic and diuted earnings	(3,14,44,306)	(17,03,247)
Weighted average number of equity shares for basic and diluted EPS*	1,00,10,000	1,00,10,000
Weighted average number of equity shares	1,00,10,000	1,00,10,000
Basic and diluted earnings per share of INR 10 each (in INR)	(3.14)	(0.17)

*There have been no transactions involving Equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements, hence the weighted average number of shares remain same in all years.

	For the Year ended Mar 31, 2018	For the year ended Mar 31, 2017
Profit attributable to equity holders of the parent:		
Continuing operations	(3,14,44,306)	(17,03,248)
Discontinued operation	-	-
Profit attributable to equity holders of the parent for basic earnings	(3,14,44,306)	(17,03,248)
Interest on convertible preference shares	-	
Profit attributable to equity holders of the parent adjusted for the effect of dilution	(3,14,44,306)	(17,03,248)
Weighted average number of Equity shares for basic EPS*	1,00,10,000	1,00,10,000
Effect of dilution:		
Share options		
Convertible preference shares		
Weighted average number of Equity shares adjusted for the effect of dilution *	1,00,10,000	1,00,10,000

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

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32.Significant accounting judgements, estimates and assumptions

The preparation of the Company's separate financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A) Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

B) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

C) Useful lives of depreciable assets

The management estimates useful lives and estimated residual value of depreciable assets based on technical evaluation. These assumptions are reviewed at each reporting date.

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33. Segment information
Business Segment
Primary segments: Business Segments

The Company is engaged in the business of software development, providing management support services in the field of telecommunication technology. The entire operations are governed by the same set of risk and returns, hence, the entire business considered as business segment. The entire business was considered as a single segment in terms of Ind AS-108 on Segment Reporting.

Secondary Segments: Geographical Segment
The following table shows the distribution of reveune by geographical location of customers, regardless of where the goods were produced / services were rendered from

Amount in INR

Particulars	For the year ended March31, 2018	For the year ended March31, 2017
Domestic Market	182,818,130	91,608,132
Overseas Market	14,091,170	49,533,170
	196,909,300	**141,141,302**

The following table shows the distribution of the Company's consolidated trade receivables by geographical market:

Amount in INR

Particulars	As at March 31, 2018	As at March 31, 2017
Domestic Market	60,114,098	24,305,058
Overseas Markets	0	8,361,385
Total	**60,114,098**	**32,666,443**

The following table shows the carrying amount of fixed assets and additions to tangible and intangible fixed assets by geographical area in which the assets are located:

Amount in INR

Particulars	Carrying amount of tangible and intangible	
	As at March 31, 2018	As at March 31, 2017
Domestic Market	1,326,016	2,979,070
Overseas Markets	-	-
Total	**1,326,016**	**2,979,070**

Amount in INR

Particulars	Additions to tangible and intangible fixed assets	
	As at March 31, 2018	As at March 31, 2017
Domestic Market	197,342	733,620
Overseas Markets	-	-
Total	**197,342**	**733,620**

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34. Fair values of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value		Fair value	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Financial assets				
Other financial assets	-	2,998,178	-	2,998,178
Trade Receivable	57,653,850	31,144,165	57,653,850	31,144,165
Loans	-	42,162,500		42,000,000
Other Financial Assets	3,244,132	9,669,977	3,244,132	9,669,977
Total	60,897,983	85,974,820	60,897,983	85,812,320
Financial liabilities				
Borrowings				
Trade payables	19,938,245	14,709,708	19,938,245	14,709,708
Other financial liabilities	3,154,411	10,987,022	3,154,411	10,987,022
Total	23,092,655	25,696,731	23,092,655	25,696,731

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

- The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to useUnobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.
- The fair values of the remaining FVTOCI financial assets are derived from quoted market prices in active markets.
- The fair values of the company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non- performance risk as at 31 March 2018 was assessed to be insignificant.

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35 (A). Gratuity Plans

	As at March 31, 2018	As at March 31, 2017
Gratuity plan	1,231,269	2,686,122
TOTAL	**1,231,269**	**2,686,122**

Mobisoc Technology Pvt Ltd. has a defined benefit gratuity plan in India.The defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.
The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.
The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Gratuity Plan
Net benefit expense March 31 (recognised in profit or loss)

	As at March 31, 2018	As at March 31, 2017
Current service cost	266,459	741,341
Interest cost on benefit obligation	197,430	182,861
Net benefit expense	**463,889**	**924,202**

Changes in the present value of the defined benefit obligation are, as follows :

	As at March 31, 2018
Defined benefit obligation at 1 April 2016	2,285,759
Interest cost	182,861
Current service cost	741,341
Benefits paid	(584,192)
Exchange differences	60,353
Defined benefit obligation at 31 March 2017	**2,686,122**
Interest cost	197,430
Current service cost	266,459
Benefits paid	(2,121,270)
Exchange differences	202,528
Defined benefit obligation at 31 March 2018	**1,231,269**

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2018:

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	1-Apr-17	Service Cost	Net interest expense	**Sub-total included in profit or loss (Note 26)**	**Benefits paid**	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub- total included in OCI**	**Contributions by employer**	**31-Mar-18**
Defined benefit obligation	2,686,122	266,459	197,430	463,889	(2,121,270)	-	-	202,528	-	202,528	-	1,231,269
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**2,686,122**	**266,459**	**197,430**	**463,889**	**(2,121,270)**	-	-	**202,528**	-	**202,528**	-	**1,231,269**

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2017:

	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income						
	1-Apr-16	Service Cost	Net interest expense	**Sub-total included in profit or loss (Note 26)**	**Benefits paid**	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub- total included in OCI**	**Contributions by employer**	**31-Mar-17**
Defined benefit obligation	2,285,759	741,341	182,861	924,202	(584,192)	-	-	60,353	-	60,353	-	2,686,122
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**2,285,759**	**741,341**	**182,861**	**924,202**	**(584,192)**	-	-	**60,353**	-	**60,353**	-	**2,686,122**

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35 (B) . Gratuity plans

The principal assumptions used in determining gratuity are shown below:

	As at March 31, 2018	As at March 31, 2017
Discount rate:	%	%
Gratuity plan	7.80	7.35
Future salary increases:		
Gratuity plan	8.0	8.0

A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below:

Gratuity plan:

	As at March 31, 2018		As at March 31, 2017	
Assumptions	Discount rate		Discount rate	
Sensitivity Level	0.5% Increases	0.5% Decrease	0.5% Increases	0.5% Decrease
Impact on defined benefit obligation	-36,837	39,028	-85398	90,630

	As at March 31, 2018		As at March 31, 2017	
Assumptions	Future salary increases		Future salary increases	
Sensitivity Level	0.5% Increases	0.5% Decrease	0.5% Increase	0.5% Decrease
Impact on defined benefit obligation	38,768	-36937	89642	-85,276

The following payments are expected contributions to the defined benefit plan in future years:

	As at March 31, 2018	As at March 31, 2017
Within the next 12 months (next annual reporting period)	130,575	225,013
Between 2 and 5 years	561,921	1,001,138
Beyond 5 years	538,773	1,459,971
Total expected payments	**1,231,269**	**2,686,122**

The average duration of the defined benefit plan obligation at the end of the reporting period is 28.79 years (31 March 2017 : 28.18 years).

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36. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise borrowings, trade and other payables.The main purpose of these financial liabilities is to finance and support the operations of the Company. The Company's principal financial assets include Invenories, loans, trade receivables, cash and cash equivalents and other financial assets that derive directly from its operations. The Company has also given loans to its fellow subsidiary Companies. The Company also holds FVTPL investments and investment in subsidiary companies measured at cost.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management advises on financial risks and the appropriate financial risk governance framework. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments. Company is not affected by commodity risk.

The sensitivity analyses in the following sections relate to the position as at 31 March 2018 and 31 March 2017.

The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt instruments are all constant.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post- retirement obligations and provisions.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

This is based on the financial assets and financial liabilities held at 31 March 2017 and 31 March 2016.

The sensitivity of equity is calculated by considering the effect of any associated cash flow of a net investment in a foreign subsidiary at 31 March 2017 for

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's Short-term debt obligations with floating interest rates and loan advanced by Company to fellow subsidiaries and a body corporate.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected, With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, present rate is MCLR plus 1.10%, the imapct of change in rate is as follows:

In case of loans given to fellow subsidiaries and body corporate, the impact of change in interest rate is given below:-

		Amount in INR
	Increase/decrease in basis points	**Effect on profit before tax**
31-Mar-18		
	50	-
		-
31-Mar-17		
	50	210,000
		(210,000)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities . The Company's exposure to foreign currency changes for all other currencies is not material.

				Amount in INR
		Change in Rates	**Effect on profit before tax**	**Effect on pre-tax equity**
31 March 2018	USD	5%	-	
		-5%	-	
31 March 2017				
	USD	5%	418,069	
		-5%	(418,069)	

Other risk

The Company operates in a service sector on revenue sharing model. There is downward revision of revenue shares frequently, as a result, the revenue of Company may reduce depending upon percentage decrease in revenue share of Company with the operators.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Company has used a practical expedient and analysed the recoverable amount of the receivables on an individual basis by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking informations.

The following table provides information about exposure to credit risk and expected credit loss for trade receivables for individual customers for the year ended 31 March 2018:

In INR	Gross Carrying Amount	Weighted-Average Loss Rate	Loss Allowance	Credit-Impaired
Not Due	33,887,008	0%	-	No
1-90 days	22,268,068	0%	-	No
91-180 days	3,959,022	62%	2,460,248	Yes
181-270 days				
271-360 days				
More than 360 days				
	60,114,098		2,460,248	

Movement in the expected credit loss allowance of receivables and loans

	For the year ended March 31, 2018	For the year ended March 31, 2017
Balance at beginning of the year	1,522,277.00	
Add: Provided during the year	937,971.00	1,522,277.00
Less: Reversals of provision	-	
Less: Amounts written off		
Less: FCTR		
Balance at the end of the year	**2,460,248.00**	**1,522,277.00**

Trade receivables

Customer credit risk is managed by the Company's established credit policy, procedures and control relating to customer credit risk management. Credit An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. All investments are reviewed by the Company's Board of Directors on a quarterly basis.The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
Year ended **31 March 2018**					
Trade payables		19,938,245			19,938,245
Other Financial Liabilities		3,154,411			3,154,411
		23,092,655	-	-	**23,092,655**
Year ended **31 March 2017**					
Trade payables		6,071,270	8,638,438		14,709,708
Other Financial Liabilities		9,396,445	1,590,578		10,987,023
		15,467,715	**10,229,016**	-	**25,696,731**

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Compay's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

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37. Capital Management

For the purpose of the company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the company's capital management is to maximise the shareholder value.

Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company's policy is to keep the gearing ratio between 20% and 40%. Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

	31-Mar-18	31-Mar-17
	INR lacs	INR lacs
Trade payables & Other payables	24,148,492	27,968,393
Less: cash and cash equivalents	(8,582,531)	(12,003,476)
Net debt	**15,565,961**	**15,964,917**
Convertible preference shares	-	-
Equity	63,655,203	95,099,509
Total capital	63,655,203	95,099,509
Capital and net debt	**79,221,164**	**111,064,426**
%	**20%**	**14%**

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

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Notes to Financial Statements for the year March 31, 2018

A Related Party Disclousers

a) Name of the Related Parties

Ultimate Holding Company

1 Smart Global Corporate Holdings Pvt. Ltd. (formerly known as Spice Global Investments Pvt. Ltd.) (Holding co. of Spice Connect Pvt. Ltd.)

Holding Companies

1 Spice Connect Pvt Ltd (formerly known as Smart Ventures Pvt.Ltd.) (Holding co. of Spice Mobility Ltd.)
2 Spice Mobility Ltd.(Formerly known as S Mobility Ltd) (Holding Company of Spice Digital Ltd)
3 Spice Digital Limited

Subsidiary Company **NIL**

Associate Company **NIL**

Other Related Parties with whom transactions have taken place during the period
Fellow Subsidiaries Companies

1 Spice Online Retail Private Ltd.
2 Hotspot Sales & Solutions Pvt Ltd
3 Spice VAS (Africa) Pte. Ltd.
4 New Spice Sales & Solutions Ltd.(formerly known as Spice Retail Ltd.)

Names of the enterprises in which any combination of the above companies hold more than 50% Nil

Associates and joint Ventures and Investing Party or ventures in respect of which the Reporting Enterprise is an associate or a JV Nil

Key Management Personnel

Name	**Designation**
Sunil Kapoor	Director & Manager
Sanjeev Kumar Jain	CFO
Akansha Sharma	Company Secretary(appointed on 9-May-2017)

b) Related party transactions attached as Annexure-1

As per our attached report of even date
Chartered Accountants
For Satish Jindal & Co
Chartered Accountants
FRN : 009180N

(Satish Kumar Gupta)
Partner
M. No. 087902

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Place : Noida
Date : 15/05/2018

For and on behalf of the Board of Directors

(Sunil Kumar Kapoor)
Director & Manager
DIN: 05322540

CFO
(Sanjeev Kumar Jain)

(Madhusudan Venkatachary)
Director
DIN: 02650160

Company Secretary
(Akansha Sharma)
(Memb. No. A41576)

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CIN :- U72300DL2006PTC151960
Regd. Address :-622,6th Floor, DLF Tower A, Jasola District Centre,New Delhi 110025
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Annexure -1

Particulars		Related Party Transactions		
			For the year ending March, 2018	For the year ending March, 2017
I) Transactions				
i)	Operating Income			
	Spice Digital Ltd..	Holding Company	116,700,000	21,600,000
	Spice VAS (Africa) Pte. Ltd.	Fellow Subsidiary	189,399	49,533,170
	Spice VAS GH Ltd	Fellow Subsidiary	13,901,771	
ii)	Airtime sale			
	Spice Digital Ltd..	Holding Company	32,817,583	21,600,000
	Spice Online Retail Pvt. Ltd.	Fellow Subsidiary		
iii)	Airtime purchase			
	Spice Digital Ltd.	Holding Company	-	-
iv)	Value added Expenses			
	Spice Digital Ltd..	Holding Company	337,558	605,206
v)	Rent Paid			
	Spice Mobility Ltd.	Holding Company	349,525	5,124,000
	Spice Digital Ltd.	Holding Company	716,587	1,050,000
vi)	Commission Expenses			
	Spice Digital Ltd.	Holding Company	447,897	2,498,130
	New Spice Sales & Solutions Ltd.	Fellow Subsidiary		-
	Spice Online Retail Pvt Ltd.	Fellow Subsidiary		-
vii)	Electricity Expenses			
	Spice Mobility Ltd.	Holding Company	44,000	-
viii)	Payment / Reim to related parties			
	Spice Digital Ltd.	Holding Company		-
ix)	Loan given during the year			
	New Spice Sales & Solutions Ltd.	Fellow Subsidiary	-	-
	Spice Online Retail Pvt Ltd.	Fellow Subsidiary	-	-
x)	Interest Income			
	New Spice Sales & Solutions Ltd.	Fellow Subsidiary	-	701,918
	Spice Online Retail Pvt Ltd.	Fellow Subsidiary	-	210,000
	Hotspot Sale & Solutions Pvt. Ltd.	Fellow Subsidiary	-	3,498,082
II) Balances at the year end				
i)	Receivables			
	Spice Digital Ltd.	Holding Company	54,142,287	11,396,095
	Spice VAS (Africa) Pte. Ltd.	Fellow Subsidiary		8,361,385
	Spice Labs Pvt. Ltd	Fellow Subsidiary	826,247.00	-
ii)	Payable			
	Spice Digital Ltd. (Prov of Value added Service)	Holding Company	-	605,206
	Spice Mobility Ltd.	Holding Company	108,012	1,372,312
	Spice Online Retail Pvt Ltd.	Fellow Subsidiary	-	-
	Spice VAS GH Ltd.	Fellow Subsidiary	828,345	-
iii)	Loan Receivable			
	Hotspot Sale & Solutions Pvt Ltd.	Fellow Subsidiary	-	44,803,025
	Spice Online Retail Pvt Ltd.	Fellow Subsidiary	-	6,803,025
	New Spice Sales & Solutions Ltd.	Fellow Subsidiary		-
iv)	Interest Receivable			
	New Spice Sales & Solutions Ltd.	Fellow Subsidiary	-	1,447,627
	Spice Online Retail Pvt Ltd.	Fellow Subsidiary	-	207,123
	Hotspot Sale & Solutions Pvt Ltd.	Fellow Subsidiary	-	3,148,274

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