



INDEPENDENT AUDITOR'S REPORT

To,

The Members of Spice Labs Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Spice Labs 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.



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 profits 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
 - 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 Kumar Gupta)

Partner

M. No.: 087902



Place: Noida

Date : 15.05.2018

RE: Spice Labs Private Limited ('the Company')

ANNEXURE "1" REFERRED TO IN PARAGRAPH OF OUR REPORT OF EVEN DATE

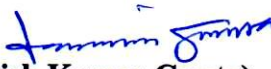
The comments are in seriatim of the order:

- (i) (a) The Company is maintaining proper records of its Fixed Assets showing full particulars including quantitative details and situation thereof.
- (b) As per the information given by the management, the physical verification of fixed assets was carried out at the end of the financial year. No discrepancy on such verification noticed by the management and reported to us.
- (c) As per books of accounts verified by us and according to the information and explanations given by the management the company does not have immovable properties and as such the sub clause is not applicable.
- (ii) The Company does not have any inventory; as such the clause is not applicable.
- (iii) As per the information and explanations given to us and certified by the management and verified from the books of account, the company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained in pursuance of Section 189 of the Companies Act, 2013, as such there are no comments on sub clauses a), b) and c).
- (iv) In our opinion and according to the information and explanations given to us, the provisions of Section 185 and 186 of the Companies Act 2013 have been complied.
- (v) The Company has not accepted any deposits from the public and as such the clause is not applicable.
- (vi) To the best of our knowledge and as per information and explanations given to us by the management, the central government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for the products/ services of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance fund, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance fund, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were outstanding at the period end, for a period of more than six months from the date they became payable.
- (b) According to information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company does not have any loan from Bank, Institutions or Debenture holders, and as such clause is not applicable.
- (ix) As per the information and explanations given to us by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, there are no comments in this regard.



- (x) To the best of our knowledge and according to the information and explanations given to us no fraud by the company and no material fraud on the company has been noticed and reported during the year.
- (xi) In the absence of payment of managerial remuneration as per the provisions of Section 197 read with Schedule V of the Act, the clause is not applicable.
- (xii) The clause is not applicable as the company is not a 'Nidhi Company'.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) As per the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and as such there are no comments in this regard.
- (xv) As per the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) As per the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For Satish Jindal & Co.
Chartered Accountants
FRN 009180N


(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 SPICE LABS 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 Spice Labs Private Limited

We have audited the internal financial controls over financial reporting of Spice Labs 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



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 Kumar Gupta)
Partner
M. No.: 087902



Place: Noida
Date: 15.05.2018

SPICE LABS PRIVATE LIMITED
CIN: U72300DL2009PTC311320
 Regd Address: 622, 6th floor, DLF Tower A Jasola District Centre, Jasola, 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	45,66,654	3,30,945
Intangible Assets	4	-	-
Financial assets			
(i) Investments	5	34,95,700	1,29,00,025
(ii) Loans	9	3,67,219	-
Other Non Current Assets	10	15,90,435	-
Non Current Tax Assets	6	2,56,928	2,56,927
		<u>1,02,76,935</u>	<u>1,34,87,897</u>
Current assets			
Financial assets			
(i) Current Investments	5	-	-
(ii) Trade Receivable	7	2,67,46,209	2,02,146
(iii) Cash and cash equivalents	8	83,45,447	31,66,971
(iv) Bank Balances other than (iii) above	8	4,76,31,964	10,89,999
(v) Loans	9	1,96,797	3,10,09,764
(vi) Others	10	1,83,740	1,19,99,915
Current Tax Assets (Net)	11	19,08,924	11,62,472
Other Current Assets	12	80,89,892	26,79,419
		<u>9,31,02,973</u>	<u>5,13,10,686</u>
Total Assets		<u>10,33,79,908</u>	<u>6,47,98,583</u>
Equity and liabilities			
Equity			
Equity Share capital	13	10,05,00,000	10,05,00,000
Other Equity	14	(3,93,42,364)	(3,96,20,689)
		<u>6,11,57,636</u>	<u>6,08,79,311</u>
Liabilities			
Non-Current Liabilities			
Provisions	15	73,21,217	1,97,644
		<u>73,21,217</u>	<u>1,97,644</u>
Current Liabilities			
Financial Liabilities			
(i) Trade payables	16	1,70,00,478	17,95,404
(ii) Other financial liabilities	17	1,44,65,710	16,45,042
Other Current Liabilities	18	21,67,727	2,67,170
Provisions	19	12,67,140	14,012
		<u>3,49,01,055</u>	<u>37,21,628</u>
		<u>4,22,22,271</u>	<u>39,19,272</u>
Total Equity and Liabilities		<u>10,33,79,908</u>	<u>6,47,98,583</u>

Summary of significant accounting policies

1-2

The accompanying notes are an integral part 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
 Spice Labs Private Limited

Director
 (Sunil Kumar Kapoor)
 DIN: 05322540

Chief Financial Officer
 (Ravindra Kumar Sarawagi)
 (M. No. 504494)

Director
 (Madhusudan Venkatachary)
 DIN:02650160

Company Secretary
 (Zainab Ansari)
 (M. No. 54020)

SPICE LABS PRIVATE LIMITED
CIN: U72300DL2009PTC311320
Regd Address: 622, 6th floor, DLF Tower A Jasola District Centre, Jasola, New Delhi-110025
Statement of profit and loss for the Period ended March 31, 2018

Particulars	Notes No	For the year Ended Mar 31, 2018	For the Year Ended Mar 31, 2017
Income			
Revenue From Operations	20	12,05,85,654	1,44,56,922
Other Income	21	3,39,81,461	99,24,772
Total Income		<u>15,45,67,115</u>	<u>2,43,81,694</u>
Expenses			
Employee Benefits Expense	22	9,92,45,633	71,65,554
Finance costs	23	11,875	3,514
Depreciation and amortization expense	24	8,17,706	70,47,258
Other Expenses	25	1,92,88,390	74,49,732
Total Expenses		<u>11,93,63,604</u>	<u>2,16,66,058</u>
Profit(loss) before exceptional items and tax		<u>3,52,03,511</u>	<u>27,15,636</u>
Exceptional Items	26	2,43,20,031	30,00,300
Profit/(loss) before tax		<u>1,08,83,480</u>	<u>(2,84,664)</u>
Tax Expenses			
(i) Current Tax	28	1,03,43,541	19,74,537
(ii) Deferred Tax		-	-
Profit/(Loss) for the period from continuing operations		<u>5,39,938</u>	<u>(22,59,201)</u>
Other comprehensive income	27		
(i) Items that will not be reclassified to profit or loss		-	-
(ii) Re-measurement gains (losses) on defined benefit plans		(2,61,613)	1,43,221
(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)		<u>2,78,325</u>	<u>(21,15,980)</u>
Earning per share			
(i) Basic	29	0.03	-0.21
(ii) Diluted		0.03	-0.21
Summary of significant accounting policies	1-2		

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

For Satish Jindal & Co.
Chartered Accountants
FRN 009180N

(Satish Kumar Gupta)
Partner
M. No. 087902



Place : Noida
Date : 15/5/2018

For and on behalf of the Board of Directors of
Spice Labs Private Limited

Director
(Sunil Kumar Kapoor)
DIN: 05322540

Chief Financial Officer
(Ravindra Kumar Sarawagi)
(M. No. 504494)

Director
(Madhusudan Venkatachary)
DIN:02650160

Company Secretary
(Zainab Ansari)
(M. No. 54020)

SPICE LABS PRIVATE LIMITED
CIN: U72300DL2009PTC311320
Regd Address: 622, 6th floor, DLF Tower A Jasola District Centre, Jasola, New Delhi-110025
Statement of Cash Flows for the period ended March 31, 2018

	Amount in INR	
	For the 12 Months ended 31- Mar-2018 Rs.	For the 12 Months ended 31- Mar-2017 Rs.
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	1,08,83,480	(2,84,664)
Profit before tax	1,08,83,480	(2,84,664)
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and impairment of property, plant and equipment	8,17,706	2,31,497
Amortisation and impairment of intangible assets	-	68,15,759
Gain on Investment	(3,07,84,607)	(63,90,090)
Dividend Income	(28)	(112)
Provision for diminution in the value of Non current investments	(30,00,300)	30,00,300
Provision for doubtful Advances	2,73,20,331	-
Finance income (including fair value change in financial instruments)	(3,73,376)	(35,00,740)
Finance costs (including fair value change in financial instruments)	11,875	3,514
Working capital Adjustments		
Movements in provisions, gratuity and government grants	83,76,701	(1,61,394)
Increase in trade and other receivables and prepayments	(2,17,28,796)	(62,06,885)
Increase in trade and other payables	2,99,26,299	(65,150)
	2,14,49,285	(65,57,965)
Taxes Paid	(1,10,89,993)	4,17,207
Exceptional Item(Actuarial gain/ (loss))	(2,61,613)	1,43,221
Net cash flows from operating activities	1,00,97,679	(59,97,537)
Investing Activities		
Purchase of property, plant and equipment	(50,53,415)	(68,54,959)
Purchase of Investment	-	(57,50,000)
Interest received (finance income)	3,73,376	35,00,740
Dividend Received	28	112
Proceeds from Sale of Investment	4,31,89,232	1,99,77,499
Receipt of Loan/ICD	30,89,433	(34,09,764)
Loan to Staff & Others	35,984	(4,97,954)
Net Cash Flow used in Investing Activities	4,16,34,638	69,65,674
Financing Activities		
Finance Cost(including fair value of change in financial instrument)	(11,875)	(3,514)
Net cash flows from/(used in) financing activities	(11,875)	(3,514)
Cash and cash equivalents at the year end	5,17,20,441	9,64,623
Cash and cash equivalents at the beginning of the year	42,56,970	32,92,347
	5,59,77,411	42,56,970
Components of cash and cash equivalents		
Cash in hand	-	18,229
With banks- on current account	83,45,447	31,48,742
With banks- on deposit accounts	4,76,31,964	10,89,999
Total cash and cash equivalents	5,59,77,411	42,56,970

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 significant accounting policies 1-2

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

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

(Satish Kumar Gupta)
Partner
M. No. 087902



Place : Noida
Date : 15/5/2018

For and behalf of the Board of Directors
Spice Labs Private Limited

(Signature)
Director
(Sunil Kumar Kapoor)
DIN: 05322540

(Signature)
Chief Financial Officer
(Ravindra Kumar Sarawagi)
(M. No. 504494)

(Signature)
Director
(Madhusudan Venkatachary)
DIN:02650160

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Company Secretary
(Zainab Ansari)
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SPICE LABS PRIVATE LIMITED
CIN: U72300DL2009PTC311320
 Regd Address: 622, 6th floor, DLF Tower A Jasola District Centre, Jasola, New Delhi-110025
 Statement of changes in equity (SOCE) for the year ended March 31, 2018

13. Equity Share Capital:

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

At 31 March 2017

Issue of share capital

At 31 March 2018

	No. of shares	Amount in Rs.
	1,00,50,000	10,05,00,000
	-	-
	1,00,50,000	10,05,00,000

14. Other Equity

Attributable to the equity holders of the parent			
For the year ended 31 March, 2017			
Balance as at 1 April 2016	(3,75,04,709)	-	(3,75,04,709)
Profit for the period	(22,59,201)	-	(22,59,201)
Other comprehensive income/ (expense)	-	1,43,221	1,43,221
Total comprehensive income for the year	(22,59,201)	1,43,221	(21,15,980)
At 31 March 2017	(3,97,63,910)	1,43,221	(3,96,20,689)
For the period ended 31 March 2018			
Balance as at 1 April 2017	(3,96,20,689)	-	(3,96,20,689)
Profit for the period	2,78,325	-	2,78,325
Other comprehensive income/ (expense)	-	-	-
Total comprehensive income for the year	(3,93,42,364)	-	(3,93,42,364)
At 31 March 2018	(3,93,42,364)	-	(3,93,42,364)

Summary of significant accounting policies

1-2

The accompanying notes are an integral part 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 : 15/3/2018

For and on behalf of the Board of Directors of
 Spice Labs Private Limited

Director
 (Sunil Kumar Kapoor)
 DIN: 05322540

Chief Financial Officer
 (Ravindra Kumar Sarawagi)
 (M. No. 504494)

Director
 (Madhusudan Venkatachary)
 DIN:02650160

Company Secretary
 (Zainab Ansari)
 (M. No. 54020)

SPICE LABS PRIVATE LIMITED
CIN: U72300DL2009PTC311320

Regd Address: 622, 6th floor, DLF Tower A Jasola District Centre, Jasola, New Delhi-110025
Notes to financial statements as at March 31, 2018

1. Corporate Information
Spice Labs Pvt. Ltd. is engaged in developing and providing software solutions as offshore service provider to business enterprises.

2. Significant accounting policies

2.1 Statement of compliance

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 (Amendment) Rules, 2017. 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.

2.2 Basis of preparation

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)

The financial statements are presented in INR and all values are rounded to the nearest rupee, except when otherwise indicated.

2.3 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 denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions or that approximates the actual rate at the date of the transactions.

Monetary items (assets & liabilities) and Non-monetary items (Outstanding liabilities) denominated in foreign currencies at the year end are reinstated at year end rates. The gains or losses resulting from such translations are included in net profit in the statement of profit and loss.

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

▶ 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:

Revenue from operations

(i) Customised software services income is recognized when user acceptance test confirmation is received

(ii) Gaming & other softwares application income is recognized on the basis of usage or download of softwares.

(iii) Other Operating Income (Adv. etc) is recognized on the basis of internet online report of clicks, usage, downloads etc.

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.

Dividend Income

Dividend income is recognized when the Company's right to receive payment is established.

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 authorities 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

Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Particulars	Useful lives as prescribed under Part C of Schedule II	Useful lives based on technical evaluation, the management
Data processing Machine	3	3
Mobile Handset	3	3
Office Equipment	5	5
Furniture & Fixture	10	5



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.

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.

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.) Contingent Liabilities

A contingent liabilities is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arise in extremely rare cases where there is a liability that can not be recognized because it can not be measured reliably. The Company does not recognize a contingent liability but disclosed its existence in the financial statement.



l.) 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.

m.) Financial Instruments

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

Financial assets

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.



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.) 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.

o.) 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.

p.) 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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 Notes to financial statements for the Period ended March 31, 2018

Note 3: Property, plant and equipment

	Plant and Machinery	Mobile	Office Equipment	Furniture and fixtures	Amount in INR Total
COST					
At 31 March 2016	4,77,856	3,44,743	40,923	17,744	8,81,266
Additions	39,200	-	-	-	39,200
Acquisition of a subsidiary	-	-	-	-	-
At 31 March 2017	5,17,056	3,44,743	40,923	17,744	9,20,466
Additions	48,25,249	57,426	1,10,607	60,133	50,53,415
Acquisition of a subsidiary	-	-	-	-	-
At 31 March 2018	53,42,305	4,02,169	1,51,530	77,877	59,73,881
Depreciation and impairment					
At 31 March 2016	2,00,090	1,47,768	5,161	5,006	3,58,024
Depreciation charge during the year	1,22,705	98,406	9,360	1,027	2,31,497
Disposals	-	-	-	-	-
At 31 March 2017	3,22,794	2,46,174	14,521	6,032	5,89,521
Depreciation charge during the year	7,58,377	25,347	24,348	9,634	8,17,706
Disposals	-	-	-	-	-
At 31 March 2018	10,81,172	2,71,521	38,868	15,666	14,07,227

NET BOOK VALUE (CARRYING VALUE)

At 31 March 2018
 At 31 March 2017

	Plant and machinery	Computers	Office equipment	Furniture and fixtures	Total
At 31 March 2018	42,61,133	1,30,648	1,12,662	62,210	45,66,654
At 31 March 2017	1,94,262	98,569	26,403	11,712	3,30,945

NET BOOK VALUE (CARRYING VALUE)

Plant, property and Equipment
 Capital work in progress

	As at March 31, 2018	As at March 31, 2017	TOTAL
Plant, property and Equipment	45,66,654	3,30,945	48,97,598
Capital work in progress	-	-	-



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Note 4: Intangible assets

	Amount in INR		
	Software	Software Development	Total
COST			
At 31 March 2016	-	-	-
Additions – being internally developed	-	68,15,759	68,15,759
Disposal/Discard	-	(68,15,759)	(68,15,759)
Discontinued operations	-	-	-
At 31 March 2017	-	-	-
Additions – being internally developed	-	-	-
Disposal/Discard	-	-	-
Discontinued operations	-	-	-
At 31 March 2018	-	-	-
AMORTISATION AND IMPAIRMENT			
Accumulated amortisation			
At 31 March 2016	-	-	-
Amortisation	-	68,15,759	68,15,759
Disposal/Discard	-	(68,15,759)	(68,15,759)
At 31 March 2017	-	-	-
Amortisation	-	-	-
Disposal/Discard	-	-	-
At 31 March 2018	-	-	-

NET BOOK VALUE (CARRYING VALUE)

	Software	
	Software	Development
At 31 March 2018	-	-
At 31 March 2017	-	-



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Financial assets

	As at March 31, 2018	As at Mar 31, 2017
5. Investments		
Investments carried at fair value through profit and loss		
Unquoted - Fully Paid Up Equity Shares of Rs.10/- each		
Nil (200) Riot Labz Private Limited	-	1,25,000
Nil (20) Super Highway Labs Pvt Ltd	-	40,580
1 (1) 911 India Healthcare Private Ltd	1,300	250
Un-quoted Fully paid up 0.1% Cumulative Compulsory Convertible Preference Shares of Rs.10/- each		
Nil (3379) Super Highway Labs Pvt Ltd	-	43,59,445
Nil (1800) Riot Labz Private Limited	-	11,25,000
2688 (5999) 911 India Healthcare Private Ltd	34,94,400	14,99,750
Exponentially I Mobility LLP	-	57,50,000
Total FVTPL Investments	34,95,700	1,29,00,025
Current	-	-
Non-Current	34,95,700	1,29,00,025
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate value of unquoted investments	34,95,700	71,50,025
Aggregate amount of impairment in value of investments	-	30,00,300
Other	-	57,50,000

6. Mat Credit Entitlement

	As at March 31, 2018	As at Mar 31, 2017
Opening	2,56,927	22,31,464
Adjustment for current year tax	-	(19,74,537)
Balance at the end of year	2,56,927	2,56,927

7. Trade receivables

	As at March 31, 2018	As at Mar 31, 2017
Trade receivables	1,65,163	2,02,146
Receivables from other related parties	2,65,81,046	-
Total Trade receivables	2,67,46,209	2,02,146
Break-up for security details:		
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	2,67,46,209	2,02,146
Doubtful	-	-
Total Trade receivables	2,67,46,209	2,02,146
Provision for doubtful debts		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Total Trade receivables	2,67,46,209	2,02,146



8. Cash and Cash Equivalent

	As at March 31, 2018	As at Mar 31, 2017
Balances with banks:		
On current accounts	83,45,447	31,48,742
Cash on hand	-	18,229
Total	83,45,447	31,66,971
Deposits with original maturity of more than 3 months but upto 12 months		
Other bank Balances	4,76,31,964	10,89,999
Total Cash and Cash Equivalent	5,59,77,411	42,56,970

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 March 31, 2018	As at Mar 31, 2017
Balances with banks:		
- On current accounts	83,45,447	31,48,742
Cash on hand	-	18,229
Current (Deposits with original maturity of less than twelve month)	4,76,31,964	10,89,999
Non-Current Balance	-	-
Total Cash and Cash Equivalent	5,59,77,411	42,56,970
Balances with banks:		
Current Balance	5,59,77,411	42,56,970
Non-Current Balance	-	-
Total Cash and Cash Equivalent	5,59,77,411	42,56,970

9. Loans (Unsecured considered good unless otherwise stated)

	As at March 31, 2018	As at Mar 31, 2017
Loans to related party		
Loan to an related party	2,73,20,331	3,04,09,764
Provision for doubtful - Advances	-2,73,20,331	-
Other Loans		
Loans to Staff and others	5,64,016	6,00,000
Total loans	5,64,016	3,10,09,764
Current	1,96,797	3,10,09,764
Non-Current	3,67,219	-
	5,64,016	3,10,09,764

During the year company has made 100% provision against doubtful loan given to Hindustan Retail Pvt Ltd. Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the company. The carrying value may be affected by changes in the credit risk of the counterparties.

Break up of financial assets carried at amortised cost

Loans	5,64,016	3,10,09,764
Trade receivable (note 7)	2,67,46,209	2,02,146
Cash and cash equivalents (note 8)	5,59,77,411	42,56,970
Total financial assets carried at amortised cost	8,32,87,636	3,54,68,880

10. Other Financial Assets

	As at March 31, 2018	As at Mar 31, 2017
Interest receivable on ICD	-	30,10,567
Dividend receivable on investments	314	286
Interest accrued on fixed deposits with banks	-	6,438
Security Deposit	17,73,861	-
Unbilled Revenue	-	89,82,624
	17,74,175	1,19,99,915
Other Current Assets:		
Current Balance	1,83,740	-
Non-Current Balance	15,90,435	-
	17,74,175	-

11. Current Tax Assets

Advance Income Tax (net)	19,08,924	11,62,472
	19,08,924	11,62,472

12. Other Current Assets

Balances with statutory / government authorities	50,29,905	26,20,419
Advances recoverable in cash or kind	24,92,078	59,000
Medical Insurance Recovery	-	-
Prepaid Expenses	5,67,910	-
	80,89,893	26,79,419



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13. Equity Share capital

Particulars	As at 31 March 2018	As at 31 Mar 2017
Equity		
Number of shares	1,00,50,000	1,00,50,000
Equity Share Capital	10,05,00,000	10,05,00,000
Total	10,05,00,000	10,05,00,000

Particulars	As at 31 March 2018	As at 31 Mar 2017
Authorized		
1,00,50,000 (Previous year 1,00,50,000) Equity Shares of Rs. 10/- each	10,05,00,000	10,05,00,000
Issued, subscribed and fully paid-up		
1,00,50,000 (Previous year 1,00,50,000) Equity Shares of Rs. 10/- each	10,05,00,000	10,05,00,000
	10,05,00,000	10,05,00,000

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

Particulars	Nos.
At the beginning of the year/period as at 1st Apr'17	1,00,50,000
Outstanding at the end of the year/period as at 31 Mar 2018	1,00,50,000

(b) Terms/ rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share

(c) 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 are stated below:

Particulars	As at 31 March 2018	As at 31 Mar 2017
Equity shares of Rs.10/- each fully paid		
Spice Digital Limited (Holding Co.)	1,00,39,997	1,00,39,997

(d) The above information (from (a) to (d)) is as per records of the company, including its register of shareholders/ members and other declarations received from shareholder regarding beneficial interest. The above shareholding represents both legal and beneficial ownerships of shares.

Nil

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

Name of the shareholder	As at 31 March 2018		As at 31 Mar 2017	
	Nos.	% holding in the class	Nos.	% holding in the class
Equity shares of Rs.10/- each fully paid				
Spice Digital Limited	1,00,39,997	99.90%	1,00,39,997	99.90%

(f) 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. Non-Current Provisions

	As at March 31, 2018	As at Mar 31, 2017
Provision for Employee Benefits		
Provision for Gratuity	46,84,214	1,20,181
Provision for Leave Benefits	26,37,003	77,463
	73,21,217	1,97,644

16. Trade payables

	As at March 31, 2018	As at Mar 31, 2017
Trade payables	97,50,649	6,31,550
Trade payables to related parties	72,49,828	11,63,854
	1,70,00,478	17,95,404

17. Other financial liabilities

	As at March 31, 2018	As at Mar 31, 2017
Employee Payable	1,44,65,710	16,45,042
	1,44,65,710	16,45,042

18. Other Current liabilities

	As at March 31, 2018	As at Mar 31, 2017
Indirect Taxes and Duties Payable	32,400	2,029
TDS Payable	9,00,560	1,58,483
Employee Statutory Deductions	11,74,605	1,06,658
Medical Insurance Recovery	60,162	-
	21,67,727	2,67,170

19. Current Provisions

	As at March 31, 2018	As at Mar 31, 2017
Provision for Employee Benefits		
Provision for Gratuity	7,55,221	261
Provision for Leave Benefits	5,11,919	13,751
	12,67,140	14,012

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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	For the period ended Mar 31, 2018	For the year ended Mar 31, 2017
20. Revenue from operations:		
Income from Advt. etc.*	-12,41,720	72,36,930
Technical Support	12,19,27,374	72,19,992
Total Revenue from operations	12,05,85,654	1,44,56,922

* During the year company has reversed unbilled revenue of Rs. 21,46,474/- booked in earlier year.

21. Other income:		
Other non-operating income		
Dividend income	28	112
Profit on sale of Investment	3,07,84,607	60,33,160
Profit on sale of MF	-	3,56,930
Provisions and unclaimed balances written back (net)	-	33,830
Gain/(loss) on FVTPL financial assets	28,23,450	-
	3,36,08,085	64,24,032

Finance income:		
Interest on Bank Deposits	2,59,237	71,993
Interest on Loan to bodies corporates	80,431	33,45,074
Interest on Loan to employees	33,707	36,937
Interest on Income Tax Refund	-	46,736
	3,73,376	35,00,740
Total Other Income	3,39,81,461	99,24,772

	For the period ended Mar 31, 2018	For the year ended Mar 31, 2017
22. Employee benefits expense		
Salary, Wages & Bonus	9,09,96,381	64,94,330
Contribution to provident and other funds	48,97,770	5,36,474
Gratuity expense	12,67,219	1,05,798
Staff Welfare Expenses	20,84,263	28,952
	9,92,45,633	71,65,554

23. Finance costs		
Interest expenses	11,875	3,514
	11,875	3,514

24. Depreciation and amortization expense		
Depreciation of tangible assets	8,17,706	2,31,499
Amortisation of Intangible assets	-	68,15,759
	8,17,706	70,47,258

	For the period ended Mar 31, 2018	For the year ended Mar 31, 2017
25. Other Expense		
Rent	16,54,037	6,10,400
Rates & Taxes	41,155	61,490
Insurance	4,167	-
Repairs and maintenance		
Others	3,21,503	6,626
Business Promotion Expense	1,43,651	-
Travelling & Conveyance Expenses	31,47,862	92,153
Communication Exp.	21,52,227	18,59,952
Legal and Professional Expenses	40,22,287	19,84,683
Director Sitting Fees	3,90,000	3,60,000
Audit fees		
Payment to auditor	2,11,250	1,90,000
Vehicle expenses	43,73,476	14,59,569
Exchange Rate Fluctuation Loss	8,43,697	90,086
Bank Charges	50,251	-
Electricity Exp.	9,07,760	-
Web Development Charges	3,40,317	-
Miscellaneous Expenses	6,84,144	4,98,057
Interest on Late Payment of Statutory Dues	605	-
Bad debts written off	-	2,36,716
	1,92,88,390	74,49,732

Payment to Auditors		
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)	41,250	20,000
	2,11,250	1,90,000



26. Exceptional Items

Provision for diminution in the value of Investments/(written back)	-30,00,300	30,00,300
Provision for doubtful Advances	2,73,20,331	-
	<u>2,43,20,031</u>	<u>30,00,300</u>

	For the period ended Mar 31, 2018	For the year ended Mar 31, 2017
27. Components of Other Comprehensive Income (OCI)		
Re-measurement gains (losses) on defined benefit plans	(2,61,613)	1,43,221
	<u>-2,61,613</u>	<u>1,43,221</u>

28. Income Tax

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

Profit or loss section	For the period ended Mar 31, 2018	For the year ended Mar 31, 2017
Current income tax:		
Current income tax charge	1,03,43,541	19,74,537
Adjustments in respect of current income tax of previous year	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit or loss	<u>1,03,43,541</u>	<u>19,74,537</u>

29. Earnings 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 of the company (after adjusting for interest on the convertible preference 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 period ended Mar 31, 2018	For the year ended Mar 31, 2017
Profit attributable to equity holders of the company		
Continuing operations	2,78,325	(21,15,980)
Discontinued operation	-	-
Profit attributable to equity holders of the company for basic earnings	<u>2,78,325</u>	<u>(21,15,980)</u>
Interest on convertible preference shares	-	-
Profit attributable to equity holders of the company adjusted for the effect of dilution	<u>2,78,325</u>	<u>(21,15,980)</u>
Weighted average number of Equity shares for basic EPS*	1,00,50,000	1,00,50,000
Effect of dilution:		
Share options	-	-
Convertible preference shares	-	-
Weighted average number of Equity shares adjusted for the effect of dilution *	<u>1,00,50,000</u>	<u>1,00,50,000</u>
Basic and Diluted Earning per share	<u>0.03</u>	<u>-0.21</u>

* 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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Gratuity Plans

	As at Mar 31, 2018	As at Mar 31, 2017
Gratuity plan	54,39,435	1,20,442
TOTAL	54,39,435	1,20,442

Spice Labs 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 31 March 2018 (recognised in profit or loss)

	As at Mar 31, 2018	As at Mar 31, 2017
Current service cost	12,57,825	90,803
Interest cost on benefit obligation	9,394	14,995
Net benefit expense	12,67,219	1,05,798

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

	As at Mar 31, 2018
Defined benefit obligation at 1 April 2016	2,04,019
Interest cost	14,995
Current service cost	90,803
Benefits paid	-46,154
Exchange differences	-1,43,221
Defined benefit obligation at 31 March 2017	1,20,442
Interest cost	9,394
Current service cost	12,57,825
Benefits paid	-
Acquisition/Business Combination/Divestiture	37,90,161
Exchange differences	2,61,613
Defined benefit obligation at 31 March 2018	54,39,435



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					31-Mar-18	
	01-Apr-17 Service Cost	Net interest expense	Sub-total included in profit or loss	Benefits paid/Acquisition/Business Combination/Divestiture	Return on plan assets (excluding amounts included in net interest	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		
Defined benefit obligation	1,20,442	12,57,825	9,394	12,67,219	37,90,161	-	4,33,942	(1,72,329)	-	2,61,613	-	54,39,435
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	1,20,442	12,57,825	9,394	12,67,219	37,90,161	-	4,33,942	(1,72,329)	-	2,61,613	-	54,39,435

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					31-Mar-16	
	01-Apr-15 Service Cost	Net interest expense	Sub-total included in profit or loss	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		
Defined benefit obligation	2,04,019	90,803	14,995	1,05,798	(46,154)	-	(1,50,876)	7,655	-	(1,43,221)	-	1,20,442
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	2,04,019	90,803	14,995	1,05,798	(46,154)	-	(1,50,876)	7,655	-	(1,43,221)	-	1,20,442



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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:

Assumptions

Sensitivity Level

Impact on defined benefit obligation

As at March 31, 2018		As at March 31, 2017	
Discount rate		Discount rate	
100% Increases	100% Decrease	100% Increases	100% Decrease
(3,53,226)	3,96,073	(11,518)	13,170

Assumptions

Sensitivity Level

Impact on defined benefit obligation

As at March 31, 2018		As at March 31, 2017	
Future salary increases		Future salary increases	
100% Increases	100% Decrease	100% Increases	100% Decrease
3,91,461	3,55,722	12,957	11,549

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)	7,79,525	1,364
Between 2 and 5 years	45,39,036	10,056
Beyond 5 years	1,45,06,881	12,34,264
Total expected payments	1,98,25,442	12,45,684

The average duration of the defined benefit plan obligation at the end of the reporting period is 30.32 years (31 March 2017: 28.71 years).



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31. 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 revenue by geographical location of customers, regardless of where the goods were produced / services were rendered from

Particulars	Amount in INR	
	For the period ended Mar31, 2018	For the period ended Mar31, 2017
Domestic Market	2,437	75,08,379
Overseas Market	12,05,83,217	69,48,543
	12,05,85,654	1,44,56,922

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

Particulars	Amount in INR	
	As at Mar 31, 2018	As at Mar 31, 2017
Domestic Market	22,527	2,02,146
Overseas Markets	2,67,23,682	-
Total	2,67,46,209	2,02,146

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:

Particulars	Amount in INR	
	Carrying amount of tangible and intangible fixed assets*	
	As at Mar 31, 2018	As at Mar 31, 2017
Domestic Market	45,66,654	3,30,945
Overseas Markets	-	-
Total	45,66,654	3,30,945

Particulars	Amount in INR	
	Additions to tangible and intangible fixed	
	As at Mar 31, 2018	As at Mar 31, 2017
Domestic Market	50,53,415	68,54,959
Overseas Markets	-	-
Total	50,53,415	68,54,959



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32. Fair values

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
	INR lacs	INR lacs	INR lacs	INR lacs
Financial assets				
Trade Receivable	2,67,46,209	2,02,146	2,67,46,209	2,02,146
Other financial assets	1,83,740	1,19,99,915	1,83,740	1,19,99,915
Loans	1,96,797	3,10,09,764	1,96,797	3,10,09,764
Investment	34,95,700	1,29,00,025	34,95,700	1,29,00,025
Total	3,06,22,446	5,61,11,850	3,06,22,446	5,61,11,850
Financial liabilities				
Trade payables	1,70,00,478	17,95,404	1,70,00,478	17,95,404
Other Financial Liability	1,44,65,710	16,45,042	1,44,65,710	16,45,042
Total	3,14,66,187	34,40,446	3,14,66,187	34,40,446

The management assessed that cash and cash equivalents, trade receivables, trade payables 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 use Unobservable 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 remaining FVTPL financial assets are derived from quoted market prices in active markets.



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.



33. 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 inventories, 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 2018 and 31 March 2017.

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 2018 for the effects of the assumed changes of the underlying risk.

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 impact 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:-

	Increase/decrease in basis points	Amount in INR	Effect on profit before tax
31-Mar-18	50	-	-
31-Mar-17	50	1,52,049	(1,52,049)

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
31 March 2018	USD	5%	13,35,038
		-5%	(13,35,038)
31 March 2017	USD	5%	88,132
		5%	(88,132)



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.

Trade receivables

Customer credit risk is managed by the Company's established credit policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment and also based upon agreement/terms with respective customers. Outstanding customer receivables are regularly monitored. At 31 March 2018, the Company had 2 customers (31 March 2017: 1) that owed the Company INR 2,67,46,209 (31 March 2017: INR 2,02,146) and accounted for approximately 100% (31 March 2017: 100%) of all the receivables outstanding.

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 7. 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 Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bill discounting facility. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

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		1,25,08,376	44,92,102		1,70,00,478
Other Financial Liabilities		84,50,236	60,15,474		1,44,65,710
		2,09,58,611	1,05,07,576	-	3,14,66,187
Year ended 31 March 2017					
Trade payables		3,77,761	14,17,643		17,95,404
Other Financial Liabilities		11,66,423	4,78,619		16,45,042
		15,44,184	18,96,262	-	34,40,446

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 Company'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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34. Capital management

For the purpose of the Company 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 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, company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. 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.

	Amount in INR	
	31-Mar-18	31-Mar-17
Trade payables (Note 16)	1,70,00,478	17,95,404
Other Current Liability (note 18)	21,67,727	2,67,170
Less: cash and cash equivalents (Note 8)	(5,59,77,411)	(42,56,970)
	(3,68,09,206)	(21,94,396)
Convertible preference shares	-	-
Equity	6,11,57,636	6,08,79,311
Total capital	6,11,57,636	6,08,79,311
Capital and net debt	2,43,48,430	5,86,84,915
Gearing ratio	-151%	-4%

In order to achieve this overall objective, 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.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.



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35 Related Party Disclosures

a) Name of Related Parties

Ultimate Holding Company

- 1 Smart Global Corporate Holdings Pvt. Ltd. (formerly known as Spice Global Investments Pvt. Ltd.)

Holding Companies

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

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

- 1 Mobisoc Technology Pvt. Ltd.
2 Spice VAS (Africa) Pte. Ltd.
3 Spice VAS Ghana. Ltd.
4 Spice VAS Kenya Ltd.
5 PT Spice Digital Indonesia
6 Omnia Pte. Ltd.

Enterprises in which any combination of the above companies hold more than 50%

Nil

Key Management Personnel

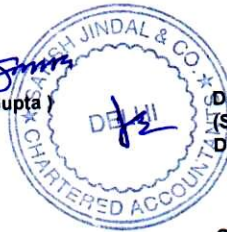
Name	Designation
Ravindra Kumar Sarawagi	CFO (Appointment on 04-August-2017)
Prashant Hansraj	Manager (Appointment on 04-August-2017)

b) Related party transactions attached as Annexure-1

As per our attached report of even date

For Satish Jindal & Co.
Chartered Accountants
FRN 009180N


(Satish Kumar Gupta)
Partner
M. No. 087902

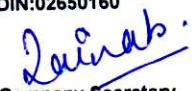


For and on behalf of the Board of Directors of
Spice Labs Private Limited


Director
(Sunil Kumar Kapoor)
DIN: 05322540


Chief Financial Officer
(Ravindra Kumar Sarawagi)
(M. No. 504494)


Director
(Madhusudan Venkatachary)
DIN:02650160


Company Secretary
(Zainab Ansari)
(M. No. 54020)

Place : Noida
Date : 15/5/2018

SPICE LABS PRIVATE LIMITED

CIN: U72300DL2009PTC311320

Regd Address: 622, 6th floor, DLF Tower A Jasola District Centre, Jasola, New Delhi-110025
Notes to financial statements as at March 31, 2018

ANNEXURE-1

Particulars		Related Party Transactions	
		For the Period ended Mar 31, 2018	For the Period ended Mar 31, 2017
Unbilled Revenue			
Spice Digital Limited	Holding Company	-	72,19,992
Revenue			
PT Spice Digital Indonesia	Fellow Subsidiary	2,20,85,413	-
Omnia Pte. Ltd.	Fellow Subsidiary	5,12,39,567	-
Spice VAS Kenya Ltd.	Fellow Subsidiary	1,82,54,452	-
Spice VAS Ghana Ltd.	Fellow Subsidiary	2,86,22,738	-
Spice VAS Africa Pte. Ltd.	Fellow Subsidiary	7,55,760	-
Purchase of Fixed Assets			
Spice Digital Ltd.	Holding Company	22,74,459	-
Rent Paid			
Spice Mobility Ltd.	Holding Company	52,42,880	2,94,000
Spice Digital Ltd.	Holding Company	10,48,576	9,60,400
Electricity Paid			
Spice Mobility Ltd.	Holding Company	8,09,487	-
Expenses Reimbursement			
Omnia Pte. Ltd.	Fellow Subsidiary	2,23,03,862	-
Interest Income			
Hindustan Retail Pvt Ltd.	Fellow Subsidiary	-	33,45,074
Reimbursement Paid			
Spice Digital Limited	Holding Company	25,87,535	-
Travel Expenses			
Spice Digital Limited	Holding Company	33,547	-
Balances			
Interest Receivable			
Hindustan Retail Pvt Ltd.	Fellow Subsidiary	-	30,10,567
Loan Receivable			
Hindustan Retail Pvt Ltd.	Fellow Subsidiary	-	3,04,09,764
Balances Receivable			
Spice VAS Kenya Ltd.	Fellow Subsidiary	29,21,310	-
Omnia Pte. Ltd.	Fellow Subsidiary	2,36,59,736	-
Payable			
Spice Mobility Limited	Holding Company	44,92,102	-
Spice Digital Limited	Holding Company	19,31,479	11,63,854
Mobisoc Technology Pvt. Ltd.	Fellow Subsidiary	8,26,247	-

