

PAISABAZAAR MARKETING AND CONSULTING PRIVATE LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2018

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PAISABAZAAR MARKETING AND CONSULTING PRIVATE LIMITED

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying financial statements of Paisabazaar Marketing and consulting Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. 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 statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. 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 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

INDEPENDENT AUDITORS' REPORT

To the Members of Paisabazaar Marketing and Consulting Private Limited

Report on the Financial Statements

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6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether 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 a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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.
7. 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

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

Other Matter

9. The financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated September 21, 2017 and September 29, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



INDEPENDENT AUDITORS' REPORT

To the Members of Paisabazaar Marketing and Consulting Private Limited
Report on the Financial Statements

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- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the 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 specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) Clause (i) of Section 143 (3) is not applicable pursuant to notification G.S.R 583 (E) dated June 13, 2017.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company does not have any pending litigations as at March 31, 2018 which would impact its financial position.
 - ii. The Company has long-term contracts as at March 31, 2018 for which there were no material foreseeable losses. The Company did not have any long-term derivative contracts as at March 31, 2018.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amitesh Dutta
Partner
Membership Number: 058507

Place: Gurugram
Date: September 12, 2018

Annexure to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Paisabazaar Marketing and consulting Private Limited on the financial statements as of and for the year ended March 31, 2018

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The Company does not own any immovable properties as disclosed in Note 4 on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Income Tax, Service Tax, Goods and Service Tax with effect from July 1, 2017 and Provident Fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, duty of customs, value added tax and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax which have not been deposited on account of any dispute.
- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.



Annexure to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Paisabazaar Marketing and Consulting Private Limited on the financial statements for the year ended March 31, 2018
Page 2 of 2

- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Amitesh Dutta
Partner

Membership Number: 058507

Place: Gurugram
Date: September 12, 2018

Paisabazaar Marketing and Consulting Private Limited
Balance Sheet

| | | As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|--------|---|---|--|
| Notes | | | | |
| ASSETS | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 4 | 507.05 | 51.36 | 0.35 |
| Intangible assets | 5 | 18.97 | 0.33 | 0.50 |
| Financial assets | | | | |
| (i) Loans | 6(a) | 70.69 | 67.07 | 1.00 |
| Current Tax Assets (Net) | 7 | 602.34 | 125.97 | 63.24 |
| Other non-current assets | 8 | 19.58 | 26.11 | - |
| Total non-current assets | | 1,218.63 | 270.84 | 65.09 |
| Current assets | | | | |
| Financial assets | | | | |
| (i) Investments | 6(b) | - | 1,000.28 | 652.80 |
| (ii) Trade receivables | 6(c) | 3,415.62 | 653.03 | 324.64 |
| (iii) Cash and cash equivalents | 6(d) | 756.37 | 803.86 | 147.48 |
| (iv) Bank balances other than (iii) above | 6(e) | 950.00 | - | - |
| (v) Loans | 6(a) | 5.49 | 3.67 | 1.21 |
| (vi) Other financial assets | 6(f) | 2,046.97 | 1,376.31 | 14.85 |
| Other current assets | 9 | 82.45 | 330.33 | 29.39 |
| Total current assets | | 7,256.90 | 4,167.48 | 1,170.37 |
| Total assets | | 8,475.53 | 4,438.32 | 1,235.46 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Equity Share capital | 10(a) | 2,146.10 | 1,941.39 | 1,480.00 |
| Other Equity | | | | |
| Reserves and surplus | 10(b) | 3,010.85 | 1,122.44 | (1,084.70) |
| Total equity | | 5,156.95 | 3,063.83 | 395.30 |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| (i) Other financial liabilities | 12 (b) | 11.74 | - | - |
| Employee benefit obligations | 11 | 63.09 | 29.50 | 26.68 |
| Total non-current liabilities | | 74.83 | 29.50 | 26.68 |
| Current liabilities | | | | |
| Financial Liabilities | | | | |
| (i) Trade payables | 12(a) | 1,959.93 | 920.46 | 640.03 |
| (ii) Other financial liabilities | 12(b) | 403.58 | 231.89 | 92.47 |
| Employee benefit obligations | 11 | 114.83 | 46.57 | 24.83 |
| Other current liabilities | 13 | 765.42 | 146.07 | 56.15 |
| Total current liabilities | | 3,243.76 | 1,344.99 | 813.48 |
| Total liabilities | | 3,318.59 | 1,374.49 | 840.16 |
| Total equity and liabilities | | 8,475.53 | 4,438.32 | 1,235.46 |

The above balance sheet should be read in conjunction with the accompanying notes.

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

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amitesh Dutta
Partner
Membership No. 058507

For and on behalf of the Board of Directors

Manoj Sharma
Director
DIN : 02745526

Alok Bansal
Director
DIN : 01653526

Richa Arya
Company Secretary
M. No. 28873

Place: Gurugram
Date: September 12, 2018

Place: Gurugram
Date: September 12, 2018



Paisabazaar Marketing and Consulting Private Limited
Statement of Profit and Loss

| | Notes | Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) |
|--|-------|--|--|
| Revenue from operations | 14 | 9,647.19 | 2,716.92 |
| Other income | 15 | 56.91 | 26.77 |
| Total income | | 9,704.10 | 2,743.69 |
| Expenses: | | | |
| Employee benefit expense | 16 | 4,049.07 | 2,458.55 |
| Depreciation and amortization expense | 17 | 299.05 | 11.88 |
| Advertising and promotion expense | 18 | 4,315.43 | 2,260.14 |
| Network, internet and other direct expense | 19 | 380.70 | 198.20 |
| Administration and other expense | 20 | 862.74 | 563.25 |
| Total expenses | | 9,906.99 | 5,492.02 |
| Profit/(Loss) before tax | | (202.89) | (2,748.33) |
| Income tax expense : | | | |
| Current tax | 21 | 13.15 | - |
| Deferred tax | 22 | - | - |
| Total tax expense | | 13.15 | - |
| Profit/(Loss) for the year | | (216.04) | (2,748.33) |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurement of post employment benefit obligations [Gain/(Loss)] | 11 | 4.64 | 4.25 |
| Income tax relating to these items | | - | - |
| Other comprehensive income for the year, net of tax | | 4.64 | 4.25 |
| Total comprehensive income for the year | | (211.38) | (2,744.08) |
| Earnings per equity share: [Nominal value per share Rs.10/- (March 31, 2017: Rs.10/-)] | | | |
| Basic (in Rs.) | 26 | (1.03) | (17.08) |
| Diluted (in Rs.) | 26 | (1.03) | (17.08) |


The above statement of profit and loss should be read in conjunction with the accompanying notes.

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

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016


Amitesh Dutta
Partner
Membership No. 058507

For and on behalf of the Board of Directors


Manoj Sharma
Director
DIN : 02745526


Alok Bansal
Director
DIN : 01653526


Richa Arya
Company Secretary
M. No. 28873



Place: Gurugram
Date: September 12, 2018

Place: Gurugram
Date: September 12, 2018

Paisabazaar Marketing and Consulting Private Limited
Statement of cash flows

| Particulars | Notes | March 31, 2018 (Rs. in Lakhs) | March 31, 2017 (Rs. in Lakhs) |
|--|-------|----------------------------------|----------------------------------|
| Cash flow from operating activities | | | |
| (Loss) before income tax | | (202.89) | (2,748.33) |
| Adjustments for | | | |
| Depreciation and amortization expense | 17 | 299.05 | 11.88 |
| Loss on disposal of property, plant and equipment | | - | 0.24 |
| Gain on sale of investments | 15 | (35.95) | (20.47) |
| Provisions for doubtful debts | 20 | 14.06 | - |
| Unwinding of discount on security deposits | 15 | (5.66) | (0.62) |
| Income accrued but not due | 15 | (11.25) | - |
| Interest income classified as investing cash flow | 15 | (3.88) | (2.29) |
| Interest income from tax refund | 15 | - | (3.06) |
| Changes in fair value of financial assets at fair value through profit or loss | 15 | - | (0.28) |
| Employee share-based payment expense | 16 | 304.52 | 412.61 |
| Change in operating assets and liabilities | | | |
| (Increase)/Decrease in trade receivables | 6(c) | (2,776.65) | (328.39) |
| Increase/(Decrease) in trade payables | 12(a) | 1,039.48 | 280.43 |
| Decrease/(Increase) in other non-current assets | 8 | 6.53 | (26.11) |
| Increase in other current financial liabilities | 12(b) | 171.69 | 139.43 |
| (Increase)/Decrease in other current assets | 9 | 247.88 | (300.95) |
| (Increase) in current tax assets | 7 | (965.91) | (119.34) |
| (Increase)/Decrease in loans-current | 6(a) | (1.82) | (2.46) |
| (Increase)/Decrease in other financial assets | 6(f) | (670.66) | (1,361.46) |
| Increase in employee benefit obligations | 11 | 106.50 | 28.80 |
| Increase in other current liabilities | 13 | 619.35 | 89.92 |
| (Increase)/Decrease in loans-non-current | 6(a) | 2.04 | (65.46) |
| Increase in other non-current financial liabilities | 12(b) | 11.74 | - |
| (Increase) in other bank balances | 6(e) | (950.00) | - |
| Cash outflow from operations | | (2,801.83) | (4,015.90) |
| Income taxes paid | 7 | 476.38 | 59.68 |
| Net cash outflow from operating activities | | (2,325.46) | (3,956.22) |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 4,5 | (773.38) | (62.95) |
| Purchase of current investments | | (3,750.00) | (2,735.00) |
| Proceeds from sale of current investment | | 4,786.23 | 2,408.26 |
| Interest received | | 15.14 | 2.29 |
| Net cash inflow/(outflow) from investing activities | | 277.99 | (387.42) |
| Cash flows from financing activities | | | |
| Proceeds from issue of equity shares | 10(a) | 2,000.00 | 5,000.00 |
| Net cash inflow from financing activities | | 2,000.00 | 5,000.00 |
| Net (decrease)/increase in cash and cash equivalents | | (47.47) | 656.38 |
| Cash and cash equivalents at the beginning of the financial year | 6(d) | 803.86 | 147.48 |
| Cash and cash equivalents at end of the year | | 756.37 | 803.86 |

Reconciliation of cash and cash equivalents as per cash flow statement
Cash and cash equivalents as per above comprise of the following :

| | March 31, 2018 (Rs. in Lakhs) | March 31, 2017 (Rs. in Lakhs) |
|---|----------------------------------|----------------------------------|
| Balances with Bank | 756.23 | 802.89 |
| Cash on hand | 0.14 | 0.97 |
| Balances per statement of cash flows | 756.37 | 803.86 |

Notes:

- The above Statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard [Ind AS -7 on "Statement of Cash Flows"].
- The above Statement of Cash Flows should be read in conjunction with the accompanying notes.
- Figures in brackets indicate cash outflow.

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

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/S000016


Amitesh Dutta
Partner
Membership No. 058507

For and on behalf of the Board of Directors

 
Manoj Sharma
Director
DIN : 02745526
Alok Bansal
Director
DIN : 01653526


Richa Arya
Company Secretary
M. No. 28873

Place: Gurugram
Date: September 12, 2018

Place: Gurugram
Date: September 12, 2018



Paisabazaar Marketing and Consulting Private Limited
Statement of changes in equity

I) Equity share capital

| (Rs. in Lakhs) | | |
|---------------------------------|-------|-----------------|
| Particulars | Notes | Amount |
| As at April 1, 2016 | | 1,480.00 |
| Changes in equity share capital | 10(a) | 461.39 |
| As at March 31, 2017 | | 1,941.39 |
| Changes in equity share capital | 10(a) | 204.71 |
| As at March 31, 2018 | | 2,146.10 |

II) Other equity

| Reserves and surplus | | | | |
|--|-------|----------------------------|-------------------|---|
| (Rs. in Lakhs) | | | | |
| Particulars | Notes | Securities premium reserve | Retained earnings | Group Settled share based payment reserve |
| Balance as at April 1, 2016 | | - | (1,143.92) | 59.22 |
| (Loss) for the year | 10(b) | - | (2,748.33) | - |
| Other comprehensive income | 10(b) | - | 4.25 | - |
| Employee share-based payment expense | 16 | - | - | 412.61 |
| Total comprehensive income for the year | | - | (2,744.09) | - |
| Transactions with owners in their capacity as owners: | | | | |
| Issue of equity shares | 10(b) | 4,538.61 | - | - |
| Balance as at March 31, 2017 | | 4,538.61 | (3,888.02) | 471.85 |
| (Loss) for the year | 10(b) | - | (216.04) | - |
| Other comprehensive income | 10(b) | - | 4.64 | - |
| Employee share-based payment expense | 16 | - | - | 304.52 |
| Total comprehensive income for the year | | - | (211.40) | - |
| Transactions with owners in their capacity as owners: | | | | |
| Issue of equity shares | 10(b) | 1,795.29 | - | - |
| Balance as at March 31, 2018 | | 6,333.90 | (4,099.42) | 776.36 |


The above statement of changes of equity should be read in conjunction with the accompanying notes.

This is the Statement of changes in equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016


Amitesh Dutta
Partner
Membership No. 058507

For and on behalf of the Board of Directors



Manoj Sharma
Director
DIN : 02745526



Alok Bansal
Director
DIN : 01653526


Richa Arya
Company Secretary
M. No. 28873



Place: Gurugram
Date: September 12, 2018

Place: Gurugram
Date: September 12, 2018

Paisabazaar Marketing and Consulting Private Limited

Notes forming part of the financial statements for the year ended March 31, 2018

Note 1: General Information

Paisabazaar Marketing and Consulting Private Limited ("the Company" or "Paisabazaar") is a private limited Company incorporated on 15th December 2011 under the provisions of the Companies Act, 2013 having its registered office at Plot no.135P, Sector 44, Gurugram, Haryana. The Company is a wholly owned subsidiary of Etechaces marketing and consulting private limited. The Company operates its website www.paisabazaar.com for showing online comparison and sales of financial products like home/car/personal/education/other loans, credit cards, saving accounts, mutual funds etc.

Note 2: Significant Accounting Policies

2.1 Basis of preparation of financial statements

a. Compliance with IND AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. Refer note 38 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

b. Historical Cost Convention

The financial statements have been prepared on the historical cost basis, except for the following items:

- Certain financial assets measured at fair value;
- Defined benefit plans - plan assets measured at fair value; and
- Share based payments

c. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.



Rishi Arora



Mayank

d. Property, plant and equipment

All items of property, plant and equipment are carried at cost less accumulated depreciation / amortization and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is recognised so as to write off the cost of assets less their residual values over the useful lives, using the straight line method. The useful lives have been determined based on technical evaluation done by the management's expert which in some cases are different as those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

The residual values of the assets are assessed to be nil. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss.

The useful lives of assets have been considered as follows:

| Description | Useful life |
|-------------------------|---|
| Computers | 3 years |
| Furniture & Fixtures* | 7 years |
| Office Equipment* | 3 years |
| Lease Hold Improvements | Period of Lease or 3 years whichever is earlier |

* For these class of assets, based on internal assessment the management believes that the useful lives as given above best represents the period over which the management expects to use these assets. Hence, useful lives of these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.



Ramesh Chandra



Ramesh Chandra

e. Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

The Company has software licenses under intangible assets which are amortized over a period of 3 years.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

f. Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

g. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable net of goods and service tax (GST).

Revenue from services: The Company recognizes revenue from web aggregator services when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's services as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

- Commission on web aggregation of financial products
- Investment advisory fees
- Sale of Leads
- Online marketing and consulting

Timing of recognition: Revenue from above services is recognized in the accounting period in which the services are rendered.

Revenue in excess of billing of web aggregator services is included as unbilled revenue in other current financial assets.



Rishi Arora



Mayank

h. Foreign currency transactions

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency') i.e. Indian rupee (INR), which is Paisabazaar Marketing and Consulting Private Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency (INR) using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit and loss.

i) Employee benefits

Employee benefits include Provident Fund, Employee State Insurance scheme, Gratuity and Compensated absences.

i) Defined contribution plans

The Company's contributions to Provident Fund and Employee State Insurance scheme are considered as contribution to defined contribution plan and charged as an expense based on the amount of contributions required to be made as and when services are rendered by the employees.

ii) Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan asset (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined liability or asset.

iii) Short-term obligations

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the services.

These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences;
- (b) in case of non-accumulating compensated absences, when the absences occur.



Renu Arora



Mayank

iv) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations in relation to compensated absences are presented as current liabilities in the balance sheet as the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

v) Share-based payments

Share-based payments are considered as 'Equity-settled share-based payment transactions' under Ind AS 102. The Company measures the fair value of the services received and recognises an expense in the statement of profit and loss with a corresponding increase in equity by reference to the fair value at the grant date of the equity instruments granted. [Refer note 25].

j) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

k) Earnings per share (EPS)

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares, except where results are anti-dilutive.

l) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

m) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.



Ricna Singh



Manoj Kumar

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that tax profits will be available against which those deductible temporary differences can be utilized.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

n) Provisions and contingencies

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities and contingent assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed, where an inflow of economic benefits is probable. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

o) 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.



Rishi Arora



Mayank

Financial Assets

Classification:

The Company classifies its financial assets in the following measurement categories

- those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss), and
- those measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Initial Recognition:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement:

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

Financial assets at fair value through other comprehensive income are carried at fair value at each reporting date. Fair value changes are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of profit and loss. On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss.

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the statement of profit and loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instruments that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial



Rina Singh



asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/ (expenses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 33 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

A financial asset is derecognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income recognition

Interest income

Interest income from fixed deposits is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.



Pooja Arora



p) Financial liabilities and equity instruments

Initial recognition and measurement

Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities. Financial liabilities are classified as subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective rate of interest.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of 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.

De-recognition of financial liabilities

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 and loss.

Equity instruments

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

q) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency.

r) Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer Note 34

s) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III (Division II), unless otherwise stated.



Ravi Singh



Maya

Note 3: Critical estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimation of defined benefit obligation - Note 11

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



Rishi Arora



Maya

Note 4 : Property, plant and equipment

(Rs. in Lakhs)

| Particulars | Computers | Office Equipment | Furniture & Fixtures | Leasehold Improvements | Total |
|---|---------------|------------------|----------------------|------------------------|---------------|
| Year ended March 31, 2017 | | | | | |
| Gross carrying amount | | | | | |
| Deemed cost as at April 1, 2016 | 0.11 | 0.24 | - | - | 0.35 |
| Additions | 41.36 | 14.66 | 3.14 | - | 59.16 |
| Disposals | - | (0.24) | - | - | (0.24) |
| Closing gross carrying amount | 41.47 | 14.66 | 3.14 | - | 59.27 |
| Accumulated Depreciation | | | | | |
| Depreciation charge during the year | 4.48 | 3.19 | 0.24 | - | 7.91 |
| Disposals* | - | (0.00) | - | - | (0.00) |
| Closing accumulated depreciation | 4.48 | 3.19 | 0.24 | - | 7.91 |
| Net carrying amount | 36.99 | 11.47 | 2.90 | - | 51.36 |
| Year ended March 31, 2018 | | | | | |
| Gross carrying amount | | | | | |
| Opening gross carrying amount | 41.47 | 14.66 | 3.14 | - | 59.27 |
| Additions | 401.16 | 96.65 | 80.21 | 167.31 | 745.33 |
| Disposals | - | - | - | - | - |
| Closing gross carrying amount | 442.63 | 111.31 | 83.35 | 167.31 | 804.60 |
| Accumulated Depreciation | | | | | |
| Opening accumulated depreciation | 4.48 | 3.19 | 0.24 | - | 7.91 |
| Depreciation charge during the year | 129.20 | 41.33 | 69.84 | 49.27 | 289.64 |
| Disposals | - | - | - | - | - |
| Closing accumulated depreciation | 133.68 | 44.52 | 70.08 | 49.27 | 297.55 |
| Net carrying amount | 308.95 | 66.79 | 13.27 | 118.04 | 507.05 |

* Amount is below the rounding off norm adopted by the Company.



Richa Arora



Maya

Note 5 : Intangible assets**(Rs. in Lakhs)**

| Particulars | Computer Software | Total |
|---|--------------------------|--------------|
| Year ended March 31, 2017 | | |
| Gross carrying amount | | |
| Deemed cost as at April 1, 2016 | 0.50 | 0.50 |
| Additions | 3.80 | 3.80 |
| Disposals | - | - |
| Closing gross carrying amount | 4.30 | 4.30 |
| Accumulated amortisation | | |
| Amortisation charge during the year | 3.97 | 3.97 |
| Disposals | - | - |
| Closing accumulated amortisation | 3.97 | 3.97 |
| Closing net carrying amount | 0.33 | 0.33 |
| Year ended March 31, 2018 | | |
| Gross carrying amount | | |
| Opening gross carrying amount | 4.30 | 4.30 |
| Additions | 28.05 | 28.05 |
| Disposals | - | - |
| Closing gross carrying amount | 32.35 | 32.35 |
| Accumulated amortisation | | |
| Opening accumulated amortisation | 3.97 | 3.97 |
| Amortisation charge during the year | 9.41 | 9.41 |
| Disposals | - | - |
| Closing accumulated amortisation | 13.38 | 13.38 |
| Closing net carrying amount | 18.97 | 18.97 |

*Rina Singh**Manoj*

Note 6 (a) : Loans

Current
Unsecured, considered good
Loan to employees
Security deposits
Total loans- current

| As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|---|--|
| 70.69 | 67.07 | 1.00 |
| 70.69 | 67.07 | 1.00 |
| 3.74 | 2.06 | 0.73 |
| 1.75 | 1.61 | 0.48 |
| 5.49 | 3.67 | 1.21 |

Investment in mutual funds
Quoted

Nil Units (March 31, 2017: 55,471,436 units, April 1, 2016 - Nil units) in Axis Liquid Fund- Direct Plan- Growth Option

Nil Units (March 31, 2017: Nil units, April 1, 2016 - 21,830,891 units) in HDFC Liquid Fund - Direct Plan - Growth Option

Total (mutual funds)

Total current investments
Aggregate amount of quoted investments and market value thereof
Aggregate amount of unquoted investments
Aggregate amount of impairment in the value of investments

| As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|---|--|
| - | 1,000.28 | - |
| - | - | 652.80 |
| - | 1,000.28 | 652.80 |
| - | 1,000.28 | 652.80 |
| - | 1,000.28 | 652.80 |
| - | - | - |
| - | - | - |

Trade receivables
Less: Allowance for doubtful debts
Total receivables
Current portion
Non- Current portion

| As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|---|--|
| 3,429.68 | 653.03 | 324.64 |
| (14.06) | - | - |
| 3,415.62 | 653.03 | 324.64 |
| 3,415.62 | 653.03 | 324.64 |

Secured, considered good
Unsecured, considered good
Doubtful

Allowance for doubtful debts
Total trade receivables

| As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|---|--|
| - | - | - |
| 3,415.62 | 653.03 | 324.64 |
| 14.06 | - | - |
| 3,429.68 | 653.03 | 324.64 |
| (14.06) | - | - |
| 3,415.62 | 653.03 | 324.64 |

Balances with bank
-in current accounts
Cash on hand
Total Cash and cash equivalents

| As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|---|--|
| 756.23 | 802.89 | 147.16 |
| 0.14 | 0.97 | 0.32 |
| 756.37 | 803.86 | 147.48 |

Balances in fixed deposit accounts with original maturity with more than 3 months but less than 12 months

Total Other Bank Balances

| As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|---|--|
| 950.00 | - | - |
| 950.00 | - | - |



Richard Payne



Note 6(f) : Other financial assets

| | |
|--|--|
| Unbilled revenue | |
| Amount recoverable from Holding company for expenses | |
| Amount recoverable from fellow Subsidiary company for expenses | |
| Interest accrued but not due | |
| Total other financial assets | |

| As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|---|--|
| - | 485.37 | - |
| 2,034.94 | 890.16 | - |
| 0.78 | 0.78 | 14.85 |
| 11.25 | - | - |
| 2,046.97 | 1,376.31 | 14.85 |

Note 7 : Current tax assets (Net)

| | |
|---|--|
| Advance income tax (net of provision Rs. Nil, March 31, 2017: Nil, April 1, 2016 : Nil) | |
| Total | |

| As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|---|--|
| 602.34 | 125.97 | 63.24 |
| 602.34 | 125.97 | 63.24 |

Note 8 : Other non-current assets

| | |
|--------------|--|
| Prepaid rent | |
| Total | |

| As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|---|--|
| 19.58 | 26.11 | - |
| 19.58 | 26.11 | - |

Note 9 : Other current assets

| | |
|-------------------------------------|--|
| Advance to vendors | |
| Balance with Government Authorities | |
| Prepaid | |
| - Rent | |
| - Other Expenses | |
| Others | |
| Total | |

| As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|---|--|
| 49.90 | 292.04 | - |
| 11.83 | - | 27.58 |
| 6.53 | 6.66 | - |
| 14.16 | 31.44 | 1.80 |
| 0.03 | 0.19 | 0.01 |
| 82.45 | 330.33 | 29.39 |



Rana Arun



Maya

Note 10 (a): Equity

Equity share capital

Authorised equity share capital

| | Number of shares (In Lakhs) | Amount (Rs. in Lakhs) |
|-----------------------------|--------------------------------|--------------------------|
| As at April 01, 2016 | 150.00 | 1,500.00 |
| Increase during the year | 100.00 | 1,000.00 |
| As at March 31, 2017 | 250.00 | 2,500.00 |
| Increase during the year | - | - |
| As at March 31, 2018 | 250.00 | 2,500.00 |

(i) Movements in equity share capital

| | Number of shares (In lakhs) | Amount (Rs. in Lakhs) |
|------------------------------------|--------------------------------|--------------------------|
| As at April 01, 2016 | 148.00 | 1,480.00 |
| Add: Shares issued during the year | 46.14 | 461.39 |
| As at March 31, 2017 | 194.14 | 1,941.39 |
| As at April 01, 2017 | 194.14 | 1,941.39 |
| Add: Shares issued during the year | 20.47 | 204.71 |
| As at March 31, 2018 | 214.61 | 2,146.10 |

Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Shares of the company held by holding / ultimate holding company

| | March 31, 2018 | | March 31, 2017 | | April 1, 2016 | |
|--|--------------------------------|--------------------------|--------------------------------|--------------------------|--------------------------------|--------------------------|
| | Number of shares (In Lakhs) | Amount (Rs. in Lakhs) | Number of shares (In lakhs) | Amount (Rs. in Lakhs) | Number of shares (In lakhs) | Amount (Rs. in Lakhs) |
| Etechaces Marketing and Consulting Private Limited, the Holding Company | - | - | 194.14 | 1,941.39 | 148.00 | 1,480.00 |
| Etechaces Marketing and Consulting Private Limited (the Holding Company) and its nominee | 214.61 | 2,146.10 | - | - | - | - |
| | 214.61 | 2,146.10 | 194.14 | 1,941.39 | 148.00 | 1,480.00 |

(iii) Details of shareholders holding more than 5% shares in the company

| | March 31, 2018 | | March 31, 2017 | | April 1, 2016 | |
|---|--------------------------------|-----------|--------------------------------|-----------|--------------------------------|-----------|
| | Number of shares (In Lakhs) | % holding | Number of shares (In Lakhs) | % holding | Number of shares (In Lakhs) | % holding |
| Etechaces Marketing and Consulting Private Limited, the Holding Company | 214.61 | 100.00% | 194.14 | 99.99% | 148.00 | 99.99% |
| | 214.61 | | 194.14 | | 148.00 | |



Rina Arora



Mangesh

Note 10 (b): Other Equity

Reserve and surplus

| Particulars | March 31, 2018 | March 31, 2017 | (Rs. in Lakhs) |
|---|-----------------|-----------------|-------------------|
| | | | April 1, 2016 |
| Securities premium reserve | 6,333.90 | 4,538.61 | - |
| Retained earnings | (4,099.40) | (3,888.00) | (1,143.92) |
| Group settled share based payment reserve | 776.35 | 471.83 | 59.22 |
| Total reserves and surplus | 3,010.85 | 1,122.44 | (1,084.70) |

i) Securities premium reserve

| Particulars | March 31, 2018 | (Rs. in Lakhs) |
|--|-----------------|-----------------|
| | | March 31, 2017 |
| Opening balance | 4,538.61 | - |
| Additions during the year | 1,795.29 | 4,538.61 |
| Deductions/Adjustments during the year | - | - |
| Closing balance | 6,333.90 | 4,538.61 |

ii) Retained earnings

| Particulars | March 31, 2018 | (Rs. in Lakhs) |
|---------------------------|----------------|----------------|
| | | March 31, 2017 |
| Opening balance | (3,888.00) | (1,143.92) |
| Net (Loss) for the period | (216.04) | (2,748.33) |

Items of other comprehensive income recognised directly in retained earnings

| | | |
|--|-------------------|-------------------|
| - Remeasurements of post-employment benefit obligation, net of tax | 4.64 | 4.25 |
| Closing balance | (4,099.40) | (3,888.00) |

iii) Group settled share based payment reserve

| Particulars | March 31, 2018 | (Rs. in Lakhs) |
|-------------------------------|----------------|----------------|
| | | March 31, 2017 |
| Opening balance | 471.83 | 59.22 |
| Employee Stock Option Expense | 304.52 | 412.61 |
| Closing balance | 776.35 | 471.83 |

Nature and purpose of other reserves:

a) Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b) Group settled share based payment reserve

Group settled share based payment reserve is used to recognise the fair value of options granted to the employees of the Company by the Holding Company under ESOP scheme.



Rishi Arora



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Note 11 : Employee benefit obligations

| | March 31, 2018 | | | March 31, 2017 | | | (Rs. in Lakhs) | | |
|---|----------------|--------------|---------------|----------------|--------------|--------------|----------------|--------------|--------------|
| | Current | Non-current | Total | Current | Non-current | Total | Current | Non-current | Total |
| Gratuity | 0.61 | 63.09 | 63.70 | 0.14 | 29.50 | 29.64 | 0.06 | 26.68 | 26.74 |
| Compensated absences | 114.22 | - | 114.22 | 46.43 | - | 46.43 | 24.77 | - | 24.77 |
| Total employee benefit obligations | 114.83 | 63.09 | 177.92 | 46.57 | 29.50 | 76.07 | 24.83 | 26.68 | 51.51 |

(i) Compensated absences

The leave obligations cover the Company's liability for sick and earned leaves. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

The amount of the provision of Rs. 114.22 lakhs (March 31, 2017 – Rs. 46.43 lakhs, April 1, 2016 – Rs. 24.77 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

| | March 31, 2018 (Rs. in Lakhs) | March 31, 2017 (Rs. in Lakhs) | April 1, 2016 (Rs. in Lakhs) |
|--|----------------------------------|----------------------------------|---------------------------------|
| Leave obligations not expected to be settled within the next 12 months | 91.55 | 38.13 | 20.56 |

(ii) Defined contribution plans
a) Provident Fund

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year ended March 31, 2018 towards defined contribution plan is Rs. 173.49 Lakhs (March 31, 2017- Rs. 93.10 Lakhs). Refer Note 16

b) Employee State Insurance

The Company has a defined contribution plan in respect of employee state insurance. The expense recognised during the year ended March 31, 2018 towards defined contribution plan is Rs. 64.71 Lakhs (March 31, 2017- Rs. 24.55 Lakhs). Refer Note 16

(iii) Post employment benefit plan obligations- Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

a) The amounts recognized in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

| | Present value of obligation (Rs. in Lakhs) | Fair value of plan assets (Rs. in Lakhs) | Net amount (Rs. in Lakhs) |
|--|---|---|------------------------------|
| April 1, 2016 | 31.74 | 5.00 | 26.74 |
| Current service cost | 29.98 | - | 29.98 |
| Interest Cost | 2.38 | - | 2.38 |
| Expected return on plan assets | - | 0.37 | (0.37) |
| Total amount recognised in profit or loss | 32.36 | 0.37 | 31.99 |
| Remeasurements | | | |
| Return on plan assets, excluding amounts included in interest expense/(income) | - | (0.76) | (0.76) |
| (Gain)/loss from change in demographic assumptions | - | - | 0.00 |
| (Gain)/loss from change in financial assumptions | (6.53) | - | (6.53) |
| Experience (gains)/losses | 3.04 | - | 3.04 |
| Total amount recognised in other comprehensive income | (3.49) | (0.76) | (4.25) |
| Employer contributions | - | 24.84 | (24.84) |
| Benefit payments | (1.41) | (1.41) | - |
| March 31, 2017 | 59.20 | 29.56 | 29.64 |



Renu Arora



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| | Present value of obligation 59.20 | Fair value of plan assets 29.56 | Net amount |
|---|---|---------------------------------------|---------------|
| April 1, 2017 | | | 29.64 |
| Current service cost | 45.24 | - | 45.24 |
| Past Service Cost | 1.17 | - | 1.17 |
| Interest expense/(income) | 4.59 | - | 4.59 |
| Expected return on plan assets | - | 2.29 | (2.29) |
| Total amount recognised in profit or loss | 51.00 | 2.29 | 48.71 |
| Remeasurements | | | |
| Return on plan assets, excluding amounts included in interest expense/(income) | - | 0.54 | 0.54 |
| (Gain)/loss from change in demographic assumptions | - | - | - |
| (Gain)/loss from change in financial assumptions | (6.12) | - | (6.12) |
| Experience (gains)/losses | 0.94 | - | 0.94 |
| Total amount recognised in other comprehensive income | (5.18) | 0.54 | (4.64) |
| Employer contributions | - | 10.00 | (10.00) |
| Benefit payments | - | - | - |
| March 31, 2018 | 105.02 | 41.31 | 63.71 |

b) The net liability disclosed above relates to funded plans are as follows:

| | March 31, 2018 (Rs. in Lakhs) | March 31, 2017 (Rs. in Lakhs) | April 1, 2016 (Rs. in Lakhs) |
|-------------------------------------|----------------------------------|----------------------------------|---------------------------------|
| Present value of funded obligations | 105.02 | 59.20 | 31.74 |
| Fair value of plan assets | 41.31 | 29.56 | 5.00 |
| Deficit of funded plan | 63.71 | 29.64 | 26.74 |
| Unfunded plans | - | - | - |
| Deficit of gratuity plan | 63.71 | 29.64 | 26.74 |

c) The significant actuarial assumptions were as follows:

| | Employees Gratuity Fund | | | Compensated absences | | |
|--|-------------------------|----------------|---------------|----------------------|----------------|---------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| Discount Rate (per annum) | 7.75% | 7.5% | 8.0% | 7.50% | 7.5% | 8.0% |
| Rate of Increase in Compensation levels (p.a.) | 10.0% | 10.0% | 12.0% | 10.0% | 10.0% | 12.0% |
| Attrition Rate | 0-40% | 0-40% | 0-40% | 0-40% | 0-40% | 0-40% |
| Expected average remaining working lives of employees (years) | 32.20 | 32.10 | 31.80 | 32.20 | 32.10 | 31.80 |

Assumptions regarding future mortality for pension are set based on actuarial advice in accordance with published statistics and experience. The discount rate assumed is determined by reference to market yield at the balance sheet date on government bonds. The estimates of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.



Richa Arora



Maya

d) Sensitivity analysis:

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Impact on defined benefit obligation

| | Change in assumption | | Impact on defined benefit obligation | | | |
|--------------------|----------------------|----------------|--------------------------------------|----------------|------------------------|----------------|
| | | | Increase in assumption | | Decrease in assumption | |
| | March 31, 2018 | March 31, 2017 | March 31, 2018 | March 31, 2017 | March 31, 2018 | March 31, 2017 |
| Discount rate | 1% | 1% | -11% | -12% | 14% | 15% |
| Salary growth rate | 1% | 1% | 13% | 14% | -11% | -12% |

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. Assumptions other than discount rate and salary growth rate are not material for the Company.

e) The major categories of plans assets are as follows:

Funds Managed by Insurer* - 100%

*The Funds are managed by Life Insurance Corporation and Kotak Mahindra Life Insurance Company Limited. They do not provide breakup of plan assets by investment type.

f) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The gratuity fund is administered through Life Insurance Corporation of India and (insurer) Kotak Mahindra Life Insurance Company Limited under its group gratuity scheme. Accordingly almost the entire plan asset investments is maintained by the insurer. These are subject to interest rate risk which is managed by the insurer.

Changes in bond yields: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets maintained by the insurer. The gratuity fund is administered through Life Insurance Corporation (LIC) of India & Kotak Mahindra Life Insurance Company Limited under its Group Gratuity Scheme.

g) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 24 years (2017 - 25 years, 2016 - 26 years).

The expected maturity analysis of undiscounted post employment benefit plan (gratuity) is as follows :

| | Less than a year (Rs. in Lakhs) | Between 1 - 2 years (Rs. in Lakhs) | Between 2 - 5 years (Rs. in Lakhs) | Over 5 years (Rs. in Lakhs) | Total (Rs. in Lakhs) |
|---------------------------------------|---------------------------------------|--|--|-----------------------------------|-------------------------|
| March 31, 2018 | | | | | |
| Defined benefit obligation (Gratuity) | 1.22 | 5.69 | 63.63 | 73.43 | 143.97 |
| Total | 1.22 | 5.69 | 63.63 | 73.43 | 143.97 |
| March 31, 2017 | | | | | |
| Defined benefit obligation (Gratuity) | - | 0.63 | 26.12 | 45.98 | 72.73 |
| Total | - | 0.63 | 26.12 | 45.98 | 72.73 |
| April 1, 2016 | | | | | |
| Defined benefit obligation (Gratuity) | - | 0.29 | 11.98 | 22.26 | 34.53 |
| Total | - | 0.29 | 11.98 | 22.26 | 34.53 |



Renu Arora



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Note 12 : Financial liabilities**Note 12(a) : Trade payables****Current**

Trade Payables (Refer note 23)

Payables to related parties (Refer note 27)

Total trade payables

| As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|---|--|
| 1,879.49 | 840.02 | 468.17 |
| 80.44 | 80.44 | 171.86 |
| 1,959.93 | 920.46 | 640.03 |

Note 12(b) : Other financial liabilities**Current**

Employee related payables

Total

| As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|---|--|
| 403.58 | 231.89 | 92.47 |
| 403.58 | 231.89 | 92.47 |

Non-Current

Lease equalisation reserve

Total

| | | |
|--------------|----------|----------|
| 11.74 | - | - |
| 11.74 | - | - |

Note 13 : Other current liabilities

Statutory dues including provident fund and tax deducted at source

Total

| As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|---|--|
| 765.42 | 146.07 | 56.15 |
| 765.42 | 146.07 | 56.15 |



Renu Pooja



Manoj

Note 14 : Revenue from operations

| | Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) |
|---|--|--|
| Commission on web aggregation of financial products | 4,693.13 | 1,442.19 |
| Investment advisory fees | 5.20 | 5.40 |
| Sale of Leads | 3,009.12 | 825.91 |
| Online marketing and consulting | 1,939.74 | 443.42 |
| Total revenue from operations | 9,647.19 | 2,716.92 |

Note 15 : Other income

| | Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) |
|---|--|--|
| Interest income from financial assets at amortised cost | 3.88 | 2.29 |
| Interest Income accrued but not due | 11.25 | - |
| Interest on income tax refund | - | 3.06 |
| Unwinding of discount on security deposits | 5.66 | 0.62 |
| Net gain on financial assets carried at fair value through profit or loss | - | 0.28 |
| Gain on foreign exchange fluctuations | 0.17 | 0.05 |
| Gain on Sale of fixed asset* | - | 0.00 |
| Net gain on sale of investments | 35.95 | 20.47 |
| Total | 56.91 | 26.77 |

* Amount is below the rounding off norm adopted by the Company.

Note 16 : Employee benefit expense

| | Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) |
|--|--|--|
| Salaries, wages and bonus | 4,079.87 | 2,321.98 |
| Less: Salary charged to Holding company* | (787.55) | (591.87) |
| Add: Salary charged by Fellow subsidiary company* | - | 90.52 |
| Contributions to Provident and Other funds (Refer note 11) | 3,292.32 | 1,820.63 |
| Compensated absences | 238.19 | 117.65 |
| Gratuity (Refer note 11) | 91.25 | 33.58 |
| Staff welfare expenses | 48.70 | 31.99 |
| Employee share-based payment expense [Refer note 25(b)] | 74.09 | 42.09 |
| Total | 304.52 | 412.61 |
| | 4,049.07 | 2,458.55 |

*As per the agreement with holding and fellow subsidiary company, salary cost of the Company will be shared with Holding and fellow subsidiary companies for support provided to the Holding/subsidiary companies by employees of Paisabazaar Marketing and Consulting Private Limited.

Note 17 : Depreciation and amortisation expense

| | Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) |
|---|--|--|
| Depreciation of property, plant and equipment | 289.64 | 7.91 |
| Amortisation of intangible asset | 9.41 | 3.97 |
| Total | 299.05 | 11.88 |

Note 18 : Advertising and promotion expenses

| | Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) |
|--|--|--|
| Advertisement expenses: | | |
| Offline | 1,749.47 | 721.00 |
| Online | 4,280.91 | 1,927.67 |
| | 6,030.38 | 2,648.67 |
| Less: Cost charged to holding company* | (1,729.29) | (426.56) |
| | 4,301.09 | 2,222.11 |
| Business promotion expenses | 14.34 | 38.03 |
| Total | 4,315.43 | 2,260.14 |

* As per the agreement with the Holding company, expenditure incurred on brand creation, advertisement and online marketing by the Company will be borne by the Holding company and Paisabazaar in the ratio of 30:70 (March 31, 2017 - 60:40)



Rishu Arora



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Note 19 : Network, internet and other direct expenses

Internet and server charges
Computer and equipment rental (Refer note 28)
IT consultancy charges
Communication expenses

| Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) |
|--|--|
| 59.26 | 29.22 |
| 1.56 | 26.99 |
| 10.76 | 0.20 |
| 309.12 | 141.79 |
| 380.70 | 198.20 |

Note 20 : Administration and other expenses

Electricity and water expenses (Refer note 28)
Legal and professional charges
Rent (Refer note 24 (b) & 28)
Repair and maintenance - others
Security and housekeeping expenses
Office expense
Travel and conveyance
Recruitment expenses
Rates and taxes
Insurance
Printing and stationery
Postage and courier expense
Payment to auditors
As Auditor:
Audit fee
Tax audit fee
Reimbursement of expenses
Collection charges
Bank charges
Training and seminar
Provision for doubtful debts
Brokerage and Commission
Miscellaneous expenses
Total

| Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) |
|--|--|
| 98.42 | 62.44 |
| 14.17 | 21.08 |
| 352.67 | 228.96 |
| 113.63 | 29.44 |
| 67.27 | 73.08 |
| 17.91 | 13.88 |
| 77.31 | 50.14 |
| 24.10 | 20.35 |
| 37.41 | 32.39 |
| 9.36 | 4.18 |
| 12.70 | 9.63 |
| 2.91 | 1.77 |
| 8.53 | 7.02 |
| 0.50 | 0.50 |
| 0.10 | 0.10 |
| 0.10 | - |
| 1.38 | 0.58 |
| 3.35 | 1.64 |
| 14.06 | - |
| 5.78 | 3.42 |
| 1.08 | 2.65 |
| 862.74 | 563.25 |



Rina Arora



Manjiv

Note 21: Income tax expense

| (a) Income tax expense | As at | As at |
|-------------------------------------|----------------|----------------|
| | March 31, 2018 | March 31, 2017 |
| | (Rs. in Lakhs) | (Rs. in Lakhs) |
| Current tax | | |
| Current tax on profits for the year | 13.15 | - |
| Total current tax expense | 13.15 | - |
| Income tax expense | 13.15 | - |

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

| | | |
|--|--------------|------------|
| (Loss) before tax | | |
| Tax at the Indian tax rate of 26% (2016-2017 - 34.61%) | (202.89) | (2,748.33) |
| | (52.75) | (951.20) |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: | | |
| Capital gain tax on sale of current investments | 13.15 | - |
| Tax losses and temporary differences for which no deferred income tax is recognised | 52.75 | 951.20 |
| Income Tax Expense | 13.15 | - |



Ritesh Arora



Manoj Kumar

Note 22: Deferred Tax Assets

a) Deferred Tax Assets (Net)

| | As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|--------------------------------------|---|---|--|
| Particulars | | | |
| Deferred Tax Liability | - | (2.01) | - |
| Deferred Tax Assets | - | 2.01 | - |
| Net Deferred Tax Asset / (Liability) | - | - | - |

b) Components of Deferred Tax/Liability

| | As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|---|---|---|--|
| Particulars | | | |
| Property, plant and equipment & Intangibles | (23.66) | 2.01 | - |
| Total | (23.66) | 2.01 | - |

c) Components of Deferred Tax Assets

| | As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) | As at April 1, 2016 (Rs. in Lakhs) |
|------------------------------|---|---|--|
| Particulars | | | |
| Defined Benefit Obligations | 61.52 | 27.80 | - |
| Lease Equalisation Reserve | 3.05 | - | - |
| Provision for doubtful debts | 3.65 | - | - |
| Tax Losses | 862.85 | 321.25 | - |
| Others | 0.30 | - | - |
| Total | 931.37 | 349.05 | - |

d) Unused tax losses and unrecognised temporary differences:

| | As at March 31, 2018 (Rs. in Lakhs) | As at March 31, 2017 (Rs. in Lakhs) |
|---|---|---|
| Particulars | | |
| Unused tax losses for which no deferred tax asset has been recognised | 3,299.69 | 1,039.66 |
| Other tax credits # | 18.97 | - |
| Deductible temporary differences | 354.55 | 83.44 |
| Total | 3,673.21 | 1,123.11 |
| Potential tax benefit @ 26% (March 31, 2017@30.90%) | 955.03 | 347.04 |

Expiry dates for unused tax losses

| | | |
|------------------|----------|----------|
| - March 31, 2024 | 1,039.66 | 1,039.66 |
| - March 31, 2025 | 2,260.03 | - |

It includes unabsorbed depreciation which can be carried forward indefinitely and have no expiry date.

Considering the fact that the Company has completed its seven year of operations and has incurred losses in current financial year as well, a deferred tax asset has not been recognized on deductible temporary differences, unused tax losses and unused tax credits.



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Note : 23 Dues to micro, small and medium enterprises

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2018.

Note 24 : Commitments**(a) Capital commitments**

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

| | Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) | Year ended April 1, 2016 (Rs. in Lakhs) |
|-------------------------------|--|--|---|
| Property, plant and equipment | 15.99 | - | - |

(b) Non-cancellable operating leases

The Company leases various offices under non-cancellable operating leases expiring within one to five years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of leases are re-negotiated.

| | Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) | Year ended April 1, 2016 (Rs. in Lakhs) |
|--|--|--|---|
| Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows: | | | |
| Within one year | 195.63 | - | - |
| Later than one year but not later than five years | 645.59 | - | - |
| Later than five years | - | - | - |

Rental expense relating to operating leases

| | Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) |
|---|--|--|
| Total rental expense relating to operating leases (Refer note 20) | 352.67 | 228.96 |



Rina Arora



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Note 25: Share based payments

(a) Employee option plan

The Parent company (Etechaces Marketing and Consulting Private Limited) has set up a trust to administer the ESOP scheme under which options have been granted to certain employees of the Company and its subsidiaries. Under this ESOP scheme, the employees can purchase equity shares by exercising the options as vested at the price specified in the grant. The options granted till March 31, 2018 have a vesting period of maximum 5 years from the date of grant.

i) Summary of options granted under plan :

| | March 31, 2018 | | March 31, 2017 | |
|----------------------------------|---|-------------------|---|-------------------|
| | Average exercise price per share option (Rs.) | Number of options | Average exercise price per share option (Rs.) | Number of options |
| Opening Balance | 10 | 514 | 10 | 221 |
| Granted during the year | 10 | 807 | 10 | 433 |
| Exercised during the year* | 10 | (80) | 10 | (4) |
| Forfeited/lapsed during the year | 10 | (38) | 10 | (136) |
| Closing Balance | | 1,203 | | 514 |
| Vested and exercisable | | 657 | | 439 |

*The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2018 was Rs. 10 (March 31, 2017 - Rs. 10)

No options expired during the periods covered in the above tables.

ii) Share options outstanding at the end of year have following expiry date and exercise prices :

| Grant | Grant date | Expiry date | Exercise price | Share options March 31, 2018 | Share options March 31, 2017 | Share options April 1, 2016 |
|--|-------------------|----------------|----------------|------------------------------|------------------------------|-----------------------------|
| Grant 3 | April 01, 2014 | March 31, 2030 | 10 | - | - | 10 |
| Grant 4 | April 01, 2015 | March 31, 2030 | 10 | 46 | 104 | 211 |
| Grant 5 | April 01, 2016 | March 31, 2030 | 10 | 350 | 410 | - |
| Grant 6 | April 01, 2017 | March 31, 2030 | 10 | 564 | - | - |
| Grant 7 | December 01, 2017 | March 31, 2030 | 10 | 243 | - | - |
| Total | | | | 1,203 | 514 | 221 |
| Weighted Average remaining contractual life of options outstanding at end of period | | | | 12 Years | 13 Years | 14 Years |

iii) Fair value of options granted :

The fair value at grant date of options granted during the year ended March 31, 2018 was Rs. 69,873 per option for Grant 6 and Rs. 116,783 per option for Grant 7 (March 31, 2017 - Rs. 59,593). The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2018 included:

- options are granted at face value and vest upon completion of service for a period not exceeding five years. Vested options are exercisable till March 31, 2030.
- exercise price: Rs.10 (March 31, 2017 - Rs.10)
- grant date: April 1, 2017 and December 1, 2017 (March 31, 2017 - April 1, 2016)
- expiry date: March 31, 2030 (March 31, 2017 - March 31, 2030)
- expected price volatility of the holding company's shares: 48.63% for Grant-6 and 58.63% for Grant 7 (March 31, 2017- 37%)
- expected dividend yield: 0% (March 31, 2017 - 0%)
- risk-free interest rate: 6.7% for Grant 6 and 7.1% for Grant 7 (March 31, 2017 -7.5%)

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

(b) Expense arising from share based payment transaction

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

| | March 31, 2018 | March 31, 2017 |
|---|----------------|----------------|
| Employee option plan | 304.52 | 412.61 |
| Total employee share based payment expense | 304.52 | 412.61 |



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Note 26: Earnings/(Loss) per share

| Particulars | | Year ended March 31, 2018 | Year ended March 31, 2017 |
|--|-----|--------------------------------------|--------------------------------------|
| Basic and diluted | | | |
| Profit/(Loss) attributable to Equity Shareholders (Rs. in Lakhs) | A | (202.89) | (2,748.33) |
| Weighted average number of shares outstanding | B | 1,97,50,405 | 1,60,89,493 |
| Basic Earnings/(Loss) per share (Rs.) | A/B | (1.03) | (17.08) |
| Diluted Earnings/(Loss) per share (Rs.) | | (1.03) | (17.08) |
| Face value per share (Rs.) | | 10 | 10 |

The Company does not have any outstanding potential dilutive equity shares.



Ritesh Arora



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Note 27: Related Party Disclosures:

Disclosures in accordance with the requirements of IND AS - 24 on Related Party Disclosures, as identified and certified by the management are set out as below:

(a) Names of Related Parties and nature of relationship:**(i) where control exists**

Holding Company:

Elechacos Marketing and Consulting Private Limited

(ii) Other Related Parties with whom transactions have taken place during the year:

Fellow Subsidiaries :

Icall Support Services Private Limited
Policybazaar Insurance Web Aggregator Private Limited

Key Management Personnel:

Mr. Navcen Kukreja, WTD
Mr. Yashish Dahiva, Director
Mr. Alok Bansal, Director
Mr. Manoj Sharma, Director (w.e.f. September 01, 2017)

(b) Transactions with related parties

The following transactions occurred with related parties :

| Particulars | Holding Company | | Fellow Subsidiaries | | | | Key Management Personnel ¹ | |
|---|--|-----------|--|-----------|---|-----------|---------------------------------------|-----------|
| | Elechacos Marketing And Consulting Private Limited | | Icall Support Services Private Limited | | Policybazaar Insurance Web Aggregator Private Limited | | | |
| | 31-Mar-18 | 31-Mar-17 | 31-Mar-18 | 31-Mar-17 | 31-Mar-18 | 31-Mar-17 | 31-Mar-18 | 31-Mar-17 |
| Subscription of 2,047,082 equity shares of Rs.10 each [Refer note 10(a)] | 204.71 | 461.39 | - | - | - | - | - | - |
| Securities Premium on subscription of 2,047,082 equity shares [Refer note 10(b)] | 1,795.29 | 4,538.61 | - | - | - | - | - | - |
| Cost charged back by Holding company for sharing of resources (Refer note 28) | 152.69 | 230.68 | - | - | - | - | - | - |
| Cost charged back by Fellow subsidiary company for sharing of resources (Refer note 29) | - | - | - | - | - | - | - | - |
| a) Salary Cost | - | - | - | - | - | 90.52 | - | - |
| b) Rent Expenses | - | - | - | 10.05 | - | - | - | - |
| Amount reimbursed for : | - | - | - | - | - | - | - | - |
| a) Car Lease cost | - | 2.48 | - | - | - | - | - | - |
| b) Other Expenses | - | - | - | - | 8.97 | - | - | - |
| Cost charged to Holding/Fellow Subsidiary companies for sharing of resources (Refer note 30 & 31) | - | - | - | - | - | - | - | - |
| a) Salary Cost | 787.55 | 591.87 | - | - | - | - | - | - |
| b) Advertisement expense | 1,394.80 | 426.56 | - | - | - | - | - | - |
| c) Advertisement expense - Other | 73.56 | - | - | - | - | - | - | - |
| d) Online Marketing | 260.93 | - | - | - | - | - | - | - |
| e) Electricity expense | - | - | - | 2.20 | - | 19.34 | - | - |
| f) Other Expenses | - | - | - | - | - | - | - | - |
| Employee share-based payment expense [Refer note 25(b)] | 304.52 | 412.61 | - | - | - | - | - | - |
| Remuneration (Gross of Tax) | - | - | - | - | - | - | 238.03 | 183.80 |
| (c) Balances as at year end | - | - | - | - | - | - | - | - |
| Trade Payable [Refer note 12(a)] | - | - | - | - | 80.44 | 80.44 | - | - |
| Other financial assets - current [Refer note 6(f)] | 2,034.94 | 890.16 | 0.78 | 0.78 | - | - | - | - |

Note 1: The brand names "Paisabazaar" and "Paisabazaar.com" are owned by Elechacos Marketing and Consulting Private Limited (i.e. Parent company). Considering the Company is in its initial years of operations (being business development phase), the parent company does not charge any fees towards usage of Intellectual Property Right (IPR). The parent company will consider to charge the IPR usage fees from the Company once its operations will scale up in future.

Note 2: Amounts are exclusive of applicable taxes.

*Mr. Yashish Dahiva, Mr. Alok Bansal and Mr. Manoj Sharma do not take any remuneration from Paisabazaar Marketing and Consulting Private Limited.

(d) Key management personnel compensation

| | March 31, 2018 (Rs. in Lakhs) | March 31, 2017 (Rs. in Lakhs) |
|-------------------------------|----------------------------------|----------------------------------|
| Short-term employee benefits | 122.97 | 106.95 |
| Post-employment benefits | 16.13 | 6.67 |
| Long-term employee benefits | - | - |
| Termination benefits | - | - |
| Employee share based payments | 98.93 | 70.18 |
| Total compensation | 238.03 | 183.80 |

Note 28: During the year, Elechacos Marketing and Consulting Private Limited, the holding company shared some of the resources with the Company and have charged the relevant cost based on actual usage of resources by the Company, details of which are as under:

| | Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) |
|---|--|--|
| Cost charged to Paisabazaar Marketing and Consulting Private Limited: (net of applicable taxes) | | |
| Rent | 135.62 | 212.57 |
| Electricity Expenses | 17.07 | - |
| Computer and Equipment Rental | - | 18.11 |
| | 152.69 | 230.68 |

Note 29: During the year, the fellow subsidiary companies shared some of the resources with the Company and have charged the relevant cost based on actual usage of resources by the Company, details of which are as under:

| | Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) |
|---|--|--|
| Cost charged by Policybazaar Insurance Web Aggregator Private Limited: (net of service tax) | | |
| Salary Expenses | - | 90.52 |
| | - | 90.52 |
| Cost charged by Icall Support services Private Limited: (net of service tax) | | |
| Rent Expenses | - | 10.05 |
| | - | 10.05 |



King Arup



Note 30: During the year Paisabazaar has shared some of the resources with the holding company and have charged the relevant cost to them based on actual usage of resources, details of which are as under:

| | Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) |
|--|--|--|
| Cost charged to Etchaces Marketing and Consulting Private Limited; (net of applicable taxes) | | |
| Salary Expenses | 787.55 | 591.87 |
| Advertisement Expense | 1,394.80 | 426.56 |
| Advertisement expense - Other | 73.56 | - |
| Online Marketing | 260.93 | - |
| | <u>2,516.84</u> | <u>1,018.43</u> |

Note 31: During the year Paisabazaar has shared some of the resources with the fellow subsidiary Companies and have charged the relevant cost to them based on actual usage of resources, details of which are as under:

| | Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) |
|---|--|--|
| Cost charged to Policybazaar Insurance Web Aggregator Private Limited; (net of service tax) | | |
| Electricity Expenses | - | 19.34 |
| | <u>-</u> | <u>19.34</u> |

| | Year ended March 31, 2018 (Rs. in Lakhs) | Year ended March 31, 2017 (Rs. in Lakhs) |
|--|--|--|
| Cost charged to Iqall Support services Private Limited; (net of service tax) | | |
| Electricity Expenses | - | 2.20 |
| | <u>-</u> | <u>2.20</u> |



Rina Arora



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Note 32 : Fair Value measurements

a) Financial instruments by category

| | March 31, 2018 (Rs. in Lakhs) | | | March 31, 2017 (Rs. in Lakhs) | | | April 1, 2016 (Rs. in Lakhs) | | |
|--|----------------------------------|-------|-----------------|----------------------------------|-------|-----------------|---------------------------------|-------|----------------|
| | FVTPL | FVOCI | Amortised cost | FVTPL | FVOCI | Amortised cost | FVTPL | FVOCI | Amortised cost |
| Financial assets | | | | | | | | | |
| Investments | | | | | | | | | |
| - Mutual funds | - | - | - | 1,000.28 | - | - | 652.80 | - | - |
| Trade receivables | - | - | 3,415.62 | - | - | 653.03 | - | - | 324.64 |
| Cash and cash equivalents | - | - | 756.37 | - | - | 803.86 | - | - | 147.48 |
| Other bank balances | - | - | 950.00 | - | - | - | - | - | - |
| Loans- Security deposits | - | - | 72.44 | - | - | 68.69 | - | - | 1.48 |
| Employee Loans | - | - | 3.74 | - | - | 2.06 | - | - | 0.73 |
| Unbilled revenue | - | - | - | - | - | 485.37 | - | - | - |
| Amount recoverable from Holding company for expenses | - | - | 2,034.94 | - | - | 890.16 | - | - | - |
| Amount recoverable from fellow Subsidiary company for expenses | - | - | 0.78 | - | - | 0.78 | - | - | 14.85 |
| Interest accrued but not due | - | - | 11.25 | - | - | - | - | - | - |
| Total financial assets | - | - | 7,245.14 | 1,000.28 | - | 2,903.95 | 652.80 | - | 489.18 |
| Financial liabilities | | | | | | | | | |
| Trade payables | - | - | 1,959.93 | - | - | 920.46 | - | - | 640.03 |
| Employee related payables | - | - | 403.58 | - | - | 231.89 | - | - | 92.47 |
| Lease equalisation reserve | - | - | 11.74 | - | - | - | - | - | - |
| Total financial liabilities | - | - | 2,375.25 | - | - | 1,152.35 | - | - | 732.50 |

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

b) Fair value hierarchy

Financial assets measured at fair value :

| As at March 31, 2018 | Notes | Level 1 | Level 2 | Level 3 | (Rs. in Lakhs) Total |
|---------------------------------|-------|---------|---------|---------|-------------------------|
| Financial assets | | | | | |
| Financial Investments at FVTPL: | | | | | |
| Investments in Mutual funds | 6(b) | - | - | - | - |
| Total financial assets | | - | - | - | - |

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

| As at March 31, 2018 | Notes | Level 1 | Level 2 | Level 3 | (Rs. in Lakhs) Total |
|-------------------------------|-------|---------|---------|--------------|-------------------------|
| Financial assets | | | | | |
| Loans | | | | | |
| Loans to employees | 6(a) | - | - | 3.74 | 3.74 |
| Security deposits | 6(a) | - | - | 72.44 | 72.44 |
| Total financial assets | | - | - | 76.18 | 76.18 |

Financial assets measured at fair value :

| As at March 31, 2017 | Notes | Level 1 | Level 2 | Level 3 | (Rs. in Lakhs) Total |
|---------------------------------|-------|-----------------|---------|---------|-------------------------|
| Financial assets | | | | | |
| Financial Investments at FVTPL: | | | | | |
| Investments in Mutual funds | 6(b) | 1,000.28 | - | - | 1,000.28 |
| Total financial assets | | 1,000.28 | - | - | 1,000.28 |

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

| As at March 31, 2017 | Notes | Level 1 | Level 2 | Level 3 | (Rs. in Lakhs) Total |
|-------------------------------|-------|---------|---------|--------------|-------------------------|
| Financial assets | | | | | |
| Loans | | | | | |
| Loans to employees | 6(a) | - | - | 2.06 | 2.06 |
| Security deposits | 6(a) | - | - | 68.69 | 68.69 |
| Total financial assets | | - | - | 70.75 | 70.75 |

Financial assets measured at fair value :

| As at April 1, 2016 | Notes | Level 1 | Level 2 | Level 3 | (Rs. in Lakhs) Total |
|---------------------------------|-------|---------------|---------|---------|-------------------------|
| Financial assets | | | | | |
| Financial Investments at FVTPL: | | | | | |
| Investments in Mutual funds | 6(b) | 652.80 | - | - | 652.80 |
| Total financial assets | | 652.80 | - | - | 652.80 |



Maya
Rina

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

| As at April 1, 2016 | Notes | (Rs. in Lakhs) | | | |
|-------------------------------|-------|----------------|---------|---------|-------|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | |
| Loans | | | | | |
| Loans to employees | 6(a) | - | - | 0.73 | 0.73 |
| Security deposits | 6(a) | - | - | 1.48 | 1.48 |
| Total financial assets | | - | - | 2.21 | 2.21 |

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

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. For example, unlisted equity securities, etc.

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

c) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or mutual fund houses quotes (NAV) for such instruments. This is included in Level 1.
- the fair value of the remaining financial instrument is determined using discounted cash flow analysis. This is included in Level 3.

d) Fair value of financial assets and liabilities measured at amortised cost

| | March 31, 2018 (Rs. In Lakhs) | | March 31, 2017 (Rs. In Lakhs) | | April 1, 2016 (Rs. In Lakhs) | |
|-------------------------------|----------------------------------|--------------|----------------------------------|--------------|---------------------------------|-------------|
| | Carrying amount | Fair value | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets | | | | | | |
| Loans | | | | | | |
| Loans to employees | 3.74 | 3.74 | 2.06 | 2.06 | 0.73 | 0.73 |
| Security deposits | 72.44 | 72.44 | 68.69 | 68.69 | 1.48 | 1.48 |
| Total financial assets | 76.18 | 76.18 | 70.75 | 70.75 | 2.21 | 2.21 |

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair values due to their short term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



Ricva Arora



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Note No.: 33

Financial risk and Capital management

A) Financial risk management framework

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

| Risk | Exposure arising from | Measurement | Management |
|----------------|--|-----------------------------|---|
| Credit risk | Cash and cash equivalents, trade receivables, other financial assets measured at amortised cost. | Aging analysis | Diversification of bank deposits, credit limits and letters of credit |
| Liquidity risk | Other financial liabilities | Rolling cash flow forecasts | Availability of surplus cash and support from parent company |
| Price Risk | Investments in mutual funds | Credit rating | Portfolio diversification and regular monitoring |

(a) Credit risk

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

Trade receivables related credit risk

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry. A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence and goodwill. Outstanding customer receivables are regularly monitored by the management.

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties. The calculation is based on historical data of actual losses. The Company evaluates the concentration of risk with respect to trade receivables as low.

Trade receivables are written off when there is no reasonable expectation of recovery.

Provision for expected credit losses

The Company provides for expected credit loss based on the following:

| Category | Description of category | Basis for recognition of expected credit loss provision | | |
|---|--|---|-------------------------------|---------------------------------|
| | | Security deposits | Loans to employees | Trade receivables |
| High quality assets, negligible credit risk | Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil | | | |
| Quality assets, low credit risk | Assets where there is low risk of default and where the counter party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past | 12-month expected credit loss | 12-month expected credit loss | Lifetime expected credit losses |

Year ended March 31, 2018:

(a) Expected credit loss for security deposits & loans to employees:

(Amount in Rs. Lakhs)

| Particulars | Category | Description of category | Asset group | Estimated gross carrying amount at default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
|--|---|--|--------------------|--|---------------------------------|------------------------|---|
| Loss allowance measured at 12 month expected credit losses | High quality assets, negligible credit risk | Assets where the counterparty has strong capacity to meet the obligations and where the risk of default is negligible or nil | Security deposits | 72.44 | 0.00% | - | 72.44 |
| | | | Loans to employees | 3.74 | 0.00% | - | 3.74 |



Rishu Singh



(b) Lifetime expected credit loss for trade receivables under simplified approach:

(Amount in Rs. Lakhs)

| Particulars/Ageing | 0-90 days | 91-180 days | 181-365 days | More than 365 days | Total |
|--|-----------|-------------|--------------|--------------------|----------|
| Gross carrying amount | 3,283.39 | - | 137.27 | 9.02 | 3,429.68 |
| Expected loss rate | 0.10% | - | 6.75% | 16.65% | |
| Expected credit losses (Loss allowance provision) | 3.30 | - | 9.26 | 1.50 | 14.06 |
| Carrying amount of trade receivables (net of impairment) | 3,280.09 | - | 128.01 | 7.52 | 3,415.62 |

Year ended March 31, 2017:

(a) Expected credit loss for security deposits & loans to employees:

(Amount in Rs. Lakhs)

| Particulars | Category | Description of category | Asset group | Estimated gross carrying amount at default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
|--|---|--|--------------------|--|---------------------------------|------------------------|---|
| Loss allowance measured at 12 month expected credit losses | High quality assets, negligible credit risk | Assets where the counterparty has strong capacity to meet the obligations and where the risk of default is negligible or nil | Security deposits | 68.69 | 0.00% | - | 68.69 |
| | | | Loans to employees | 2.06 | 0.00% | - | 2.06 |

(b) Lifetime expected credit loss for trade receivables under simplified approach:

(Amount in Rs. Lakhs)

| Particulars/Ageing | 0-90 days | 91-180 days | 181-365 days | More than 365 days | Total |
|--|-----------|-------------|--------------|--------------------|--------|
| Gross carrying amount | 626.44 | 15.21 | 8.41 | 2.98 | 653.03 |
| Expected loss rate | 0.00% | 0.00% | 0.00% | 0.00% | |
| Expected credit losses (Loss allowance provision) | - | - | - | - | - |
| Carrying amount of trade receivables (net of impairment) | 626.44 | 15.22 | 8.40 | 2.98 | 653.03 |

As at April 1, 2016:

(a) Expected credit loss for security deposits & loans to employees:

(Amount in Rs. Lakhs)

| Particulars | Category | Description of category | Asset group | Estimated gross carrying amount at default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
|--|---|--|--------------------|--|---------------------------------|------------------------|---|
| Loss allowance measured at 12 month expected credit losses | High quality assets, negligible credit risk | Assets where the counterparty has strong capacity to meet the obligations and where the risk of default is negligible or nil | Security deposits | 1.48 | 0.00% | - | 1.48 |
| | | | Loans to employees | 0.73 | 0.00% | - | 0.73 |

(b) Lifetime expected credit loss for trade receivables under simplified approach:

(Amount in Rs. Lakhs)

| Particulars/Ageing | 0-90 days | 91-180 days | 181-365 days | More than 365 days | Total |
|--|-----------|-------------|--------------|--------------------|--------|
| Gross carrying amount | 320.07 | 4.26 | 0.31 | - | 324.64 |
| Expected loss rate | 0.00% | 0.00% | 0.00% | - | |
| Expected credit losses (Loss allowance provision) | - | - | - | - | - |
| Carrying amount of trade receivables (net of impairment) | 320.07 | 4.26 | 0.31 | - | 324.64 |

The following table summarizes the change in loss allowance measured using the life time expected credit loss model:

| | Rs. in Lakhs |
|----------------------------------|--------------|
| Loss allowance on April 1, 2016 | - |
| Changes in loss allowance | - |
| Loss allowance on March 31, 2017 | - |
| Changes in loss allowance | 14.06 |
| Loss allowance on March 31, 2018 | 14.06 |

Treasury related credit risk

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.



Richa Arora



(b) Liquidity risk

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

The Company's treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

| | 0 to 1 year | More than 1 year | (Rs. in Lakhs) Total |
|---|-----------------|------------------|-------------------------|
| March 31, 2018 | | | |
| Non-derivatives | | | |
| Trade payables | 1,959.93 | - | 1,959.93 |
| Other financial liabilities | 403.58 | 11.74 | 415.32 |
| Total non-derivative liabilities | 2,363.51 | 11.74 | 2,375.25 |
| March 31, 2017 | | | |
| Non-derivatives | | | |
| Trade payables | 920.46 | - | 920.46 |
| Other financial liabilities | 231.89 | - | 231.89 |
| Total non-derivative liabilities | 1,152.35 | - | 1,152.35 |
| April 1, 2016 | | | |
| Non-derivatives | | | |
| Trade payables | 640.03 | - | 640.03 |
| Other financial liabilities | 92.47 | - | 92.47 |
| Total non-derivative liabilities | 732.50 | - | 732.50 |

(c) 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.

The Company's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses.

Loss for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

B) Capital management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital and accumulated profits/losses.



Richa Arora



Manjiv

Note 34 : Segment information

An operating segment is one whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. The Company has identified its whole time director as its chief operating decision maker. The Company's business activities fall within a single business segment as the Company is engaged in the business of showing online comparison and sales of financial products like home/car/personal/education/other loans, credit cards, saving accounts, mutual funds etc. Based on nature of services rendered, the risk and returns, internal organization and management structure and the internal performance reporting systems, the management considers that the Company is organized basis a single segment of rendering a bundle of services to the financial services industry. The chief decision maker reviews the performance of business as on overall basis. As the Company has a single reportable segment, the segment wise disclosure requirements of Ind AS 108 on Operating segment is not applicable. Further, the Company earns entire revenue within India only.

The revenues of Rs. 1,377.06 Lakhs (March 31, 2017 - Rs. 800.42 Lakhs) are derived from a single external customer.

Note 35 : Going concern

The Company's business activities, together with the factors likely to affect its future development and performance along with the financial position of the Company, its projected cash flows and letter of support provided by Etechaces Marketing and Consulting Private Limited have been reviewed by the Board of Directors and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Company has continued to adopt the going concern basis of accounting in preparing the financial statements.

Note 36 : New and amended IND AS standards

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on March 28, 2018 which includes Ind AS 115 'Revenue from Contracts with Customers' and Amendments to Ind AS 12 Income taxes regarding recognition of deferred tax assets on unrealised losses. The new standard and amendment will come into effect for the annual reporting periods beginning on or after April 1, 2018. The Company is currently assessing the impact of the application of Ind AS 115 and amendments to Ind AS 12 on the financial statements of the Company. The Company will adopt the new standard and amendments to Ind AS 12 for the periods beginning April 1, 2018. Ind AS 115 - Revenue from contracts with Customers outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most current revenue recognition guidance. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively including service revenues and contract modifications and improve guidance for multiple-element arrangements.

Note 37 : Specified Bank Notes (SBNs) held and transacted during the period from 8 November 2016 to 30 December 2016:

| Particulars | SBNs* | Other denomination notes | Total |
|---|--------|--------------------------|----------|
| Closing cash in hand as on 8 November 2016 | 48,000 | 248 | 48,248 |
| (+) Permitted receipts | - | 1,00,000 | 1,00,000 |
| (-) Permitted payments | - | 1,178 | 1,178 |
| (-) Amount deposited in Banks | 48,000 | - | 48,000 |
| Closing cash in hand as on 30 December 2016 | - | 99,070 | 99,070 |

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the 8th November, 2016.



Richa Bhatt



Manoj Sharma

Note 38 A: First- time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (The Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed cost

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

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A.1.2 Share based payment

Ind AS 101 provides the option to apply Ind AS 102 only on ESOP that are unvested on the transition date. Accordingly, the Company has elected to apply IND AS 102 only on unvested options as on the transition date.

A.2 IND AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in debt instruments carried at FVPL; and
- Impairment of financial assets based on expected credit loss model.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.



Rina Arora



Reconciliations between previous GAAP and Ind AS

Note 38 B:

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at date of transition (April 1, 2016)

| Particulars | Notes to first-time adoption | As per previous GAAP | Adjustments | (Rs. in Lakhs) As per Ind AS |
|--------------------------------------|------------------------------|----------------------|-------------|---------------------------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | | 0.35 | - | 0.35 |
| Other intangible assets | | 0.50 | - | 0.50 |
| Financial assets | | | | |
| -Loans | | 1.00 | - | 1.00 |
| Current Tax Assets (Net) | | 63.24 | - | 63.24 |
| Total non-current assets | | 65.09 | - | 65.09 |
| Current assets | | | | |
| Financial assets | | | | |
| -Investments | C.4 | 651.16 | 1.63 | 652.80 |
| -Trade receivables | | 324.64 | - | 324.64 |
| -Cash and cash equivalents | | 147.48 | - | 147.48 |
| -Loans | | 1.21 | - | 1.21 |
| -Other financial assets | | 14.85 | - | 14.85 |
| Other current assets | | 29.39 | - | 29.39 |
| Total current assets | | 1,168.74 | 1.63 | 1,170.37 |
| Total Assets | | 1,233.83 | 1.63 | 1,235.46 |
| Equity and liabilities | | | | |
| Equity | | | | |
| Equity share capital | | 1,480.00 | - | 1,480.00 |
| Other equity | | | | |
| Reserves and surplus | C.6 | (1,086.33) | 1.63 | (1,084.70) |
| Total equity | | 393.67 | 1.63 | 395.30 |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| Employee benefit obligations | | 26.68 | - | 26.68 |
| Total non-current liabilities | | 26.68 | - | 26.68 |
| Current liabilities | | | | |
| Financial liabilities | | | | |
| -Trade Payable | | 640.03 | - | 640.03 |
| -Other financial liabilities | | 92.47 | - | 92.47 |
| Employee benefit obligations | | 24.83 | - | 24.83 |
| Other current liabilities | | 56.15 | - | 56.15 |
| Total current liabilities | | 813.48 | - | 813.48 |
| Total liabilities | | 840.16 | - | 840.16 |
| Total equity and liabilities | | 1,233.83 | 1.63 | 1,235.46 |

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.



Rishu Arora



Manoj Kumar

Reconciliation of equity as at March 31, 2017

| Particulars | Notes to first-time adoption | As per previous GAAP | Adjustments | (Rs. in Lakhs) As per Ind AS |
|--------------------------------------|------------------------------|----------------------|---------------|---------------------------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | | 51.36 | - | 51.36 |
| Other intangible assets | | 0.32 | - | 0.33 |
| Financial assets | | | | |
| -Loans | C.3 | 100.00 | (32.93) | 67.07 |
| Current Tax Assets (Net) | | 125.97 | - | 125.97 |
| Other non-current assets | C.3 | - | 26.11 | 26.11 |
| Total non-current assets | | 277.65 | (6.81) | 270.84 |
| Current assets | | | | |
| Financial assets | | | | |
| -Investments | C.4 | 1,000.00 | 0.28 | 1,000.28 |
| -Trade receivables | | 653.03 | - | 653.03 |
| -Cash and cash equivalents | | 803.86 | - | 803.86 |
| -Loans | | 3.67 | - | 3.67 |
| -Other financial assets | | 1,376.31 | - | 1,376.31 |
| Other current assets | C.3 | 323.67 | 6.66 | 330.33 |
| Total current assets | | 4,160.54 | 6.94 | 4,167.48 |
| Total Assets | | 4,438.19 | 0.13 | 4,438.32 |
| Equity and liabilities | | | | |
| Equity | | | | |
| Equity share capital | | 1,941.39 | - | 1,941.39 |
| Other equity | | | | |
| Reserves and surplus | C.6 | 1,122.32 | 0.13 | 1,122.44 |
| Total equity | | 3,063.71 | 0.13 | 3,063.83 |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| Employee benefit obligations | | 29.50 | - | 29.50 |
| Total non-current liabilities | | 29.50 | - | 29.50 |
| Current liabilities | | | | |
| Financial liabilities | | | | |
| -Trade Payable | | 920.46 | - | 920.46 |
| -Other financial liabilities | | 231.89 | - | 231.89 |
| Employee benefit obligations | | 46.57 | - | 46.57 |
| Other current liabilities | | 146.07 | - | 146.07 |
| Total current liabilities | | 1,344.99 | - | 1,344.99 |
| Total liabilities | | 1,374.49 | - | 1,374.49 |
| Total equity and liabilities | | 4,438.19 | 0.13 | 4,438.32 |

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.



Renu Arora



Manoj Kumar

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

| | | | | (Rs. in Lakhs) |
|---|------------------------------|----------------------|-----------------|-------------------|
| Particulars | Notes to first-time adoption | As per previous GAAP | Adjustments | As per Ind AS |
| Income : | | | | |
| Revenue from operations | | 2,716.92 | - | 2,716.92 |
| Other income | C.3 | 27.50 | (0.74) | 26.77 |
| Total income | | 2,744.42 | (0.74) | 2,743.69 |
| Expenses: | | | | |
| Employee benefit expense | C.7 | 2,041.70 | 416.85 | 2,458.55 |
| Depreciation and amortisation expense | | 11.88 | - | 11.88 |
| Advertising and Promotion expense | | 2,260.13 | - | 2,260.13 |
| Network, Internet and Other direct expense | | 198.20 | - | 198.20 |
| Administration and other expense | C.3 | 562.45 | 0.79 | 563.25 |
| Total expenses | | 5,074.36 | 417.64 | 5,492.01 |
| Profit/(Loss) before tax | | (2,329.95) | (418.39) | (2,748.33) |
| Income tax Expense : | | | | |
| Current tax | | - | - | - |
| Deferred tax | | - | - | - |
| Total tax expense | | - | - | - |
| Profit/(Loss) for the year | | (2,329.95) | (418.39) | (2,748.33) |
| Other comprehensive income | | | | |
| Items that will not be reclassified to profit or loss | | | | |
| Remeasurement of defined benefit obligations Gain/(Loss) | C.7 | - | 4.25 | 4.25 |
| Income tax relating to these items | | - | - | - |
| Other comprehensive income for the year, net of income tax | | - | 4.25 | 4.25 |
| Total comprehensive income for the year | | (2,329.95) | (414.14) | (2,744.08) |

Reconciliation of total equity as at March 31, 2017 and April 1, 2016

| | | | | (Rs. in Lakhs) |
|--|------------------------------|-----------------|---------------|----------------|
| Particulars | Notes to first-time adoption | March 31, 2017 | April 1, 2016 | |
| Total equity (shareholder's funds) as per previous GAAP | | 3,063.71 | 393.67 | |
| Adjustments: | | | | |
| Fair valuation of investments | C.4 | 0.28 | 1.63 | |
| Fair valuation of security deposits | C.3 | (0.15) | - | |
| Tax effects of adjustments | | - | - | |
| Total adjustments | | 0.13 | 1.63 | |
| Total equity as per Ind AS | | 3,063.84 | 395.30 | |

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

| | | | | (Rs. in Lakhs) |
|--|-----|-------------------|--|----------------|
| Profit after tax as per previous GAAP | | (2,329.95) | | |
| Adjustments: | | | | |
| Fair valuation of investments | C.4 | 0.28 | | |
| Interest income-unwinding of security deposits | C.3 | 0.62 | | |
| Measurement of financial assets at amortised cost | C.3 | (0.78) | | |
| Reversal of portion of profit booked on mutual funds sold in 2016-17, to the extent fair valued in 2015-16 | C.4 | (1.63) | | |
| Employee share-based payment expense | C.5 | (412.61) | | |
| Remeasurement of defined benefit obligation | C.5 | 4.25 | | |
| Tax effects of adjustments | | - | | |
| Total adjustments | | (409.88) | | |
| Profit after tax as per Ind AS | | (2,739.83) | | |
| Other comprehensive income | C.7 | (4.25) | | |
| Total comprehensive income as per Ind AS | | (2,744.08) | | |



Rajesh Kumar



Note 38 C: Notes to first-time adoption:

C.1: Trade receivables

As per Ind AS 109, The Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. There is no impact on the allowance for doubtful debts, on account of application of expected credit loss method.

C.2: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2017 has decreased by Rs. 4.25 Lakhs (net of deferred tax amounting to Rs. Nil) and other comprehensive income has been recorded at Rs.4.25 lakhs (net of deferred tax). There is no impact on the total equity as at 31 March 2017.

C.3: Security deposits

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, The Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by Rs. 32.93 lakhs as at 31 March 2017(1 April 2016 – 1.48 lacs). The prepaid rent increased by Rs. 32.77 lakhs as at 31 March 2017(1 April 2016 – Nil). The profit for the year and total equity as at 31 March 2017 decreased by Rs. 0.16 lakhs due to amortisation of the prepaid rent of Rs. 0.77 lakhs which is partially off-set by the notional interest income of Rs. 0.61 lakhs recognised on security deposits.

C.4: Fair valuation of investments

Under the previous GAAP, investments in mutual funds were classified as current investments based on the intended holding period and realisability. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31 March 2017. This decreased the retained earnings by Rs. 1.36 lakhs as at 31 March 2017 (Increase in: 1 April 2016 – Rs. 1.63 lakhs).

C.5: Employee stock option expense

Under the previous GAAP, the cost of equity-settled employee share-based plan that were issued by the parent for the employees of the subsidiary, were only accounted for in the books of the parent company and no accounting was done in the financial statements of the other group companies. However, under Ind AS, the respective cost for the employees of the subsidiary has been expensed in the profit and loss account of the subsidiary and a corresponding investment in the equity of the subsidiary is accounted for.

Consequent to the above, the total equity as at 31 March 2017 increased by Rs. 412.61 Lakhs (1 April 2016 – Rs Nil) and profit for the year ended 31 March 2017 decreased by Rs. 412.61 Lakhs (1 Apr,2016: Rs Nil, respectively).

C.6: Retained earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.



Pooja Arora



C.7: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re measurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP. In March 31, 2017, Other comprehensive income booked for re measurements of defined benefit plans (i.e. for Gratuity) was Rs. 4.25 lakhs.

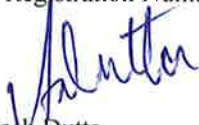
C.8: Statement of cash flows

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

Note 39 : Events occurring after the reporting period


- (a) Approval of financial statements - The financial statements were authorised for issue by the Board of Directors on September 12, 2018.
- (b) Issue of equity shares - The Company has, subsequent to year end, issued 1,492,537 equity shares of Rs. 10/- each at premium of Rs. 124/- each share aggregating to Rs. 2,000.00 Lakhs to its Holding company - Etechaces Marketing and Consulting Private Limited on July 31, 2018.


For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016


Amitesh Dutta
Partner
Membership No. 058507

Place: Gurugram
Date: September 12, 2018

For and on behalf of the Board of Directors


Manoj Sharma
Director
DIN: 02745526


Alok Bansal
Director
DIN: 01653526


Richa Arya
Company Secretary
M. No. 28873



Place: Gurugram
Date: September 12, 2018