MXC Solutions India Private Limited

Standalone Financial Statements along with the Auditors' Report

for the year ended March 31, 2019

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of MXC Solutions India Private Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of MXC Solutions India Private Limited Company Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Responsibility of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that 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 (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter

The Ind AS financial statements of the Company for the year ended March 31, 2018, included in these standalone Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on September 6, 2018.

Report on Other Legal and Regulatory Requirements

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) This report does not include Report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the Company basis the exemption

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS available to the Company under MCA notification no. G.S.R. 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls over financial reporting;

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2019;

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

i. The Company does not have any pending litigations which would impact its financial position;

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 48966
UDIN:19048966AAAAAT6910
Place of Signature: Mumbai
Date: July 31, 2019

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MXC SOLUTIONS INDIA PRIVATE LIMITED

Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

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

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable and hence not commented upon.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other material statutory dues applicable to it. The provisions relating to duty of excise and duty of custom are not applicable to the Company

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of excise and duty of custom, are not applicable to the Company.

(c) According to the information and explanations given to us, there are no dues of income tax, cess and other material statutory dues which have not been deposited on account of any dispute. The provisions relating to duty of excise and duty of custom, are not applicable to the Company

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

(viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

per Govind Ahuja
Partner
Membership Number: 48966
UDIN:19048966AAAAAT6910
Place of Signature: Mumbai
Date: July 31, 2019

MXC Solutions India Private Limited
Balance Sheet as at March 31, 2019

(Rs. in Lakhs)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	33.09	44.12
(b) Intangible assets under development		3.38	-
(d) Financial Assets			
(i) Investments	5	1,02,186.85	1,01,659.58
(ii) Other financial assets	6	35.53	53.55
(e) Income tax assets (net)		27.27	85.35
(f) Other Assets	7	58.96	7.67
Total Non - Current Assets		**1,02,345.08**	**1,01,850.27**
2 Current assets			
(a) Inventories	8	94.16	-
(b) Financial Assets			
(i) Investments	5	25,187.29	24,142.41
(ii) Trade receivables	9	273.50	333.35
(iii) Cash and cash equivalents	10	482.88	366.81
(iv) Bank balance other than (iii) above	11	-	103.29
(iv) Other financial assets	6	31.09	434.62
(c) Current tax assets (net)		87.11	-
(d) Other assets	7	1,390.15	1,551.15
Total Current Assets		**27,546.18**	**26,931.63**
Total Assets		**1,29,891.26**	**1,28,781.90**
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	12	344.93	344.93
(b) Preference Share capital	12	3,490.34	3,490.34
(c) Other Equity	13	1,23,915.09	1,22,937.59
Total Equity		**1,27,750.36**	**1,26,772.86**
LIABILITIES			
2 Non-current liabilities			
(a) Provisions	14	108.70	131.94
Total Non - Current Liabilities		**108.70**	**131.94**
3 Current liabilities			
(a) Financial Liabilities			
(i) Trade payables		776.40	412.45
(includes dues of micro and small enterprises NIL (March 31, 2018 : NIL)			
(ii) Other financial liabilities	15	863.21	1,035.43
(b) Provisions	14	66.97	99.38
(c) Other current liabilities	16	325.62	329.84
Total Current Liabilities		**2,032.20**	**1,877.10**
Total Equity and Liabilities		**1,29,891.26**	**1,28,781.90**

See accompanying notes forming part of the financial statements.
In terms of our report attached
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number:101049W/E300004

Govind Ahuja
Membership no: 48966

Partner

Place: Mumbai
Date: July 31, 2019

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

For MXC Solutions India Private Limited

Vinay Sanghi
Chief Executive Officer
& Director
(DIN: 00309085)

Place: Mumbai
Date: July 31, 2019

Rajan Mehra
Director

(DIN: 00504892)

Lalbahadur Pal
Company Secretary

MXC Solutions India Pvt. Ltd. * MUMBAI

MXC Solutions India Private Limited
Statement of Profit and Loss for the year ended March 31, 2019

(Rs. in Lakhs)

Particulars	Note	For the Year ended March 31, 2019	For the Year ended March 31, 2018
I Revenue from operations	17	2,088.96	2,874.30
II Other income	18	1,889.34	2,988.42
III Total Income (I + II)		**3,978.30**	**5,862.72**
IV Expenses			
(a) Purchase of Stock-in-trade		94.41	-
(b) Changes in Inventory of Traded Goods	19	(94.16)	-
(c) Employee Benefits Expense	20	2,116.56	3,572.59
(d) Depreciation and amortisation expense	3 & 4	26.76	32.10
(e) Other expenses	21	1,487.95	1,683.44
Total Expense		**3,631.52**	**5,288.13**
V Profit before tax (III - IV)		**346.78**	**574.59**
VI Tax expense:			
Current tax	22	80.00	110.25
VII Profit for the year (V-VI)		**266.78**	**464.34**
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		12.59	20.70
Total other comprehensive Income		**12.59**	**20.70**
IX Total Comprehensive Income for the year (VII+VIII)		**279.37**	**485.04**
X Earnings per share (of Rs. 10/- each)	26		
Basic		7.73	13.46
Diluted		0.64	1.09
See accompanying notes forming part of the financial statements.			

In terms of our report attached
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number:101049W/E300004

Govind Ahuja
Membership no: 48966
Partner

Place: Mumbai
Date: July 31, 2019

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

For MXC Solutions India Private Limited

Vinay Sanghi
Chief Executive Officer & Director
(DIN: 00309085)

Rajan Mehra
Director
(DIN: 00504892)

Lalbahadur Pal
Company Secretary

Place: Mumbai
Date: July 31, 2019

MXC Solutions India Pvt. Ltd. * MUMBAI

MXC Solutions India Private Limited

Statement of Changes in Equity for the year ended March 31, 2019

(Rs. in Lakhs)

(a) Equity Share Capital	As at March 31, 2019	As at March 31, 2018
Opening Balance	344.93	344.93
Issued during the year	-	-
Total	**344.93**	**344.93**

(b) Preference Share Capital	As at March 31, 2019	As at March 31, 2018
Opening Balance	3,490.34	3,490.34
Issued during the year	-	-
Total	**3,490.34**	**3,490.34**

(Rs. in Lakhs)

(c) Other Equity	Securities Premium	Share option outstanding account	Retained earnings	Money Received against Share Warrant	Total
Balance as at April 1, 2017	**1,45,456.71**	**499.96**	**(23,857.24)**	**4.46**	**1,22,103.89**
Add: Profit for the year	-	-	464.34	-	464.34
Add: Other comprehensive income for the year	-	-	20.70	-	20.70
Total comprehensive income for the year	-	-	**485.04**	-	**485.04**
Add:					
Recognition of share based payments					
i) Options Vested during the year	-	380.42	-	-	380.42
ii)Options cancelled during the year	-	(31.76)	-	-	(31.76)
Balance as at March 31, 2018	**1,45,456.71**	**848.62**	**(23,372.20)**	**4.46**	**1,22,937.59**
Add: Profit for the year	-	-	266.78	-	266.78
Add: Other comprehensive income for the year	-	-	12.59	-	12.59
Total comprehensive income for the year	-	-	279.37	-	279.37
Add:					
Recognition of share based payments expense	-		-	-	-
i) Options Vested during the year		698.13			698.13
Balance as at March 31, 2019	**1,45,456.71**	**1,546.75**	**(23,092.83)**	**4.46**	**1,23,915.09**

See accompanying notes forming part of the financial statements.

In terms of our report attached

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration number:101049W/E300004

Govind Ahuja

Membership no: 48966

Partner

Place: Mumbai

Date: July 31, 2019

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

For MXC Solutions India Private Limited

Lalbahadur

Vinay Sanghi Chief Executive Officer & Director (DIN: 00309085)	Rajan Mehra Director (DIN: 00504892)	Lalbahadur Pal Company Secretary

Place: Mumbai

Date: July 31, 2019

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MXC Solutions India Pvt. Ltd. * MUMBAI

MXC Solutions India Private Limited

Cash flow statement for the year ended March 31, 2019

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before Tax	346.78	574.59
Adjustments for:		
Security deposits forfeited	(95.98)	-
Depreciation	26.76	32.10
Share based payments to employees	170.86	64.86
Interest Income on financial asset (ICD) carried at amortised cost	(5.58)	(531.26)
Interest Income on income tax refund	(9.33)	(10.23)
(Profit) / Loss on sale of Property, Plant and Equipment (Net)	(1.08)	0.43
Provision for doubtful debts	25.62	102.66
Bad debts written off	0.50	-
Liabilities no longer required written back	(86.21)	(55.18)
Amortised prepaid rent	2.05	4.14
Loss on sale of investment in equity instruments	-	0.01
Interest income on security deposit	(1.94)	(4.01)
Net gain on investments carried at fair value through Profit and Loss - Mutual Fund	(1,784.89)	(2,386.40)
	(1,759.22)	**(2,782.88)**
Operating Loss before Working Capital Changes	**(1,412.44)**	**(2,208.29)**
Changes in working capital:		
Decrease in trade receivables	33.72	50.74
Decrease in other assets	107.66	273.94
Decrease / (Increase) in other financial assets	127.46	(128.29)
(Decrease) / Increase in other financial liabilities	(76.24)	182.51
Increase in other liabilities	(4.21)	96.38
Increase in trade payables	450.17	92.30
Increase in Inventory	(94.16)	-
(Decrease) / Increase in provision for employee benefits	(43.06)	24.85
	501.34	**592.43**
Cash used in operations	**(911.10)**	**(1,615.86)**
Income tax paid (Net of refund)	(99.14)	44.54
Net Cash used in Operating Activities	**(1,010.24)**	**(1,571.32)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for purchase of Property, Plant and Equipment	(19.49)	(15.40)
Proceeds from sale of Property, Plant and Equipment	1.46	0.75
Purchase of current investments	-	(1,300.00)
Proceeds from sale of current investments	740.00	20,045.25
Purchase of non-current investments (Investment in subsidiary)	-	(15,637.60)
Inter-Corporate deposits to subsidiary	-	(1,210.00)
Net cash outflow on acquisition of subsidiary	-	(1,300.01)
Net cash inflow on disposal of subsidiary	-	1,300.00
Inter-Corporate deposits repaid	290.00	-
Transfer (to)/from Restricted Bank Balance	103.29	(93.70)
Interest received	11.05	-
Net Cash from in Investing Activities	**1,126.31**	**1,789.29**
C. CASH FLOW FROM FINANCING ACTIVITIES	-	-
Net increase in cash and cash equivalents	**116.07**	**217.97**
Cash and cash equivalents at beginning of the year	**366.81**	**148.84**
Cash and cash equivalents at end of the year(as per note 10)	**482.88**	**366.81**

See accompanying notes forming part of the financial statements

In terms of our report attached
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number:101049W/E300004

Govind Ahuja
Membership no: 48966
Partner

Place: Mumbai
Date : July 31, 2019

For MXC Solutions India Private Limited

Vinay Sanghi
Chief Executive Officer & Director
(DIN: 00309085)

Rajan Mehra
Director
(DIN: 00504892)

Lalbahadur Pal
Company Secretary

Place: Mumbai
Date : July 31, 2019

MXC Solutions India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2019

1. Corporate information

MXC Solutions India Private Limited is a private company domiciled in India incorporated on April 28, 2000, under the Companies Act, 1956. The Company runs CarTrade.com an online auto classifieds and content site and CarTradeExchange, which helps new and used car dealers to run their business. The Company is domiciled in India and its registered office is at c/o Suraj Sanghi Service Centre, Dr. Annie Besant Road, Worli, Mumbai -400 018.

The financial statements were authorised for issue in accordance with resolution of Board of Directors on July 31, 2019.

2. Significant Accounting Policies

2.1 a Statement of compliance

These Financial statements have been prepared in accordance with The Indian Accounting Standards (herein after referred to as the Ind AS) notified under the Companies (India Accounting Standard) Rules, 2015 (as amended from time to time) and presentation requirements of schedule III of the Companies Act, 2013 (the "Act") .

b Basis of accounting and preparation of financial statements

These Financial statements have been prepared in accordance with The Indian Accounting Standards (herein after referred to as the Ind AS) notified under the Companies (India Accounting Standard) Rules, 2015 (as amended from time to time) and presentation requirements of schedule III of the Companies Act, 2013 (the "Act") .The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Financial statements are presented in Indian rupees ("₹") and all values are rounded to the nearest lakh, except when otherwise indicated.

2.2 Summary of Significant Accounting policies

a Current versus non-current classification

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

i. Expected to be realised or intended to be sold or consumed in normal operating cycle
ii. Held primarily for the purpose of trading
iii. Expected to be realised within twelve months after the reporting period, or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

A liability is current when:
i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period,
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
The Company classifies all other liabilities as non-current.

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

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

b Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.
Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction.
Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

c Fair value measurement

The Company measures financial instruments at fair value at each Balance sheet date in accordance with the accounting policies mentioned above.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
• In the principal market for the asset or liability, or
• In the absence of principal market, in the most advantageous market for asset or liability

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All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).
Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

d Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Payment is generally received on successful completion of services.

Rendering of services:

a) Commission income : Revenue is recognised at a point in time as per terms of contract on accrual basis.
b) Registration fees : The performance obligation is satisfied over-time i.e. upon registration
c) Subscription Fee : The performance obligation is satisfied over-time i.e. over the period of subscription/contract and the payment is generally received as short-term advances before the service is provided.
d) Advertisement income : The performance obligation is satisfied upon display of the advertisement, net commissions if any.
e) Sale of vehicles : Revenue is recognised when all the significant risks and rewards of ownership of the vehicle have been passed to the buyer.

Contract balances

- Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (l) Financial instruments – initial recognition and subsequent measurement.

- Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract assets are initially recognised for revenue earned from advertisement revenue. Upon completion of the entire contract, the amounts recognised as contract assets are reclassified to trade receivables.

- Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

Contract liabilities mainly include short term advances received to render services as per contract. The revenue from these services is recognised over the period of the contract

e Other income

a) Dividend from investments are recognised when the right to receive payment is established and no significant uncertainty as to collectability exists.
b) Interest income from financial instruments measured at amortised cost is recorded on accrual basis.

f Leases

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

Finance Lease

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs . Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

g Retirement and other employee benefits

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

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

Past service costs are recognised in profit or loss on the earlier of:
i. The date of the plan amendment or curtailment, and
ii. The date that the Company recognises related restructuring costs
Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
iii. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
iv. Net interest expense or income

Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

h Taxation

i) Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.
Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii)Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
Deferred tax liabilities are recognised for all taxable temporary differences, except:
i. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
ii. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future
Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:
iii. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
iv. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Minimum Alternate Tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability is recognised as an asset in the Balance sheet only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

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i **Property, Plant and Equipment**

Property, Plant and Equipment is stated net of accumulated depreciation and impairment losses, if any. Such cost includes the cost of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the assets to its working condition for its intended use.All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is provided for Property, Plant and Equipment so as to expense the cost over its useful life. The estimated useful lives and method of depreciation are reviewed at the end of each financial year and any change in estimate is accounted for on a prospective basis.

Depreciation is charged on a pro-rata basis for Property, Plant and Equipment purchased and sold during the year. Depreciation on Property, Plant and Equipment is calculated on the straight-line method as per the estimated useful life prescribed in Schedule II to the Companies Act, 2013.

Estimated useful lives of the assets are as follows:

a) Computers - 3 Years

b) Furniture and Fixtures - 10 Years

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit and Loss in the year of occurrence.

The Company, based on management estimate, depreciates office equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

j **Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

License fees (intangible assets) is amortised over a period of 1 year.

k **Impairment of tangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

l **Provisions and Contingencies**

A provision is recognised when the Company has a present obligation as a result of past events 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 of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by 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 liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.

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

Provisions and contingent liabilities are reviewed at each balance sheet date.

m **Share Based Payment arrangements**

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transactions are set out in Note 30.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.
The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the counterparty renders the service.

n **Inventory**

Inventories are valued at the lower of cost and net realisable value.
Traded goods comprises of used car : cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on actual basis.
Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

o **Financial Instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Financial assets

i. Financial assets at amortised cost
Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These include trade receivables, balances with banks, and other financial assets.
ii. Financial assets at fair value through other comprehensive income (FVTOCI)
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

iii. Financial assets at fair value through profit or loss (FVTPL)
Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

iv. De-recognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:
• The rights to receive cash flows from the asset have expired, or
• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
Continuing involvement that takes the form of a guarantee over the transferred asset is measured at lower of the original carrying amount of the asset and maximum amount of consideration that the Company could be required to repay.

v. Impairment of financial assets:

The Company recognizes a loss allowance for expected credit losses on a financial asset that is held at amortized cost. Loss allowance in respect of financial assets other than finance receivables is measured at an amount equal to life time expected losses and is calculated as the difference between their carrying amount and the expected future cash flows. Such impairment loss is recognized in the income statement. If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. The reversal is recognized in the income statement.

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Financial liabilities and Equity instruments

All the financial assets and financial liabilities of the Company are currently measured at amortized cost except for investment in Mutual Fund and Investment in Debenture of subsidiary which are measured at FVTPL.

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

i. Equity Instruments

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

ii. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Offsetting of financial instruments

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

p **Cash and Cash Equivalents**

Cash comprises cash on hand. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

q **Investment in Subsidiary**

The Company has elected to recognize its investments in subsidiary at cost in accordance with IND AS 27, 'Separate Financial Statements'. The details of such investments are given in Note 5.

r **Security Deposit**

Security deposits are forfeited on default, which at the expiry three years or when no uncertainity over repayment exists, whichever is earlier is treated as income.

s **Earning Per Share**

Basic earnings per share has been computed by dividing profit or loss for the year by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

t **Critical accounting judgements and key sources of estimation uncertainty**

In application of Company's accounting policies, which are described above, the directors of the company are required to make judgements, estimations and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision or future periods if the revision affects both current and future periods.

a) Critical judgements in applying accounting policies

There are no critical judgements which the director's have made in the process of applying Company's accounting policies and which have significant effect on the amounts recognised in the financial statement.

b) Key sources of estimation uncertainty

Key sources of estimation uncertainty that the directors have made in the process of applying the Company's accounting policies and have the most significant effect on the amounts recognised in the financial statements are as follows:-

Useful lives of Property, Plant & Equipment:

The Company reviews the estimated useful lives of Property, Plant & Equipment at the end of each reporting period.

Fair Value Measurement and Valuation Processes

Company has some assets which are measured at Fair Value for financial reporting purpose. In estimating the fair value of an asset, the company uses market observable data to the extent it is available. When the fair value of financial assets recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including discounted cash flow model, which involves various judgements and assumptions.

2.3 **Changes in accounting policies and disclosures**

2.3.1 **New and amended standards**

The Company has applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

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Ind AS 115 on Revenue from Contract with Customers:

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Group adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date.

2.3.2 i **Standards issued but not yet effective**

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases. The Company intends to adopt these standards from 1 April2019. As the Company does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its Financial Statements.

ii Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. In determining the approach that better predicts the resolution of the uncertainty, an entity might consider, for example, (a) how it prepares its income tax filings and supports tax treatments; or (b) how the entity expects the taxation authority to make its examination and resolve issues that might arise from that examination.

The interpretation is effective for annual reporting periods beginning on or after 1 April 2019, but certain transition reliefs are available. The Company will apply the interpretation from its effective date

iii Amendments to Ind AS 12: Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, the Company does not expect any effect on its consolidated financial statements.

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Notes forming part of the financial statements for the year ended March 31, 2019

3 : Property , plant and equipment

(Rs. in lakhs)

Particulars	Furniture and Fixtures	Office Equipment	Computer Systems	Total
Cost				
At April 1, 2017	37.88	52.47	135.54	225.89
Additions	1.74	3.51	10.15	15.40
Deletions	-	5.33	6.20	11.53
At March 31, 2018	**39.62**	**50.65**	**139.49**	**229.76**
Additions	0.27	4.31	2.97	7.55
Deletions	1.34	4.36	11.34	17.04
At March 31, 2019	**38.55**	**50.60**	**131.12**	**220.27**
Accumulated Depreciation				
At April 1, 2017	16.99	35.69	111.21	163.89
Depreciation	2.62	11.33	18.15	32.10
Disposals	-	4.62	5.73	10.35
At March 31, 2018	**19.61**	**42.40**	**123.63**	**185.64**
Depreciation	2.65	5.75	9.79	18.19
Disposals	1.34	4.06	11.26	16.66
At March 31, 2019	**20.92**	**44.09**	**122.16**	**187.17**
Carrying amount of:				
As at March 31, 2019	17.63	6.51	8.95	33.09
As at March 31, 2018	20.01	8.25	15.86	44.12

4 : Other intangible assets

(Rs. in lakhs)

Particulars	License fees
Cost	
At April 1, 2017	-
Additions	-
Deletions	-
At March 31, 2018	-
Additions	8.57
Deletions	-
At March 31, 2019	**8.57**
Accumulated Depreciation	
At April 1, 2017	-
Charge for the year	-
Disposals	-
At March 31, 2018	-
Charge for the year	8.57
Disposals	-
At March 31, 2019	**8.57**
Carrying amount of:	
As at March 31, 2019	-
As at March 31, 2018	-

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5 : Investments

(Rs. in lakhs)

Particulars	As at March 31, 2019			As at March 31, 2018		
	QTY	Current	Non Current	QTY	Current	Non Current
Unquoted Investments						
A. Investments in Equity Instruments						
Subsidiaries						
(i) Automotive Exchange Private Limited of Re 1/- each fully paid up (Refer note (a) below)	1,52,50,314	-	86,549.25	1,52,50,314	-	86,021.98
(ii) Shriram AutoMall India Private Limited of Rs. 10/- each fully paid up (Refer note (d) below)	1,66,30,435	-	15,637.60	1,66,30,435	-	15,637.60
B. Investments in Mutual Funds						
- HDFC Liquid Fund- Growth (of Rs. 1000/- each)	12,249	448.36	-	32,780	1,117.98	-
- ICICI Prudential Liquid- Regular Plan- Growth (of Rs. 100/- each)	38,42,935	10,584.16	-	38,42,935	9,852.83	-
- Birla Sun Life Cash Plus- Growth-Regular Plan (of Rs. 100/- each)	35,42,063	10,590.96	-	35,42,063	9,855.22	-
- DSP BlackRock Liquidity Fund- Institutional Plan-Growth (of Rs. 1000/- each)	1,34,050	3,563.81	-	1,34,050	3,316.38	-
INVESTMENTS CARRIED AT FVTPL [A]		25,187.29	-		24,142.41	-
INVESTMENTS CARRIED AT COST [B]		-	1,02,186.85		-	1,01,659.58
Total Unquoted Investments [A+B]		25,187.29	1,02,186.85		24,142.41	1,01,659.58

Category-wise investments	As at March 31, 2019		As at March 31, 2018	
	Current	Non Current	Current	Non Current
Financial assets carried at cost				
Unquoted equity shares	-	1,02,186.85	-	1,01,659.58
Financial assets carried at FVTPL				
Mutual funds	25,187.29	-	24,142.41	-

Notes:

a. Investment cost includes Rs. 527.26 lakhs and Rs. 283.80 lakhs for the year ended March 31, 2019 and March 31, 2018 respectively on account of share based payments granted to employees of subsidiary company.

b. During the year ended March 31, 2018, Automotive Exchange Private Limited had converted its 404,188 4% Unsecured Cumulative Fully Convertible Debenture (including accumulated interest thereon) till October 10, 2017 amounting Rs. 2,431.83 lakhs in 404,188 Equity shares of Re. 1 each vide board resolution dated October 10, 2017.

c. During the previous year, Automotive Exchange Private Limited had converted intercorporate deposits (including accumulated interest thereon) till October 10, 2017 amounting Rs. 17,882.88 lakhs in 3,158,850 Equity shares of Re. 1 each vide board resolution dated October 10, 2017.

d. During the previous year, pursuant to Share Purchase Agreement (SPA) dated January 24, 2018 entered into by the Company with Shriram Automall India Limited (SAMIL) and Shriram Transport Finance Company Limited, the company has acquired 55.43%, 1,66,30,435 equity shares of Rs. 10/- each of Shriram Automall India Limited for Rs.15,637.60 lakhs from Shriram Transport Finance Company Limited. Hence w.e.f. February 6, 2018, the closing date, Shriram Automall India Limited has become subsidiary of the Company.

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6 : Other Financial assets (Unsecured, considered good)

(Rs. in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Current	Non Current	Current	Non Current
a) Security Deposits	13.58	35.53	3.70	53.55
b) Inter Corporate Deposits	-	-	290.00	-
c) Interest accrued on ICD Deposits	-	-	6.03	-
d) Unbilled revenue	2.01	-	89.80	-
e) Others (Contractually reimbursable expenses)	15.50	-	45.09	-
Total	31.09	35.53	434.62	53.55

7 : Other assets (Unsecured, considered good)

(Rs. in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Current	Non Current	Current	Non Current
a) Indirect taxes recoverable (Refer Note below)	1,333.54	-	1,508.46	-
b) Advance to employees	0.57	-	2.98	-
c) Prepaid expenses	19.16	58.96	5.37	7.67
d) Advance to vendors	36.88	-	34.34	-
Total	1,390.15	58.96	1,551.15	7.67

Note : Indirect Taxes recoverable as on the reporting date , Rs. 1,333.54 lakhs (Previous no : Rs.1,503.98 lakhs) represents unutilised Cenvat credit of service tax accumulated till June 30, 2017.

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8 : Inventories (Lower of Cost or NRV)

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Traded Goods (Used Cars)	94.16	-
Total	94.16	-

9: Trade receivables

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Receivable (Unsecured)		
(a) Considered Good	273.50	333.35
(b) Considered Doubtful	128.28	102.66
	401.78	436.01
Less: Allowances for bad and doubtful debts (expected credit loss allowance)	128.28	102.66
Total	273.50	333.35

10: Cash and cash equivalents

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Bank balances		
- In Current account	482.18	366.00
Cash in hand	0.70	0.81
Total	482.88	366.81

11. Bank balance other than note 10 above

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Other Bank Balance:		
Restricted bank balance (refer note below)	-	103.29
Total	-	103.29

Note: Represents amount received from financer company towards loan taken by customer for purchase of cars which is subsequently transferred by the company to customer.

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12: Equity Share Capital

(Rs. in lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Units	Rupees	Units	Rupees
Authorised Capital				
(a) Equity Share Capital				
Equity Shares of Rs 10/- each	85,00,000	850.00	85,00,000.00	850.00
(b) Preference Share Capital				
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each A series	20,00,000	200.00	20,00,000.00	200.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each B Series	28,00,000	280.00	28,00,000.00	280.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each C Series	40,00,000	400.00	40,00,000.00	400.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each D Series	64,00,000	640.00	64,00,000.00	640.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each E Series	40,00,000	400.00	40,00,000.00	400.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each F Series	1,29,00,000	1,290.00	1,29,00,000.00	1,290.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each F1 Series	6,00,000	60.00	6,00,000.00	60.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each G Series	40,00,000	400.00	40,00,000.00	400.00
	3,67,00,000	3,670.00	3,67,00,000	3,670.00
	4,52,00,000	**4,520.00**	**4,52,00,000**	**4,520.00**
Issued, Subscribed and Fully Paid up				
(a) Equity Share Capital				
Equity Shares of Rs 10/- each	34,49,303	344.93	34,49,303	344.93
	34,49,303	344.93	34,49,303	344.93
(b) Preference Share Capital				
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each A Series	19,32,120	193.21	19,32,120	193.21
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each B Series	27,70,456	277.05	27,70,456	277.05
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each C Series	36,57,066	365.71	36,57,066	365.71
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each D Series	59,64,300	596.43	59,64,300	596.43
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each E Series	35,19,482	351.95	35,19,482	351.95
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each F Series	1,28,79,955	1,288.00	1,28,79,955	1,288.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each F1 Series	5,85,437	58.54	5,85,437	58.54
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each G Series	35,94,499	359.45	35,94,499	359.45
	3,49,03,315	3,490.34	3,49,03,315	3,490.34
Total	**3,83,52,618**	**3,835.27**	**3,83,52,618**	**3,835.27**

Refer Notes (i) to (iv) below

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Notes

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

(Rs. in lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No.of Shares	Amount	No.of Shares	Amount
Equity shares				
At the beginning of the year	34,49,303	344.93	34,49,303	344.93
At the end of the year	34,49,303	344.93	34,49,303	344.93
Compulsorily convertible preference shares				
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each A series				
At the beginning of the year	19,32,120	193.21	19,32,120	193.21
At the end of the year	19,32,120	193.21	19,32,120	193.21
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each B Series				
At the beginning of the year	27,70,456	277.05	27,70,456	277.05
At the end of the year	27,70,456	277.05	27,70,456	277.05
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each C Series				
At the beginning of the year	36,57,066	365.71	36,57,066	365.71
At the end of the year	36,57,066	365.71	36,57,066	365.71
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each D Series				
At the beginning of the year	59,64,300	596.43	59,64,300	596.43
At the end of the year	59,64,300	596.43	59,64,300	596.43
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each E Series				
At the beginning of the year	35,19,482	351.95	35,19,482	351.95
At the end of the year	35,19,482	351.95	35,19,482	351.95
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each F Series				
At the beginning of the year	1,28,79,955	1,288.00	1,28,79,955	1,288.00
At the end of the year	1,28,79,955	1,288.00	1,28,79,955	1,288.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each F1 Series				
At the beginning of the year	5,85,437	58.54	5,85,437	58.54
At the end of the year	5,85,437	58.54	5,85,437	58.54
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each G Series				
At the beginning of the year	35,94,499	359.45	35,94,499	359.45
At the end of the year	35,94,499	359.45	35,94,499	359.45

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(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights:				
Austin Ligon	1,92,730	5.59%	1,92,730	5.59%
Vinay Vinod Sanghi with Seena Vinay Sanghi	4,50,050	13.05%	4,50,050	13.05%
Bina Vinod Sanghi with Vinay Vinod Sanghi	4,50,000	13.05%	4,50,000	13.05%
Shree Krishna Trust	7,00,050	20.30%	7,00,050	20.30%
Highdell Investment Ltd	6,11,981	17.74%	6,11,981	17.74%
Macritchie Investments Pte. Ltd.	5,92,650	17.18%	5,92,650	17.18%
Non-cumulative Compulsorily Convertible Preference Shares				
CMDB II	56,75,595	16.26%	56,75,595	16.26%
Highdell Investment Ltd	1,45,26,693	41.62%	1,45,26,693	41.62%
MacRitchie Investments Pte. Ltd.	1,08,34,252	31.04%	1,08,34,252	31.04%
Springfield Venture International	31,82,038	9.12%	31,82,038	9.12%

(iii) Terms/rights attached to equity shares

(a) Voting rights

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, in proportion of their shareholding.

(b) Dividend distribution rights:

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Subject to the provisions of section 123 of the Companies Act, 2013, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

(iv) Terms of conversion/ redemption of CCPS

(a) Series A Preference shares are compulsorily convertible on exercise of the conversion option by the preference shareholders at any time during the conversion period of 20 years from the date of issue i.e. 08.12.09 or on the expiry of the conversion period or immediately prior to the filing by the Company of its draft offer document with SEBI.

(b) Series B Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 15.12.10 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(c) Series C Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 02.09.11 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(d) Series D Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 09.10.14 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(e) Series E Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 04.08.15 & 25.08.15 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(f) Series F Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 12.01.16 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(g) Series F1 Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 29.04.16 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(h) Series G Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 03.02.17 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(i) The conversion ratio for all the above preference shares is 1:1 except Series E, where the conversion is 1:1.11

(j) If the Company declares any dividend, in any Financial Year, each holder of Preference Shares shall, on a pari passu basis and subject to applicable Law, be entitled to receive a non-cumulative preferential dividend at the rate of 8% (Eight Percent).

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13: Other equity

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Securities premium account	1,45,456.71	1,45,456.71
(b) Share option outstanding account	1,546.75	848.62
(c) Retained earnings	(23,092.83)	(23,372.20)
(d) Money Received against Share Warrant	4.46	4.46
Total	**1,23,915.09**	**1,22,937.59**

13.1 Securities premium account

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balance at beginning of year	1,45,456.71	1,45,456.71
Additions during the year	-	-
Balance at end of year (refer note a below)	**1,45,456.71**	**1,45,456.71**

13.2 Share option outstanding account

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balance at beginning of year	848.62	499.96
Options Vested during the year	698.13	380.42
Options cancelled during the year	-	(31.76)
Balance at end of year (refer note b below)	**1,546.75**	**848.62**

13.3 Retained earnings

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balance at beginning of year	(23,372.20)	(23,857.24)
Profit for the year	266.78	464.34
Remeasurement of defined benefit obligation	12.59	20.70
Balance at end of year	**(23,092.83)**	**(23,372.20)**

13.4 Money Received against Share Warrant

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balance at beginning of year	4.46	4.46
Money received during the year	-	-
Balance at end of year (Refer note 31)	**4.46**	**4.46**

a] Securities premium account

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

b] Share option outstanding account

The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees.

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14: Provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Current	Non Current	Current	Non Current
Provision for employee benefits				
Gratuity	20.40	108.70	18.91	131.95
Compensated absences	46.57	-	80.47	-
Total	66.97	108.70	99.37	131.94

15: Other Financial Liabilities (Current)

(Rs. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Security deposit received from customers	664.56	666.60
(ii) Security deposit Payable (refer note 2.2 r)	198.65	259.02
(iii) Others (refer note below)	-	109.81
Total	**863.21**	**1,035.43**

Note: Include NIL (March 31, 2018 Rs. 103.29 lakhs) received from financer company towards loan taken by customer for purchase of cars which is subsequently transferred by the company to customer.

16: Other Liabilities (Current)

(Rs. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Advances received from customers	38.32	80.41
(ii) Deferred Revenue	235.55	196.99
(iii) Statutory Dues	43.99	52.44
(iv) Lease equilisation reserve	7.76	-
Total	**325.62**	**329.84**

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17: Revenue from Operations

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Revenue from rendering of services		
Commission Income	844.04	1,594.86
Advertisement Income	50.71	123.56
Registration Fees	124.00	360.08
Subscription fees	964.23	794.97
	1,982.98	**2,873.47**
(b) Other Operating revenues		
Security deposits forfeited	95.98	-
License fees	10.00	0.83
	105.98	**0.83**
Total	**2,088.96**	**2,874.30**

The Company has disaggregated the revenue information based on the major categories of services. Since the Company is engaged in operating and managing a media / platform for the automotive sector, which are subject to same risk and rewards. Hence, there are no separate reportable segments as defined by Indian Accounting Standard 108 on "Operating segments".

17.1 Performance Obligations: for the detailed performance obligation refer note 2.2 (d)

17.2 Contract Balances

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Trade Receivables	273.50	333.35
Contract Assets	2.01	89.80
Contract Liabilities	(273.87)	(277.40)

17.3 Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days. In March 2019, Rs. 128.28 lakhs (March 2018: Rs. 102.66 lakhs) was recognised as provision for expected credit losses on trade receivables

18: Other Income

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest Income		
i) On financial asset (ICD) carried at amortised cost	5.58	531.26
ii) On Income tax refund	9.33	10.23
iii) On Security Deposits	1.94	4.01
	16.85	**545.50**
(b) Net gain on Investments carried at fair value through Profit and Loss		
Mutual fund	1,784.89	2,386.40
	1,784.89	**2,386.40**
(c) Other Non-Operating Income		
Liabilities no longer required written back	86.21	55.18
Provision for doubtful debts written back	-	-
Miscellaneous Income	0.31	1.34
Profit on Sale of Property, Plant and Equipment (net)	1.08	-
	87.60	**56.52**
Total	**1,889.34**	**2,988.42**

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19: Changes in Inventory of Traded Goods

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Inventory at the beginning of the year		
-Traded Goods	-	-
b) Inventory at the end of the year		
-Traded Goods	(94.16)	-
Changes in Inventory (a-b)	**(94.16)**	-

20: Employee benefits expense

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and bonus	1,788.57	3,185.97
Gratuity expense (Refer note 23)	29.62	82.82
Contributions to provident and other funds	70.68	159.94
Share-based payments to employees (Refer note 30)	170.86	64.86
Staff welfare expenses	56.83	79.00
Total	**2,116.56**	**3,572.59**

21: Other expenses

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Power and fuel	15.73	23.83
Rent (Refer note 24)	143.63	305.67
Repairs and maintenance	33.38	39.19
Rates and taxes	8.18	33.65
Telephone and Communication	35.80	87.39
Travelling and conveyance	150.50	181.13
RTO transfer fees	15.48	55.56
Sales commission	8.41	74.95
Legal and professional fees	27.03	115.16
Facilitation fees	833.64	121.86
Payments to auditors (Refer note 33)	15.54	11.29
Advertisement, Marketing and Sales Promotion Expenses	63.99	314.78
Website Hosting Charges	42.44	32.09
Provision for doubtful debts	25.62	102.66
Bad Debts Written Off	0.50	-
Advances written off	8.21	-
Loss on Sale of Property, Plant and Equipment (net)	-	0.43
Software Licence Purchase	3.95	4.52
Membership and Subscription fees	47.54	17.10
Foreign exchange Difference (Net)	1.22	-
Miscellaneous expenses	7.16	162.17
Total	**1,487.95**	**1,683.44**

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22. Tax Expenses

i) Income tax recognised in statement of profit and loss

(Rs. In lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax		
In respect of current year	80.00	113.22
In respect of prior years	-	(2.97)
Total Current tax	**80.00**	**110.25**

ii) The income tax expense for the year can be reconciled to the accounting profit as follows:

(Rs. In lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax	346.78	574.59
Income tax expense at enacted tax rate	89.30	147.96
Effect of expenses that are not deductible in determining taxable profit	44.00	16.99
Utilisation of Unabsorbed Depreciation and Losses of earlier years on which no DTA was created	-	(44.65)
Minimum Alternate Tax (MAT) credit not recognised as DTA	80.00	92.21
Effect of tax offsets not recognised as deferred tax assets	(133.29)	(99.29)
Adjustments recognised in the current year in relation to the current tax of prior years	-	(2.97)
Income tax expense recognised in profit or loss	**80.00**	**110.25**

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23. Employee Benefits

a) Defined Contribution Plans

The Company makes contributions towards a provident fund under a defined contribution retirement benefit plan for qualifying employees. The provident fund is administered by Employee Provident Fund Organisation. Under this scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

Both the employees and the Company make pre-determined contributions to the provident fund. Amount recognized as expense amounts to Rs. 70.68 Lakhs (March 31, 2018 : Rs. 159.94 lakhs) under contributions to provident and other funds (Note 20 Employee benefits expense)

b) Defined Benefit Plans

(i) The Company makes annual contribution towards gratuity to an unfunded defined benefit plan for qualifying employees. The plan provides for lump sum payments to employees whose right to receive gratuity had vested at the time of resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service except in case of death.

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit credit Method, which recognises each period, of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

ii) The plan typically exposes the Company to actuarial risk such as interest rate risk, salary risk and demographic risk:

Interest rate risk - The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary risk - Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk - This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

iii) The most recent actuarial valuation of the defined benefit obligation was carried out as at March 31, 2019 by an independent actuary

iv) The details in respect of the amounts recognised in the Company's financial statements for the year ended March 31, 2019 and March 31, 2018 for the defined benefit scheme is as under:

Particulars	Gratuity	
	As at March 31, 2019	As at March 31, 2018
I. Principal Actuarial assumptions		
Discount rate	7.40%	7.55%
Expected rate of salary increase	7.50%	7.50%
Mortality tables	IALM (2006-08) Ult.	IALM (2006-08) Ult.
Withdrawal Rates	25% at younger ages reducing to 1% at older ages.	25% at younger ages reducing to 1% at older ages.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations. The estimates of future compensation cost considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

(Rs. In lakhs)

Particulars	Gratuity	
	As at March 31, 2019	As at March 31, 2018
II. Components of defined benefit costs recognised in the Statement of Profit and loss		
Service cost:		
Current service cost	18.94	37.60
Past service cost and (gain) / loss from settlements	-	36.82
Net interest expense	10.68	8.40
Components of defined benefit costs recognised in the Statement of Profit and loss (Refer note 20)	**29.62**	**82.82**

(Rs. In lakhs)

Particulars	Gratuity	
	As at March 31, 2019	As at March 31, 2018
III. Components of defined benefit costs recognised in the other comprehensive income		
Actuarial (gains) / losses arising from changes in financial assumptions	1.48	(6.55)
Actuarial (gains) / losses arising from changes in experience adjustments	(14.07)	(14.15)
Components of defined benefit costs recognised in other comprehensive income	**(12.59)**	**(20.70)**

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Notes forming part of the financial statements for the year ended March 31, 2019

(Rs. In lakhs)

Particulars	Period Ended	
	As at March 31, 2019	As at March 31, 2018
IV. Amount recognised in the balance sheet		
Opening defined benefit obligation	150.86	127.82
Expenses charged to profit & loss account	29.62	82.82
Amount recognised in Other Comprehensive Income	(12.59)	(20.70)
Benefits paid	(38.79)	(39.08)
Closing defined benefit obligation (Refer note 14)	**129.10**	**150.86**

(Rs. In lakhs)

Particulars	Gratuity	
	As at March 31, 2019	As at March 31, 2018
V. Change in the defined benefit obligation		
Opening defined benefit obligation	150.86	127.82
Past service cost and (gain) / loss from settlements	-	36.82
Current service cost	18.94	37.60
Interest cost	10.68	8.40
Remeasurement (gains)/losses:		
Actuarial (gains) / losses arising from changes in financial assumptions	1.48	(6.55)
Actuarial (gains) / losses arising from changes in experience adjustments	(14.07)	(14.15)
Benefits paid	(38.79)	(39.08)
Closing defined benefit obligation (Refer note 14)	**129.10**	**150.86**

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase, withdrawal rates and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Sensitivity Analysis

(Rs. In lakhs)

Particulars	Gratuity	
	As at March 31, 2019	As at March 31, 2018
Defined Benefit Obligation - Discount Rate + 50 basis points	124.32	145.34
Defined Benefit Obligation - Discount Rate - 50 basis points	134.25	156.80
Defined Benefit Obligation - Salary Escalation Rate + 50 basis points	134.22	156.77
Defined Benefit Obligation - Salary Escalation Rate - 50 basis points	124.31	145.31
Defined Benefit Obligation - Withdrawal Rate + 1000 basis points	128.40	148.42
Defined Benefit Obligation - Withdrawal Rate - 1000 basis points	129.84	153.37

These sensitivities have been calculated above to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

Expected future cashflows

(Rs. In lakhs)

Particulars	Gratuity	
	As at March 31, 2019	As at March 31, 2018
Year 1	20.40	18.91
Year 2	12.40	13.59
Year 3	11.95	16.28
Year 4	11.01	15.52
Year 5	10.03	14.28
Year 6 to 10	41.12	60.45

c. Leave plan and compensated absences

The liability for compensated absences as at the year end is Rs. 46.57 lakhs (March 31,2018: Rs. 80.46 lakhs) as shown under current provision.

Refer table I above for actuarial assumptions on compensated absences.

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24. Operating lease arrangements

The Company as a lessee

Leasing arrangements

The Company's significant leasing arrangements are in respect of operating leases taken for Office Premises. These leases have an average life of between 11 to 36 months with renewal option included in the contracts. There are no restrictions placed upon the Company by entering into these leases.

Payments recognised as an expense

(Rs. In lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Minimum lease payments	143.63	305.67
Total	**143.63**	**305.67**

Non-cancellable operating lease commitments

(Rs. In lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Not later than 1 year	2.21	-
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
Total	**2.21**	-

25. Commitments

(Rs. In lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Commitment for the acquisition of capital assets	10.13	-
Total	10.13	-

26. Earnings per share (EPS)

The following reflects the Profit / (loss) and shares data used in the basic and diluted EPS computations:

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Basic		
Profit for the year attributable to ordinary shareholders (Rs. In lakhs)	266.78	464.34
Weighted average number of ordinary shares for basic EPS	34,49,303	34,49,303
Basic Earnings per ordinary shares (In Rs.)	7.73	13.46
Diluted		
Profit for the year attributable to ordinary shareholders (Rs. In lakhs)	266.78	464.34
Weighted average number of ordinary shares for basic EPS	34,49,303	34,49,303
Add: Effect of employee stock option	14,08,268	22,23,268
Add: Effect of convertible share warrant	17,16,752	17,16,752
Add: Effect of convertible preference shares	3,52,99,477	3,52,99,477
Weighted average number of ordinary shares and potential ordinary shares for diluted EPS	4,18,73,800	4,26,88,800
Diluted Earnings per ordinary shares (In Rs.)	0.64	1.09

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27. Financial Instruments

(i) Capital management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at March 31, 2019, the Company has only one class of equity shares and has no debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for re-investment into business based on its long term financial plans.

(ii) Categories of financial instruments

(Rs. In lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets		
Measured at FVTPL		
Current Investments - Mutual Funds	25,187.29	24,142.41
Measured at amortised cost		
Trade Receivables	273.50	333.35
Cash and cash equivalents	482.88	366.81
Other bank balances with bank	-	103.29
Other financial assets	66.62	488.17
Financial liabilities		
Measured at amortised cost		
Trade payables	776.40	412.45
Other financial liabilities	863.21	776.41

(iii) Financial risk management objectives

The Company monitors and manages the financial risks relating to the operations of the entity through internal risk reports which analyse exposures by degree and magnitude of the risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

(iv)Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. However company is not significantly exposed to any such risk for the end of reporting period.

(v) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

The Company has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Company obtains market feedback on the creditworthiness of the customer concerned. Customer wise outstanding receivables are reviewed on a monthly basis and where necessary, the credit allowed to particular customers for subsequent sales is adjusted in line with their past payment performance. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management on a quarterly basis.

(vi)Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management, which has established an appropriate liquidity risk management framework for the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows.

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(vi)(a) Liquidity risk tables

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2019

(Rs. In Lakhs)

Particulars	Due in next 1 year	Due in next 5 years	Carrying amount
Financial Liabilities			
Trade payables	776.40	-	776.40
Other financial liabilities	863.21	-	863.21
Total	**1,639.61**	-	**1,639.61**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2018

(Rs. In Lakhs)

Particulars	Due in next 1 year	Due in next 5 years	Carrying amount
Financial Liabilities			
Trade payables	412.45	-	412.45
Other financial liabilities	776.41	-	776.41
Total	**1,188.86**	-	**1,188.86**

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28. Fair Value Measurement

(i) Fair value of financial assets and financial liabilities that are measured at fair value on recurring basis

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. In accordance with Ind AS, the Company's investments in debt mutual funds have been fair valued. The Company has designated investments as fair value through profit and loss. Management assessed that the carrying values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their fair values largely due to the short-term maturities of these instruments.

(Rs. In lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets at amortised cost:				
Trade Receivables	273.50	273.50	333.35	333.35
Cash and cash equivalents	482.88	482.88	366.81	366.81
Other bank balances with bank	-	-	103.29	103.29
Other financial assets	66.62	66.62	488.17	488.17
Financial Liabilities				
Financial liabilities held at amortised cost:				
Trade payables	776.40	776.40	412.45	412.45
Other financial liabilities	863.21	863.21	776.41	776.41

The Company uses the hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques as mentioned in Note 5:

(Rs. In lakhs)

Financial Asset/ Financial Liabilities	Fair Value		Fair Value Hierarchy	Valuation technique and key inputs
	As at March 31, 2019	As at March 31, 2018		
Financial assets				
Investment in Mutual Fund	25,187.29	24,142.41	Level 1	NAV issued by third party custodian

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29. Related party transactions

A .Details of related parties

Description of relationship	Names of related parties
Wholly owned Subsidiary	Automotive Exchange Private Limited
Subsidiaries (held directly)	Adroit Inspection Services Private Limited (From May 2, 2017 to February 5, 2018)
	Shriram Automall India Limited (w.e.f. February 6, 2018)
Subsidiaries (held indirectly)	CarTradeExchange Solutions Private Limited (Formerly known as Motogo India Private Limited)
	Adroit Inspection Services Private Limited (w.e.f. February 6, 2018)
Key Management Personnel	Mr. Vinay Sanghi
Relatives of key management personnel	Mr. Varun Sanghi

(Rs. In lakhs)

S. No.	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	Nature of Transactions/ Names of Related Parties		
A	**Subsidiary (Automotive Exchange Private Limited)**		
1	Interest on Inter corporate deposits	5.58	531.26
2	Inter corporate deposits given	-	1,210.00
3	Inter corporate deposits repaid	301.05	-
4	Equity shares issued during the year on conversion of Inter corporate deposits	-	17,882.88
5	Equity shares issued during the year on conversion of 4% Unsecured fully convertible Debentures	-	2,420.96
B	**Subsidiary (Adroit Inspection Services Private Limited)**		
1	Auto inspection charges	10.58	99.08
C	**Subsidiary (Shriram Automall India Limited)**		
1	License fees - income	10.00	0.83
2	Reimbursement of expenses	97.75	85.53
3	Facilitation fees - expense	183.11	121.86
4	Sale of shares (Adroit Inspection Services Private Limited)	-	1,300.00
D	**Subsidiary (CarTradeExchange Solutions Private Limited)**		
1	Reimbursement of expenses	168.78	-
2	Facilitation fees - expense	650.53	-
E	**Compensation of Key management personnel**		
1	Short Term Benefits	445.89	248.89
2	Post Employment Benefits	1.13	1.62
F	**Relatives of key management personnel**		
1	Remuneration	10.35	5.65

(Rs. In lakhs)

S. No.	Particulars	As at March 31, 2019	As at March 31, 2018
	Balance outstanding		
A	**Automotive Exchange Private Limited**		
1	Inter corporate deposits (Receivable)	-	290.00
2	Interest accrued on Inter corporate deposits (Receivable)	-	6.03
B	**Shriram Automall India Limited**		
1	Trade Payable *	-	33.55
2	Trade Receivable **	6.36	64.51
C	**CarTradeExchange Solutions Private Limited**		
1	Trade Payable *	535.93	-
2	Trade Receivable **	46.50	-
D	**Adroit Inspection Services Private Limited - (Advance given)**	22.42	24.42

* The balance does not include provision for expenses

** The balance does not include unbilled revenue and contractually reimbursable expenses

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30. Employee Stock Option Scheme

(a) In 2010, 2011, 2014 and 2015 the Company had instituted an Equity settled "Employee Stock Option Plan 2010" (ESOP 2010), "Employee Stock Option Plan 2011" (ESOP 2011), "Employee Stock Option Plan 2014" (ESOP 2014) and "Employee Stock Option Plan 2015" (ESOP 2015) for its employees and directors. The "ESOP 2010", "ESOP 2011" ,"ESOP 2014" and "ESOP 2015" are administered through by the Board. Under the scheme, the Board has accorded its consent to grant options exercisable into not more than 554,131 (under "ESOP 2010"), 970,478 (under "ESOP 2011") 306,123 (under "ESOP 2014") and 1,731,827 (under "ESOP 2015") Equity Shares of Rs. 10/- each of the Company. The exercisable price shall be equal to the Fair Market Value as certified by an independent valuer or up to 50% discount to the Fair Market Value as may be decided by the Board.

(b) Investment in Subsidiary

In 2015 the Company had instituted an Equity settled "Employee Stock Option Plan 2015" (ESOP 2015), for its employees and directors of the subsidiary (Automotive Exchange Private Limited).The "ESOP 2015" are administered through by the Board. Under the scheme, the Board has accorded its consent to grant options exercisable into not more than 1,731,827 (under "ESOP 2015") Equity Shares of Rs. 10/- each of the Company. The exercisable price shall be equal to the Fair Market Value as certified by an independent valuer or up to 50% discount to the Fair Market Value as may be decided by the Board. The company has recognised the same as investment in subsidiary at amortised cost.

(c) The vesting of the options is as follows:

Sr.No	Vesting Date	Maximum number / % of Options that shall vest			
		ESOP 2010	ESOP 2011	ESOP 2014	ESOP 2015
1	1 year from the	25%	25%	25%	25%
2	2 years from the	25%	25%	25%	25%
3	3 years from the	25%	25%	25%	25%
4	4 years from the	25%	25%	25%	25%
Total		100 (One Hundred)%	100 (One Hundred)%	100 (One Hundred)%	100 (One Hundred)%

The options granted and outstanding by the Company are 1,97,500 options under "ESOP 2010", 760,058 options under "ESOP 2011", 300,710 options under "ESOP 2014" and 150,000 options under "ESOP 2015". The options can be exercised as per provisions of the scheme which is based on listing of the shares of the Company on a recognised stock exchange. If the Company does not have an IPO within six years from the date of the first Grant, the Scheme will be referred back to the Board. All live Options, if any, will lapse at the end of ten years from the date of Grant of Options.

(d) The details of the options are as under:

(i) ESOP 2010

Particulars	As at March 31, 2019	As at March 31, 2018
Options outstanding at the beginning of the year	1,97,500	1,97,500
Options granted during the year	-	-
Options lapsed during the year	-	-
Options cancelled during the year	-	-
Options exercised during the year	-	-
Options granted and outstanding at the end of the year	**1,97,500**	**1,97,500**

Total options vested until March 31, 2019 are 197,500 (options vested during the year are NIL).

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(ii) ESOP 2011

Particulars	As at March 31, 2019	As at March 31, 2018
Options outstanding at the beginning of the year	7,60,058	7,92,558
Options granted during the year	-	-
Options lapsed during the year	-	-
Options cancelled during the year	-	32,500
Options exercised during the year	-	-
Options granted and outstanding at the end of the year	**7,60,058**	**7,60,058**

Total options vested until March 31, 2019 are 760,058 (options vested during the year are 28,750).

(iii) ESOP 2014

Particulars	As at March 31, 2019	As at March 31, 2018
Options outstanding at the beginning of the year	3,00,710	3,00,710
Options granted during the year	-	-
Options lapsed during the year	-	-
Options cancelled during the year	-	-
Options exercised during the year	-	-
Options granted and outstanding at the end of the year	**3,00,710**	**3,00,710**

Total options vested until March 31,2019 are 300,710 (options vested during the year are 75,000).

(iv) ESOP 2015

Particulars	As at March 31, 2019	As at March 31, 2018
Options outstanding at the beginning of the year	30,000	-
Options granted during the year	1,20,000	60,000
Options lapsed during the year	-	-
Options cancelled during the year	-	30,000
Options exercised during the year	-	-
Options granted and outstanding at the end of the year	**1,50,000**	**30,000**

Total options vested until March 31,2019 are 7,500 (options vested during the year are 7,500).

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(e) Fair Valuations of Options Granted

The following are the inputs considered for valuation

ESOP Scheme	Grant date	Exercise Price	Volatility	Risk Free Interest Rate	Time to Maturity
ESOP 2011 (A)	16-01-2012	21.00	48.10%	7.57%	7.00 Years
ESOP 2011 (B)	22-10-2014	34.00	45.70%	7.62%	5.50 Years
			46.70%	6.64%	6.00 Years
			44.60%	6.57%	6.50 Years
			43.60%	6.55%	7.00 Years
ESOP 2011 (C)	01-01-2015	34.00	45.90%	7.67%	5.50 Years
			46.70%	6.44%	6.00 Years
			44.60%	6.57%	6.50 Years
			43.60%	6.55%	7.00 Years
ESOP 2014 (B)	01-01-2015	34.00	45.90%	7.67%	5.50 Years
			46.70%	6.44%	6.00 Years
			44.60%	6.57%	6.50 Years
			43.60%	6.55%	7.00 Years
ESOP 2010	15-01-2016	140.00	45.80%	6.51%	5.50 Years
			46.00%	6.60%	6.00 Years
			44.60%	6.57%	6.50 Years
			43.60%	6.55%	7.00 Years
ESOP 2014 (A)	22-10-2014	240.00	45.70%	7.62%	5.50 Years
			46.70%	6.64%	6.00 Years
			44.60%	6.57%	6.50 Years
			43.60%	6.55%	7.00 Years
ESOP 2015 (D)	01-05-2017	472.00	43.90%	7.01%	5.50 Years
			43.94%	6.94%	6.00 Years
			44.49%	7.03%	6.50 Years
			44.54%	7.11%	7.00 Years
ESOP 2015 (F)	15-10-2018	472.00	44.10%	7.87%	5.50 Years
			44.20%	7.85%	6.00 Years
			43.50%	7.92%	6.50 Years
			43.30%	7.98%	7.00 Years

The weighted average share price considered for fair valuation of above options was INR 674.06 (March 31, 2018: INR 674.06).

Dividend yield is considered to be zero for each share options

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31. Money received against share warrants

Share Warrant 1.

The Board of Directors of the Company at their meeting held on 24 September, 2014 and as approved at its Extra Ordinary General Meeting held on 24 September, 2014 had resolved to create, offer, issue and allot 800,000 warrants, convertible into 800,000 Equity shares of Rs. 10/- each on a preferential allotment basis, pursuant to the provisions of the Companies Act, at a conversion price of Rs. 117/- per Equity share of the Company, rights to Mr. Vinay Sanghi in accordance with the terms of the Warrant subscription agreement and the application money amounting to Rs. 4 lakhs was received from him.The warrants may be converted into equivalent number of shares after conversion date (i.e., earlier of trigger date or 4 years from date of issue) upto period of 15 years from date of issue on payment of the balance amount.

Share Warrant 2.

The Board of Directors of the Company at their meeting held on 16 December, 2016 and as approved at its Extra Ordinary General Meeting held on 20 December, 2016 had resolved to create, offer, issue and allot 776,707 and 140,045 warrants, convertible into 776,707 and 140,045 Equity shares of Rs. 10/- each on a preferential allotment basis, pursuant to the provisions of the Companies Act, at a conversion price of Rs. 510/- and Rs. 596/- respectively per Equity share of the Company, rights to Mr. Vinay Sanghi in accordance with the terms of the Warrant subscription agreement and the application money amounting to Rs. 0.46 lakhs was received from him.The warrants may be converted into equivalent number of shares after conversion date (i.e., earlier of trigger date or 4 years from date of issue) upto period of 15 years from date of issue on payment of the balance amount.

32. Deferred tax asset

In accordance with Ind AS 12 on "Income taxes" (Ind AS 12), deferred tax assets and liabilities should be recognized for all timing differences. However, considering the present financial position and accumulated tax losses carried forward and the requirement of the Ind AS 12 regarding certainty/virtual certainty, the deferred tax asset aggregating to Rs. 5,851.70 lakhs is not accounted for. However, the same will be reassessed at subsequent Balance Sheet date and will be accounted for in the year of reasonable certainty/virtual certainty in accordance with the aforesaid Ind AS 12.

The tax effect of significant timing differences that has resulted in deferred tax assets are as follows: (Rs. In lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax liability:		
Fair Value Gain of Mutual Fund (Recognised FVTPL)	1,062.46	610.64
Remeasurements of the defined benefit plans (Recognised FVTOCI)	3.27	5.38
	1,065.73	616.02
Deferred tax asset :		
Depreciation	13.62	10.05
Provision for Doubtful Debts	33.35	26.69
Gratuity & Leave Encashment	48.95	60.14
Change in Present Value of Security Deposit	0.11	0.04
Carry forward Losses (See below)	6,821.40	6,862.49
	6,917.43	6,959.41
Net deferred tax asset (not recognised)	**5,851.70**	**6,343.39**

Unrecognized, deductible, temporary differences on unused tax losses and unabsorbed depreciation: **(Rs. In lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Deductible temporary differences, unused tax losses and unabsorbed depreciation for which no deferred tax asset have been recognized, are attributable to the following:		
Unabsorbed losses	26,236.15	26,394.19

Breakup of expiry of balances as at March 31, 2019:

March 31	(Rs. In lakhs) Amount
2019	296.35
2020	482.95
2021	1,257.68
2022	1,722.13
2023	6,792.04
2024	13,206.51
2025	2,478.49
Total	**26,236.15**

MXC Solutions India Pvt. Ltd. MUMBAI

S.R. Batliboi & Associates LLP Chartered Accountants MUMBAI

MXC Solutions India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2019

33. Payment to auditors

(Rs. In lakhs)

Particulars	March 31, 2019	March 31, 2018
a) for statutory audit	12.50	11.25
b) for reimbursement of expenses.	-	0.04
c) for certification services	3.00	-
Total	15.50	11.29

34. In the previous year , pursuant to Share Transfer Agreement (STA) dated May 02, 2017 entered into by the Company with Mr. Himanshu Lohiya, Mr. Mukesh Kumar, Mr. Puneet Tyagi and Adroit Inspection Services Private Limited, the company had acquired 51%, equity holding in Adroit Inspection Services Private Limited (5,100 equity shares of Rs. 10/- each) as against consideration of Rs. 600 lakhs.

In addition, on May 02, 2017 the company further subscribed 434 equity shares of Rs. 10/- each of Adroit Inspection Services Private Limited at a consideration of Rs. 51.01 lakhs.

The Company received 49,806 bonus shares vide board resolution dated August 7, 2017 and 55,340 bonus shares vide board resolution dated November 23, 2017 of Adroit Inspection Service Private Limited.

Pursuant to agreement dated January 12, 2018 entered into by the Company with Mr. Himanshu Lohiya, Mr. Mukesh Kumar and Mr. Puneet Tyagi, the company has acquired balance 49%, equity holding in Adroit Inspection Services Private Limited (1,06,340 equity shares of Rs. 10/- each) as against consideration of Rs. 649 lakhs. Hence w.e.f. January 12, 2018 Adroit Inspection Services Private Limited became a wholly owned subsidiary of the Company.

Further, post acquisition of 100% shares of Adroit Inspection Services Private Limited and pursuant to Share Purchase Agreement (SPA) dated January 24, 2018 entered into by the company with Shriram Automall India Limited and Adroit Inspection Services Private Limited, the company sold 100%, 2,17,020 equity share of Adroit Inspection Service Private Limited to Shriram Automall India Limited at a total consideration of Rs. 1,300 lakhs.

35. Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

(i) Details of investments made by the company are given in Note 5 in the financial statement.

(ii) Details of loans given by the Company are as follows:

(Rs. In lakhs)

Name of the Party	Relationship	For the year ended March 31, 2019	For the year ended March 31, 2018	Purpose
Automotive Exchange Private Limited (interest range : 6.293% to 6.710%)	Wholly Owned Subsidiary	-	1,210.00	General Corporate purpose

(iii) There are no securities provided and no guarantees given during the year.

36. Events after the reporting date

The Company has incorporated a wholly owned subsidiary, CarTrade Finance Private Limited on July 1, 2019 vide it's board resolution dated April 8, 2019.

37. Amalgamation

On 2 August, 2018 , the Board of Directors of the Company approved the scheme of amalgamation with its wholly owned subsidiary namely Automotive Exchange Private Limited ('AEPL') from the appointed date i.e. April 1, 2017 or any other date decided by tribunal, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder including any statutory modifications or re-enactments thereof, subject to all the necessary statutory and regulatory approvals ('the Scheme'). The Company has filed the Scheme with the National Company Law Tribunal ('NCLT'), Mumbai Bench on 11 November, 2018 further pursuant to NCLT, Mumbai Bench order dated 4 January, 2019 the extra ordinary general meeting was duly held on 15 February, 2019 and the shareholders of the Company and AEPL, approved the said scheme of amalgamation. The Scheme is subject to approval from the NCLT, Mumbai Bench.

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

MXC Solutions India Pvt. Ltd. * MUMBAI

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38. The figures of the year ended on March 31, 2018 were audited by a firm of chartered accountants other than S R Batliboi & Associates LLP.

39. Previous year's figures have been regrouped wherever necessary, to conform to the current year's classification.

Signature to Note 1 to 39

In terms of our report attached
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number:101049W/E300004

Govind Ahuja

Membership no: 48966
Partner

Place: Mumbai
Date: July 31, 2019

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

For MXC Solutions India Private Limited

Vinay Sanghi
Chief Executive Officer & Director
(DIN: 00309085)

Rajan Mehra
Director
(DIN: 00504892)

Lalbahadur Pal
Company Secretary

Place: Mumbai
Date: July 31, 2019

MXC Solutions India Pvt. Ltd.
MUMBAI