SOOD BRIJ AND ASSOCIATES
Chartered Accountants
C 72, NDSE-2, New Delhi-110 049
Ph.: 011-4611 4949, 011-4205 1012, 011-4205 1013
Email : sbasanjay@rediffmail.com, aksoodsba@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of SECURITY INFORMATION SYSTEMS (INDIA) LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **SECURITY INFORMATION SYSTEMS (INDIA) LIMITED** ("the Company"), which comprises the balance sheet as at 31st March 2019, and the statement of Profit and Loss, the Cash Flow Statement for the year ended on that date 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 and Loss and the cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Companies Act, 2013 and the Rules there under, 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 opinion.

Responsibility of Management for Stand Alone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone that give a true and fair view of the financial position, financial performance and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

SOOD BRIJ & ASSOCIATES CHARTERED ACCOUNTANTS FRN No. 00350N NEW DELHI

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- 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 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 financial statements, including the disclosures, and whether the 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.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, is not Applicable.

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As required by Section 143(3) of the Act, we report that:

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.

a) 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.

b) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

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

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

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

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Industries and Protection Fund by the Company.

For Sood Brij & Associates
Chartered Accountants
Firm Regn. No. 00350N

SOOD BRIJ & ASSOCIATES CHARTERED ACCOUNTANTS FRN No. 00350N NEW DELHI

A K Sood
Partner
M No.14372

Place: New Delhi
Date: 29th May 2019

SECURITY INFORMATION SYSTEMS (INDIA) LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2019

(Amount in Rs)

	Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
A	**ASSETS**			
1	**Current Assets**			
	Financial assets			
	i) Trade receivables	3 (a)	8,777,510	11,879,084
	ii) Cash and cash equivalents	3 (b)	244,390	256,791
			9,021,900	**12,135,875**
	TOTAL - ASSETS		**9,021,900**	**12,135,875**
B	**EQUITY AND LIABILITIES**			
1	**Shareholder's Funds**			
	Equity			
	(a) Equity share capital	4 (a)	6,800,000	6,800,000
	(b) Other equity	4 (b)	(28,012,108)	(26,916,993)
	Total- Equity		**(21,212,108)**	**(20,116,993)**
2	**Liabilities**			
	Non-current Liabilities			
	Financial Liabilities			
	Borrowings	5 (a)	30,189,095	29,115,231
	Total Non-current liabilities		**30,189,095**	**29,115,231**
3	**Current Liabilities**			
	(a) **Financial Liabilities**			
	Trade payables	5 (b)		
	Total outstanding dues of creditors other than micro enterprises and small enterprises		-	2,982,802
	(b) Other current liabilities	6	44,913	154,835
	Total Current Liabilities		**44,913**	**3,137,637**
	TOTAL EQUITY AND LIABILITIES		**9,021,900**	**12,135,875**

General Information & Significant Accounting Policies	1 & 2
Other Notes to the standalone Ind AS financial statements	10-18
The Notes are an integral Part of these Financial Statements	

In terms of our report of even date attached

For Sood Brij & Associates
Chartered Accountants
Firm registration No 00350N

SOOD BRIJ & ASSOCIATES CHARTERED ACCOUNTANTS FRN No. 00350N NEW DELHI

A.K. Sood
Partner
Membership No 14372

For and on Behalf of the Board of Directors

Vinod Kashyap
Director
(DIN : 00038854)

Vineet Kashyap
Director
(DIN : 00038897)

Vikram Kashyap
Director
(DIN : 00038937)

Place : New Delhi
Date : 29th May, 2019

SECURITY INFORMATION SYSTEMS (INDIA) LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2019

(Amount in Rs)

	Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
I	Revenue from operations		-	-
II	Other Income	7	3,101,574	-
III	Total Revenue (I + II)		3,101,574	-
IV	Expenses:			
	Finance Costs	8	1,081,735	1,085,677
	Other expenses	9	13,380	14,195
	Bad debts		3,101,574	-
	Total expenses		4,196,689	1,099,872
V	Profit before operations before tax (III-IV)		(1,095,115)	(1,099,872)
VI	Tax Expense:	10		
	(1) Current tax		-	-
	(2) Deferred tax		-	3,806,867
VII	Profit (Loss) for the period from continuing operations (V-VI)		(1,095,115)	(4,906,739)
VIII	Other comprehensive income			
	a) Items that will not be reclassified to profit or loss			
	i) re-measurements of redefined benefit plans		-	-
	ii) Income taxes related to items that will not be reclassified to profit or loss		-	-
	Total other comprehensive Income		-	-
IX	Profit (Loss) for the period (VII - VIII)		(1,095,115)	(4,906,739)
X	Earnings per equity share	11		
	(1) Basic		(1.61)	(7.22)
	(2) Diluted		(1.61)	(7.22)
	Face Value of each Equity Share		10.00	10.00

General Information & Significant Accounting Policies	1 & 2
Other Notes to the standalone Ind AS financial statements	10-18
The Notes are an integral part of these financial statements	

In terms of our report of even date attached

For Sood Brij & Associates
Chartered Accountants
Firm registration No 00350N

SOOD BRIJ & ASSOCIATES CHARTERED ACCOUNTANTS FRN No. 00350N NEW DELHI

A.K. Sood
Partner
Membership No 14372

For and on Behalf of the Board of Directors

Vinod Kashyap
Director
(DIN : 00038854)

Vineet Kashyap
Director
(DIN : 00038897)

Vikram Kashyap
Director
(DIN : 00038937)

Place : New Delhi
Date : 29th May, 2019

SECURITY INFORMATION SYSTEMS (INDIA) LIMITED : NEW DELHI

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

	PARTICULARS	Year ended 31st March, 2019			Year ended 31st March, 2018		
A	CASH FLOW FROM OPERATING ACTIVITIES						
	Net Profit/(Loss) before tax & extra-ordinary items		(1,095,115)			(1,099,872)	
	Adjustment for :						
	- Interest Expenses	1,081,735			1,085,677		
	- Interest Received	-	1,081,735		-	1,085,677	
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE		(13,380)			(14,195)	
	Adjustment for :						
	- Decrease/(Increase) in Trade And Other Receivables	3,101,574			-		
	- Increase/(Decrease) in Trade And Other Payables	(3,092,724)	8,851		8,850	8,850	
	CASH GENERATED FROM OPERATIONS		(4,529)			(5,345)	
	NET CASH FROM OPERATING ACTIVITIES			(4,529)			(5,345)
B	CASH FLOW FROM INVESTING ACTIVITIES						
	- Interest Received		-			-	
	NET CASH (USED IN)/FROM INVESTING ACTIVITIES			-			-
C	CASH FLOW FROM FINANCING ACTIVITIES						
	- Proceeds from Borrowings		1,073,864			1,073,864	
	- Interest and Finance Charges Paid		(1,081,735)			(1,085,677)	
	NET CASH (USED IN)/FROM FINANCING ACTIVITIES			(7,871)			(11,813)
	NET INCREASE IN CASH AND EQUIVALENTS			(12,400)			(17,158)
	CASH AND CASH EQUIVALENTS (OPENING BALANCE)			256,791			273,949
	CASH AND CASH EQUIVALENTS (CLOSING BALANCE)			244,390			256,791
	Notes :						
	Cash and cash equivalents include :-						
	Cash and bank balance (as per note 5 (b) to the financial statements			244,390			256,791
	Total			244,390			256,791

General Information & Significant Accounting Policies — 1 & 2
Other Notes to the standalone Ind AS financial statements — 10-18
The Notes are an integral Part of these Financial Statements

In terms of our report of even date attached

For Sood Brij & Associates
Chartered Accountants
Firm registration No 00350N

SOOD BRIJ & ASSOCIATES CHARTERED ACCOUNTANTS FRN No. 00350N NEW DELHI

A.K. Sood
Partner
Membership No 14372

Place : New Delhi
Date : 29th May, 2019

For and on Behalf of the Board of Directors

Vinod Kashyap
Director
(DIN : 00038854)

Vineet Kashyap
Director
(DIN : 00038897)

Vikram Kashyap
Director
(DIN : 00038937)

Statement of changes in Equity (SOCIE)

For the year Ended 31 March 2019

A Equity Share Capital

As on 31.3.2018

Particulars	(Amount in Rs)
Balance As on 1 April 2017	6,800,000
Additional Equity Share Issued during 2017-18	-
Balance As on 31 March 2018	**6,800,000**

As on 31.3.2019

Particulars	(Amount in Rs)
Balance As on 1 April 2018	6,800,000
Additional Equity Share Issued during 2018-19	-
Balance As on 31 March 2019	**6,800,000**

B Other Equity

As on 31.3.2018 **Amount in Rs**

Particulars	Retained earning
Balance As on 1 April 2017	**(22,010,254)**
Total Comprehensive Income for the year ended 31 March 2018	
Profit for the year	(4,906,739)
Other Comprehensive income (Net of Taxes)	-
Total Comprehensive Income	**(4,906,739)**
Transactions with the owners in their capacity as owners	
Issue of Share Capital	
Balance As on 31 March 2018	**(26,916,993)**

As on 31.3.2019

Balance As on 1 April 2018	**(26,916,993)**
Total Comprehensive Income for the year ended 31 March 2018	
Profit for the year	(1,095,115)
Other Comprehensive income (Net of Taxes)	-
Total Comprehensive Income	**(1,095,115)**
Transactions with the owners in their capacity as owners	-
Issue of Share Warrant	-
Issue of Share Capital	-
Balance As on 31 March 2019	**(28,012,108)**

General Information & Significant Accounting Policies 1 & 2
Other Notes to the standalone Ind AS financial statements 10-18
The Notes are an integral Part of these Financial Statements

In terms of our report of even date attached

For Sood Brij & Associates
Chartered Accountants
Firm registration No 00350N

SOOD BRIJ & ASSOCIATES CHARTERED ACCOUNTANTS FRN No 00350N NEW DELHI

A.K. Sood
Partner
Membership No 14372

For and on Behalf of the Board of Directors

Vinod Kashyap
Director
(DIN : 00038854)

Vineet Kashyap
Director
(DIN : 00038897)

Vikram Kashyap
Director
(DIN : 00038937)

Place : New Delhi
Date : 29th May, 2019

Note 1 General Information

Security information Systems (India) Limited (CIN : U74899DL1993PLC055596) having registered office E-23/B-1 Extension, Mohan Co-Operative Industrial Estate, Mathura Road, New Delhi- 110044 is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It is 100% subsidiary of B.L.Kashyap And Sons Limited.

Basis of Preparation

(a) Statement of compliance

These standalone Ind AS financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Acts amended from time to time.

These standalone Ind AS financial statements were approved and authorized for issue by the Company's Board of Directors on 29th May, 2019.

Details of the Company's accounting policies are included in Note - 2.

(b) Functional and presentation currency

These standalone Ind AS financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All the financial information have been presented in Indian Rupee (INR) all amounts have been rounded-off to the nearest Rupee, unless otherwise stated.

(c) Basis of Measurement

The standalone Ind AS financial statements have been prepared on a historical cost basis.

(d) Use of estimates and judgments

The preparation of the standalone Ind AS financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected thereby.

The areas involving critical estimates and judgements are:

(i) Estimation of recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used.

(e) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

They regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuation meet the requirements of Ind AS including the level in the fair value hierarchy in which such valuations could be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follow:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Input for the assets or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an assets or a liability fall into different level of the fair value hierarchy. then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Note 2 Significant Accounting Policies

2.1 Current and Non -Current Classification

All assets and liabilities have been classified as current or non- current as per the company's normal operating cycle and other criteria set -out in the Act. Deferred tax assets and liabilities are classifed as non- current assets and non- current liabilities , as the case may be.

2.2 Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realiation in cash or cash equivalents.

Based on the nature of operations, the time between the acquisition of assets for processing and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

2.3 Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

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Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI, are recognised in other comprehensive income.

2.4 Principal accounting policies

2.4.1 ***Accounting standards***

The Company has adopted Ind AS 115: Revenue from Contract with Customers from 1 April 2018. The Company has adopted Ind AS 115 retrospectively and has chosen to apply the modified retrospective approach and hence, it has changed its income recognition policy in line with Ind AS 115 and the impact of the same on the financial results for the year ended 31st March, 2019 is not material. Under modified retrospective approach, the comparative for the previous year are not required to be restated and hence are not comparable to the current year.

2.4.2 ***Revenue recognition***

The Company recognises revenue when it transfers control over a product or service to its customer. Revenue is measured based on the consideration specified in a contract with a Customer and excludes amounts collected on behalf of third parties. The consideration recognised is the amount which is highly probable not to result in a significant reversal in future periods.

Where a modification to an existing contract occurs, the Company assesses the nature of the modification and whether it represents a separate performance obligation required to be satisfied by the Company or whether it is a modification to the existing performance obligation.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer in pursuance to its performance obligation and payment by the customer exceeds one year. As a consequence, the Company does not adjust its transaction price for the time value of money.

The Company's activities are installation of security systems and as such, depending on the nature of the product or service delivered and the timing of when control is passed onto the customer, the Company will account for revenue over time and at a point in time. Where revenue is measured over time, the Company uses the input method to measure progress of delivery.

Revenue is recognised as follows:

- Revenue from construction and services activities is recognised over time and the Company uses the input method to measure progress of delivery.

– interest income is accrued on a time basis using the effective interest method by reference to the principal outstanding and the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount sale of goods.

– dividend income is recognised when the equity holder's right to receive payment is established.

2.5 Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

2.5.1 **Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum Alternate Tax ('MAT') under the provisions of Income-tax Act, 1961 is recognised as current tax in the statement of profit and loss. MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is a convincing evidence that the Company will pay normal tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.5.2 **Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

-temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

-temporary differences related to investment in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

-taxable temporary differences arising on the initial recognition of goodwill.

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Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.6 Impairment of non financial assets

The carrying amounts of the Company's non-financial assets, investment property and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.8 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost , less provision for impairment.

2.9 Inventories

Construction materials and spares, tools and stores, are stated at the lower of cost and net realisable value except working progress which is valued at cost. Cost of construction materials comprises cost of purchases cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of FIFO (first in first out). Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

2.10 Financial instruments

2.10.1 Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the Management. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

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2.10.2 **Classification and subsequent measurement**

A) Financial Assets

Classification

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

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

Debt instruments at amortised cost

1. A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

3. Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

1. The rights to receive cash flows from the asset have expired, or

2. The Company has transferred its rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

3. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

4. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

1. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

2. Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

B) Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

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Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

2.11 Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.12 Trade and other payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid unless and otherwise aggreed. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, please refer to note 8 (b).

2.13 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

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2.14 Borrowing Costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2.15 Provisions

Provisions for legal claims, service warranties are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

2.16 Contributed equity

Equity shares are classified as equity

Incremently cost directly attributable to the issue of new shares or options are show in equity as a deduction net of tax, from the proceeds.

2.17 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.18 Earning per share

(i) Basic Earning per share

Basic earnings per share is calculated by dividing:

•the profit attributable to owners of the Company.

•by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted Earning per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.19 Statement of cash flows

The company's statements of cash flows are prepared using the Indirect method, whereby profit for the period is adjusted for the effect of transaction of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and item of income or expenses associated with investing or finacing cash flows. The cash flows from operating, investing and fianacing activities of the Company are segregated.

Cash and cash equivalents comprise cash and bank balances and short-term fixed bank deposits that are subject to an insignificant risk of changes in value. These also include bank overdrafts and cash credit facility that form an integral part of the company's cash management.

2.20 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the IND AS financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

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Note 3 (a) Trade receivables

(Amount In Rs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
-Unsecured, considered good	8,777,510	11,879,084
Total	8,777,510	11,879,084

For terms and conditions of receivables owing from related parties, refer note 11 of standalone Ind AS financial statements.

The Company exposure to credit and currency risks, and loss allowances related to receivables are disclosed in note 13 of standalone Ind AS financial statements.

Debtors amounting to Rs. 87,77,510/- (as on 31.3.2018 Rs. 1,18,79,084/-) are outstanding for more than one year.

Note 3 (b) Cash & cash equivalents

(Amount In Rs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
a) Balances with banks		
In current account	243,439	252,810
b) Cash in hand	951	3,981
Total	244,390	256,791

Note 4 (a) Share Capital (Amount In Rs)

Share Capital	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount	Number	Amount
Authorised Equity Shares of Rs. 10 each	1,500,000	15,000,000	1,500,000	15,000,000
Issued, Subscribed & Paid up 6,80,000 Equity Shares of Rs. 10 each	680,000	6,800,000	680,000	6,800,000
Total	680,000	6,800,000	680,000	6,800,000

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

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	680,000	6,800,000	680,000	6,800,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	680,000	6,800,000	680,000	6,800,000

ii) Terms / Rights attached to Shares

The company has only on class of equity shares having par value of Rs. 10/- per share.

i) Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees.

ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

6,80,000 Equity Shares (Previous year 6,80,000) are held by B L Kashyap and Sons Ltd., the holding company and its Nominees.

Name of Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
B.L. Kashyap And Sons Limited (Equity Shares)	680,000	100%	680,000	100%

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Note 4 (b) other equity

Retained earning

(Amount in Rs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Opening Balance	(26,916,993)	(22,010,254)
(+) Net Profit/(Net Loss) for the current year	(1,095,115)	(4,906,739)
Total	**(28,012,108)**	**(26,916,993)**

Note 5 (a)-Non Current Borrowings

Financial liabilities

(Amount in Rs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
<u>Unsecured Loans & Advances</u>		
From Related Parties		
Inter Corporate Deposit from Holding Company - B L Kashyap & Sons Ltd.	30,189,095	29,115,231
Total	**30,189,095**	**29,115,231**

Unsecured non-current loan from Holding Company and others including interest if repayable on demand. This has been classified as 'Non current borrowing' as the Company has obtained the view from holding company's management and others that considering tight liquidity position of the company there is no likelihood of their asking for whole of its repayment, atleast within next 1 year.

Note 5 (b) Financial liabilities

(Amount in Rs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade payables	-	2,982,802
Total	-	**2,982,802**

Note 6 Other current liabilities

(Amount in Rs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Other payables		
-Audit Fees Payable	44,913	36,063
-Retention Money	-	28,793
-Advance taken from customers	-	89,979
Total	**44,913**	**154,835**

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Note 7 Other Income

(Amount in Rs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Balance written back	3,101,574	-
Total	**3,101,574**	**-**

Note 8 Finance cost

(Amount in Rs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest expenses	1,073,864	1,073,864
Bank charges	354	-
Other borrowings cost	7,517	11,813
Total	**1,081,735**	**1,085,677**

Note 9 Other expenses

(Amount in Rs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Filing fees	3,030	1,845
Legal & Professional Charges	1,500	3,500
Audit Fees	8,850	8,850
Total	**13,380**	**14,195**

Note 9.1 Payment to auditors

(Amount in Rs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Audit fee	7,500	7,500
GST	1,350	1,350
Total	**8,850**	**8,850**

Note 10 Tax expenses

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Deferred tax	-	3,806,867
Income tax expenses reported in the statement of profit and loss	-	**3,806,867**

Reconcilation of tax expenses and the accounting profit multiplied by tax rate	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Accounting profit before income tax	-	(1,099,872)
Reversal of Deferred Tax on account of Unabsorbed Business Losses	-	(3,806,867)
Total	**-**	**(3,806,867)**

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Note 11 Earning Per Share

Amount in Rs.

Particulars	As at 31st March, 2019	As at 31st March, 2018
i) Net Profit/(Loss) after tax as per Standalone Statement of profit and loss attributable to equity shareholders.	(1,095,115)	(4,906,739)
(ii) Weighted average number of equity shares used as denominator for calculating EPS (Re- stated pursuant to share issue)	680,000	680,000
(iii) Basic earning per share	(1.61)	(7.22)
(iv) Diluted earning per share	(1.61)	(7.22)
(v) Face value of equity share	10.00	10.00

Note 12 Related party Disclosure

	Relationship
Holding Company	
B. L. Kashyap And Sons Ltd.	Limited Company
Fellow Subsidiary of Holding Company	**Status**
Soul Space Projects Limited	Limited Company
Soul Space Realty Ltd.	Limited Company
Soul Space Hospitality Ltd.	Limited Company
B.L.K.Lifestyle Limited	Limited Company
BLK Infrastructure Limited	Limited Company
Associates	**Status**
Aureus Financial Services Limited formerly konow as B.L.K. Financial Services Limited	Limited Company
B.L.K. Securities Private Limited	Private Limited Company
Ahuja Kashyap Malt Pvt. Ltd.	Private Limited Company
Bezel Investments & Finance Pvt. Ltd.	Private Limited Company
B.L. Kashyap & Sons	Partnership Firm
Aiyana Trading Pvt. Ltd.	Private Limited Company
Chrysalis Trading Pvt. Ltd.	Private Limited Company
Chrysalis Realty Projects Pvt. Ltd	Private Limited Company
Kasturi Ram Herbal Industries	Partnership Firm
EON Auto Industries Pvt. Ltd.	Private Limited Company
Suryakant Kakade & Soul Space	Partnership Firm
BLK-NCC Consortium	Association of Persons
BLK-BILIL Consortium	Association of Persons
Behari Lal Kashyap (HUF)	HUF
Becon (I)	Partnership Firm
B L Kashyap & Sons Software Pvt.Ltd	Private Limited Company
Baltic Motor Private Limited	Private Limited Company
Key Management Personnel	
Mr. Vinod Kashyap	Director
Mr. Vineet Kashyap	Director
Mr. Vikram Kashyap	Director
Relatives of Key Management Personnel	
Mr. Mohit Kashyap	Son of Mr.Vinod Kashyap
Ms. Malini Kashyap Goyal	Daughter of Mr.Vinod Kashyap
Mr. Saurabh Kashyap	Son of Mr.Vineet Kashyap
Ms. Anjoo Kashyap	Wife of Mr. Vinod Kashyap
Ms. Aradhana Kashyap	Wife of Mr. Vineet Kashyap
Ms. Amrita Kashyap	Wife of Mr. Vikram Kashyap
Ms. Nitika Nayar Kashyap	Wife of Mr.Mohit Kashyap
Ms. Shruti Choudhari	Daughter of Mr. Vineet Kashyap
Ms. Sanjana Kashyap Kapoor	Daughter of Mr. Vikram Kashyap
Mr. Sahil Kashyap	Son of Mr. Vikram Kashyap
Ms. Mayali Kashyap	Wife of Mr. Saurabh Kashyap
Ms. Divya Mohindroo Kashyap	Wife of Mr. Sahil Kashyap

Transactions with related parties during the year :

Rs. in Lakhs

Particulars	Holding	Fellow subsidiaries of holding company	Associates	Key Management	Relatives	Total
Interest Expense on Inter Corporate loan -Taken	10.74	-	-	-	-	10.74
	(10.74)	-	-	-	-	(10.74)

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Balances With Related Parties as at 31.03.2019

Inter corporate deposit including interest	301.89	-	-	-	-	301.89
	(291.15)	-	-	-	-	(291.15)

Terms and conditions of transactions with related parties.The transaction with related parties are on arm's-length basis. There have been no guarantees provided or received for any related party's receivables or payables.

All balances outstanding with related parties are unsecured. Figures shown in bracket represents corresponding amounts of previous year.

Note 13 Micro and small enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis or the Information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small mid Medium Enterprises Development Act, 2006.

Note 14 Financial instruments – Fair values and risk management

Risk management framework

The business of the Company involves market risk, credit risk and liquidity risk. Among these risks, market risk is given paramount importance so as to minimize its adverse affects on the Company's performance. The Company has policies and process to identify, evaluate and manage risks and to take corrective actions, if required, for their control and mitigation on continuous basis. And regular monitoring of the said policies and process for their compliance is responsibility of the management under the supervision of the Board of Directors and Audit Committee. The policies and process are regularly reviewed to adapt them in tune with the prevailing market conditions and business activities of the Company. The Board of Directors and Audit Committee are responsible for the risk assessment and management through formulation of policies and processes for the same.

Credit risk

Credit risk is part of the business of the Company due to extension of credit in its normal course having a potential to cause financial loss to the Company. It mainly arises from the receivables of the Company due to failure of its customer or a counter party to a financial instrument to meet obligations under a contract with the Company. Credit risk management starts with checking the credit worthiness of a prospective customer before entering into a contract with him by taking into account, his individual characteristics, demographics, default risk in his industry. A customer's credit worthiness is also continuously is checked during the period of a contract. However, risk on trade receivables and unbilled work in progress is limited as the customers of the company are either government promoted entities or have strong credit worthiness. In order to make provisions against dues from the customers other than government promoted entities, the Company takes into account available external and internal credit risk factors such as credit rating from credit rating agencies, financial condition, aging of accounts receivables and the Company's historical experience for customers. However, in Company's line of business, delay in meeting financial obligation by a customer is a regular feature especially towards the end of a contract and is as such factored in at the time of initial engagement.

Expected credit loss/ lifetime credit loss assessment for customers as at 31 March 2018 and 31 March 2019

Trade and other receivables are reviewed at the end of each reporting period to determine expected credit loss other those already incurred, if any. In the past, trade receivables, in normal course, have not shown any trend of credit losses which are higher than in the industry or as observed in the company's history. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk. The impairment loss at March 31, 2019 relates to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

Cash and Cash equivalents

The Company held cash and cash equivalents with credit worthy banks of INR 2,44,390/- and INR 2,56,791/- as at 31 March 2019, 31 March 2018 respectively. The credit worthiness of such banks is evaluated by the management on an ongoing basis and is considered to be good.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

As of 31 March 2019, the Company had working capital (Total current assets - Total current liabilities) of Rs. 89,76,987/- including cash and cash equivalents of Rs. 2,44,390/-. As of 31 March 2018, the Company had working capital of Rs. 89,98,239/- including cash and cash equivalents of Rs. 2,56,791/-.

Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

Amount in Rs.

Particulars	Carrying amount	As at 31st March 2019				
		Contractual cash flow				
		Total	0-12 months	1-2 year	2-5 years	More than 5 years
Non -derivatives financial liabilities						
Borrowing *	30,189,095	30,189,095	-	30,189,095	-	-
Trade Payables	-	-	-	-	-	-

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Amount in Rs.

Particulars	Carrying amount	As at 31st March 2018				
		Contractual cash flow				
		Total	0-12 months	1-2 year	2-5 years	More than 5 years
Non -derivatives financial liabilities						
Borrowing *	29,115,231	29,115,231	-	29,115,231	-	-
Trade Payables	2,982,802	2,982,802	2,982,802	-	-	-

* Unsecured Loans from Holding Company and other related parties including interest are repayable on demand. This has been classified as Non-current loans' as the company has obtained the view from holding company's management that considering tight liquidity position of the Company there is no likelihood of their asking for its repayment, atleast with in next 1 years.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt.

Currency Risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Exposure to currency risk

The company has no exposure to currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from financial institutions.

For details of the Company's Long term loans and borrowings, including interest rate profiles, refer to Note 5 (a) of Ind AS financial statements.

Interest rate sensitivity - fixed rate instruments

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analyses assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Amount in Rs.

Particulars	Profit or (Loss)	
	100 bp increase	100 bp decrease
As as 31 March 2019		
Unsecured Loan - Rupee Loans - From related party	(153,409)	153,409
sensitivity (net)	(153,409)	153,409

Amount in Rs.

Particulars	Profit or (Loss)	
	100 bp increase	100 bp decrease
As as 31 March 2018		
Unsecured Loan - Rupee Loans - From related party	(153,409)	153,409
sensitivity (net)	(153,409)	153,409

(Note: The impact is indicated on the profit/loss and equity before tax basis)

Note 15 Capital management

The Company's objectives when managing capital are to:-

(i) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(ii) Maintain an optimal capital structure to reduce the cost of capital.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company monitors capital using a ratio of 'net debt' (total borrowings net of cash & cash equivalents) to 'total equity' (as shown in the balance sheet).

The Company's net debt to equity ratios are as follows.

SOOD BRIJ & ASSOCIATES CHARTERED ACCOUNTANTS FRN No. 00350N NEW DELHI

Amount in Rs.

Particular	As at 31st March, 2019	As at 31st March, 2018
Net debts	29,944,705	28,858,440
Total equity	(21,212,108)	(20,116,993)
Net debts to equity ratio	**	**

** Negative networth

Note 16

In the opinion of the board of directors all its assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amounts at which they are stated in the Balance Sheet.

Note 17

Balances outstanding in the name of the parties are subject to the confirmation

Note 18

Previous year's figures have been regrouped and / or rearranged wherever necessary.

General Information & Significant Accounting Policies	1 & 2
Other Notes to the standalone Ind AS financial statements	10-18

The Notes are an integral Part of these Financial Statements

In terms of our report of even date attached

For Sood Brij & Associates
Chartered Accountants
Firm registration No 00350N

SOOD BRIJ & ASSOCIATES CHARTERED ACCOUNTANTS FRN No. 00350N NEW DELHI

A.K. Sood
Partner
Membership No 14372

For and on Behalf of the Board of Directors

Vinod Kashyap
Director
(DIN : 00038854)

Vineet Kashyap
Director
(DIN : 00038897)

Vikram Kashyap
Director
(DIN : 00038937)

Place : **New Delhi**
Date : **29th May, 2019**