KANHATECH SOLUTIONS LIMITED

FINANCIAL STATEMENTS

2017-18

Independent Auditor's Report

To The Members of Kanhatech Solutions Limited

Report on the Standalone Ind AS Financial Statements

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

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

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

Other Matters

The comparative financial information of the Company for the year ended 31st March, 2017 included in these Ind AS financial statements, are based on the previously issued financial statements as audited by the predecessor auditor, whose report dated 21st April, 2017 expressed an unmodified opinion on those financial statements.

Our opinion is not modified in respect of above said matter.

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 "Annexure A", 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 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 Indian Accounting Standards prescribed under section 133 of the Act;
   e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 in its standalone Ind AS financial statements.
      (ii) The Company does not have any foreseeable losses on long-term contracts including derivative contracts, if any, in respect of which any provision is required to be made under the applicable law and Accounting Standards.
      (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **D T S & Associates**
Chartered Accountants
(Registration No. 142412W)

Anuj Bhatia
Partner
Membership No.: 122179

Place: Mumbai
Date: April 09, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Kanhatech Solutions Limited on the standalone Ind AS financial statements for the year ended 31st March, 2018)

i. In respect of its fixed assets:

   a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

   b. As explained to us, during the year all the fixed assets of the Company have been transferred pursuant to Business transfer agreement to Reliance Corporate IT Park Limited, (the fellow subsidiary Company) and as on 31st March, 2018 the Company does not have any fixed assets.

   c. The Company does not have any immovable property and accordingly, the provisions of Clause (i) (c) of paragraph 3 of the Order are not applicable to the Company.

ii. The Company does not have any inventories and accordingly, the provisions of Clause (ii) of paragraph 3 of the Order are not applicable to the Company.

iii. In our opinion and according to the information and explanations given to us, the Company has not given any loan and it has not made any investments or given any guarantee or security on which the provisions of Section 185 and 186 of the Companies Act, 2013 applies. Accordingly, the provisions of Clause (iv) of paragraph 3 of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has not accepted any deposit. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

v. According to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of activities carried on by the Company and accordingly, the provisions of Clause (vi) of paragraph 3 of the Order are not applicable to the Company.

vi. In respect of statutory dues:

   a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2018 for a period of more than six months from the date of becoming payable.

   b. There were no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, as applicable, which have not been deposited on account of any dispute.

vii. In our opinion and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowing to banks. During the year, the Company has no dues to financial institution and government. The Company has not issued any debentures.

viii. To the best of our knowledge and belief and according to the information and explanations given to us, the term loans raised have, prima facie, been applied for the purposes for which they were raised. During the year, the Company has not raised money by way of initial public offer or further public offer (including debt instruments).

ix. In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

x. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

xi. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the Order are not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in standalone Ind AS financial statements as required by the applicable accounting standards.

xiii. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Therefore, the provisions of Clause (xiv) of paragraph 3 of the Order are not applicable to the Company.

xiv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Therefore, the provisions of Clause (xv) of paragraph 3 of the Order are not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of Clause (xvi) of paragraph 3 of the Order are not applicable to the Company.

For **D T S & Associates**
Chartered Accountants
(Registration No. 142412W)

Anuj Bhatia
Partner
Membership No.: 122179

Place: Mumbai
Date: April 09, 2018

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Kanhatech Solutions Limited on the standalone Ind AS financial statements for the year ended 31st March, 2018)

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

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **D T S & Associates**
Chartered Accountants
(Registration No. 142412W)

Anuj Bhatia
Partner
Membership No.: 122179

Place: Mumbai
Date: April 09, 2018

Balance Sheet as at 31st March, 2018

	Note		As at 31st March, 2018		₹ lakhs As at 31st March, 2017
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	**1**	**-**		107.76	
Capital Work-in-Progress	**1**	**-**		641.84	
Intangible Assets	**1**	**-**		1.23	
Intangible Assets Under Development	**1**	**-**		6919.11	
Financial Assets					
Other Financial Assets	**2**	**0.10**		0.13	
Other Non- Current Assets	**3**	**-**		2.24	
Total Non-Current Assets			**0.10**		7672.31
Current Assets					
Financial Assets					
Investments	**4**	**7,068.03**		38.88	
Trade Receivables	**5**	**-**		6.56	
Cash and Cash Equivalents	**6**	**20.98**		13.18	
Other Financial Assets	**7**	**-**		1.25	
Other Current Assets	**8**	**10.14**		208.61	
Total Current Assets			**7,099.15**		268.48
Total Assets			**7,099.25**		7,940.79
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	**9**	**7,500.00**		7,500.00	
Other Equity	**10**	**(416.25)**		(457.71)	
Total Equity			**7,083.75**		7,042.29
LIABILITIES					
Non-Current Liabilities					
Financial Liabilities					
Borrowings	**11**	**-**		675.96	
Provisions	**12**	**-**		28.35	
Total Non-Current Liabilities			**-**		704.31
Current Liabilities					
Financial Liabilities	**13**	**2.97**		107.73	
Other Current Liabilities	**14**	**12.53**		68.34	
Provisions	**15**	**-**		18.12	
Total Current Liabilities			**15.50**		194.19
Total Equity and Liabilities			**7,099.25**		7,940.79
Significant accounting policies See accompanying Notes to the financial statements	**1 to 30**				

As per our Report of even date	For and on behalf of the Board	
For D T S & Associates Chartered Accountants Firm Regn No: 142412W	**Murlidhara Kadaba** Director	**Bharat Goenka** Director
Anuj Bhatia Partner **Membership No: 122179**	**Abhishek Juvekar** Company Secretary	**Ayushi Prasad** Chief Financial Officer
Place: Mumbai Date: April 9, 2018	Place: Bengaluru Date: April 7, 2018	**Utpal Kundu** Manager

Statement of Profit and Loss for the year ended 31st March, 2018

₹ lakhs

	Note		2017-18		2016-17
INCOME					
Revenue from Operations	**16**		**2,374.20**		-
Other Income	**17**		**240.55**		17.58
Total Revenue			**2,614.75**		17.58
EXPENSES					
Purchases of Stock-in-Trade			**2,371.83**		-
Employee Benefits Expense	**18**		**52.98**		40.14
Finance Costs	**19**		**0.13**		1.84
Depreciation and Amortisation Expense			**-**		12.47
Other Expenses	**20**		**148.35**		50.79
Total Expenses			**2,573.29**		105.24
Profit / (Loss) Before Tax			**41.46**		(87.66)
Tax Expenses:					
Current Tax		**-**		-	
Deferred Tax		**-**		-	
			-		-
Profit (Loss) after Tax from Continuing Operations			**41.46**		(87.66)
Other Comprehensive Income					
A (i) Items that will not be reclassified to profit or loss			**-**		-
(ii) Income tax relating to items that will not be reclassified			**-**		-
B (i) Items that will be reclassified to profit or loss			**-**		-
(ii) Income tax relating to items that will be reclassified to profit or loss			**-**		-
Total Comprehensive Income for the year			**41.46**		(87.66)
Earnings per equity share of face value of ₹ 10 each					
Basic and Diluted (In Rupees)	**25**		**0.06**		(0.12)
Significant Accounting Policies					
Notes on Financial Statements	**1 to 30**				

As per our Report of even date	For and on behalf of the Board	
For D T S & Associates Chartered Accountants Firm Regn No: 142412W	**Murlidhara Kadaba** Director	**Bharat Goenka** Director
Anuj Bhatia Partner **Membership No: 122179**	**Abhishek Juvekar** Company Secretary	**Ayushi Prasad** Chief Financial Officer
Place: Mumbai Date: April 9, 2018	Place: Bengaluru Date: April 7, 2018	**Utpal Kundu** Manager

Statement of Changes in Equity for the year ended 31st March, 2018

A. Equity Share Capital

₹ lakh

	Balance at the beginning of the reporting period i.e. 1st April, 2017	Changes in equity share capital during the year	**Balance at the end of the reporting period i.e. 31st March, 2018**
	7,500.00	**-**	**7,500.00**

B. Other Equity ₹ lakh

	Reserves and Surplus	
	Retained Earnings	**Total**
As on 31st March, 2017		
Balance at the beginning of the reporting period	(370.05)	(370.05)
Addition during the year	-	
Total Profit for the year	(87.66)	(87.66)
As on 31st March, 2017	(457.71)	(457.71)
As on 31st March, 2018		
Balance at the beginning of the reporting period	(457.71)	(457.71)
Addition during the year	41.46	41.46
As on 31st March, 2018	(416.25)	(416.25)

As per our Report of even date	For and on behalf of the Board	
For D T S & Associates Chartered Accountants Firm Regn No: 142412W	**Murlidhara Kadaba** Director	**Bharat Goenka** Director
Anuj Bhatia Partner **Membership No: 122179**	**Abhishek Juvekar** Company Secretary	**Ayushi Prasad** Chief Financial Officer
Place: Mumbai Date: April 9, 2018	Place: Bengaluru Date: April 7, 2018	**Utpal Kundu** Manager

Cash Flow Statement for the year ended 31st March, 2018

					₹ lakh
			2017-18		2016-17
A:	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before Tax as per Profit and Loss Statement		**41.46**		(87.66)
	Adjusted for:				
	Depreciation and Amortisation Expense	**-**		12.47	
	(Profit)/ Loss on Sale of Investments (Net)	**(107.93)**		(21.73)	
	Dividend Income	**(179.74)**		-	
	(Profit)/ Loss on valuation of Investments (Net)	**47.12**		5.85	
	Loss on Sale of Assets	**79.42**		-	
	Finance Costs	**0.13**		1.84	
			(161)		(1.57)
	Operating Profit/(Loss) before Working Capital Changes		**(119.54)**		(89.23)
	Adjusted for:				
	Trade and Other Receivables	**2.13**		(18.90)	
	Trade and Other Payables	**(101.77)**		(130.92)	
			(99.64)		(149.82)
	Cash Used In Operations		**(219.18)**		(239.05)
	Taxes Paid (Net)		**-**		0.28
	Net Cash Used In Operating Activities		**(219.18)**		(238.77)
B:	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Payment for Property, Plant and Equipment (Including movement in Capital Work in Progress and Intangible Assets Under Development)		**(21.23)**		(1,045.54)
	Purchase of Investments		**(14,027.00)**		(251.00)
	Sale of Investments		**7,238.40**		904.60
	Proceeds against slump sale of business to fellow subsidiary		**6,959.71**		-
	Net Cash Used In Investing Activities		**149.88**		(391.94)
C:	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Long Term Borrowings		**100.00**		666.00
	Repayment of Long Term Borrowings		**(22.46)**		(28.21)
	Interest Paid		**(0.44)**		(6.43)
	Net Cash from Financing Activities		**77.1**		631.36
	Net (Decrease)/ Increase in Cash and Cash Equivalents		**7.80**		0.65
	Opening Balance of Cash and Cash Equivalents		**13.18**		12.53
	Closing Balance of Cash and Cash Equivalents (Refer Note "6")		**20.98**		13.18

As per our Report of even date	For and on behalf of the Board	
For D T S & Associates Chartered Accountants Firm Regn No: 142412W	**Murlidhara Kadaba** Director	**Bharat Goenka** Director
Anuj Bhatia Partner **Membership No: 122179**	**Abhishek Juvekar** Company Secretary	**Ayushi Prasad** Chief Financial Officer
Place: Mumbai Date: April 9, 2018	Place: Bengaluru Date: April 7, 2018	**Utpal Kundu** Manager

Notes on Standalone financial statements for the year ended 31st March, 2018

A. CORPORATE INFORMATION

Kanahatech Solutions Limited ("the Company") is a limited company incorporated in India. The address of its registered office and principal place of business is 5th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400002, Maharashtra, India.The company was involved in research, design and development of cost effective Point of Sale Terminal hardware portfolio of payment devices and embedded software and device centric application platform. This R&D Project of the Company has been transferred by way of slump sale to "Reliance Corporate IT Park Ltd (RCITPL)". The Company is also involved in trading of electronic goods and appliances.

B. ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for following assets and Liabilities which have been measured at fair values amount :

i) Certain Financial Assets and Liabilities measured at Fair value.

ii) Defined benefits plans- plan measured at Fair value

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the Accounting Standards noticed under the relevant provisions of the companies Act, 2013.

Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Property, Plant & Equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably.

Expenses incurred relating to project, during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

(b) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in 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.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

Notes on Standalone financial statements for the year ended 31st March, 2018

(c) Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

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.

A summary of the policies applied to the Company's intangible assets is, as follows:

Particular	**Depreciation**
Computer Software:	Over a period of 5 years (SLM)

(d) Research and Development Expenses

Revenue expenditure pertaining to research is charged to the Profit and Loss Statement. Development costs of products are charged to the Profit and Loss Statement unless a product's technological feasibility has been established, in which case such expenditure is capitalised.

(e) Borrowings Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

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

All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

(f) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of trading and other items are determined on weighted average basis.

(g) Impairment of non-financials assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where 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.

Recoverable amount is the higher of fair value less costs to sell 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 assessment 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 recognized immediately in the statement of operations.

(h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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.

Notes on Standalone financial statements for the year ended 31st March, 2018

(i) Employee Benefits

Short Term Employee Benefits

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

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

Defined Benefit Plans.

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Actuarial gains and losses in respect of post-employment and other long term benefits are capitalised with Project cost.

(j) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income and equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period. (Refer Note 24)

(k) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution repayable on demand or maturing within three months of the date of acquisition and which are subject to an insignificant risk of change in value

(l) Foreign Currencies

Company's financial statements are presented in INR, which is also its functional currency.

Transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss except to the extent that exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings are capitalized as cost of assets under construction. Additionally, exchange gains or losses on foreign currency borrowings taken prior to April 1, 2016 which are related to the acquisition or construction of fixed assets are adjusted in the carrying cost of such assets. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Notes on Standalone financial statements for the year ended 31st March, 2018

(m) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for Value Added Tax, estimated transaction reversals, rebates and other similar allowances.

Revenue from Sale of Goods

Revenue from the sale of goods shall be recognised when all the following conditions have been satisfied:

(a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods;

(b) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

(c) the amount of revenue can be measured reliably;

(d) it is probable that the economic benefits associated with the transaction will flow to the entity; and

(e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, 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 on initial recognition.

(n) Financial instruments

Financial Assets

Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised using trade date accounting.

Subsequent measurement.

Non-derivative financial instruments

Financial assets measured at Amortised Cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

Financial assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

Financial assets measured at Fair Value Through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.

Equity instruments

All equity investments in scope of Ind-AS 109 are measured at fair value either as at FVTOCI or FVTPL. The company makes such election on instrument-by-instrument basis.

For equity instruments measured as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Impairment of financial assets

The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Notes on Standalone financial statements for the year ended 31st March, 2018

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

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables

d) Trade receivables or any contractual right to receive cash or another financial asset

e) Loan commitments which are not measured as at FVTPL

f) Financial guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Financial liabilities

A. Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

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

a) Depreciation and useful lives of property plant and equipment :

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

Notes on Standalone financial statements for the year ended 31st March, 2018

b) Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment

c) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

d) Impairment of Non financial Assets:

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

e) Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

D. STANDARDS ISSUED BUT NOT EFFECTIVE

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

a) Issue of Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

b) Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards;

i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

ii. Ind AS 40 - Investment Property

iii. Ind AS 12 - Income Taxes

iv. Ind AS 28 - Investments in Associates and Joint Ventures and

v. Ind AS 112 - Disclosure of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the Company's financial statements

Notes on Standalone financial statements for the year ended 31st March, 2018

1. Property, Plant and Equipment

₹ lakhs

Description	Gross Block					Depreciation/ Amortisation					Net Block	
	As at 1st April, 2017	Additions	Deductions/ Adjustments	Slump Sale to RCITPL	**As at 31st March, 2018**	As at 1st April, 2017	For the year	Deductions/ Adjustments	Slump Sale to RCITPL	**Upto 31st March, 2018**	**As at 31st March, 2018**	As at 31st March, 2017
i) **Tangible Assets**												
Own Assets:												
R&D Equipments	39.73	-	39.72	0.01	**-**	22.08	-	22.08	-	**-**	**-**	17.65
Office Equipment	39.75	-	39.25	0.50	**-**	34.72	-	34.27	0.45	**-**	**-**	5.03
Furniture and Fixtures	0.80	-	0.80	-	**-**	0.30	-	0.30	-	**-**	**-**	0.50
Vehicles	175.56	-	175.56	-	**-**	90.98	-	90.98	-	**-**	**-**	84.58
TOTAL (i)	255.84	-	255.33	0.51	**-**	148.08	-	147.63	0.45	**-**	**-**	107.76
Previous Year Figures	254.27	1.57	-	-	**255.84**	120.80	27.28	-	-	**148.08**	**107.76**	
(ii) Other Intangible Assets												
Software*	2.29	-	2.29	-	**-**	1.06	-	1.06	-	**-**	**-**	1.23
TOTAL (ii)	2.29	-	2.29	-	**-**	1.06	-	1.06	-	**-**	**-**	1.23
Previous Year Figures	2.29	-	-	-	**2.29**	0.60	0.46	-	-	**1.06**	**1.23**	
TOTAL (i+ii)	258.13	-	257.62	-	**-**	149.14	-	148.69	0.45	**-**	**-**	108.99
Previous year	256.56	1.57	-	-	**258.13**	121.40	27.74	-	-	**149.14**	**108.99**	
Capital Work-in-Progress (iii)											-	641.84
Intangible Assets Under Development (iv)											-	6919.11

* Other than internally generated assets

Work-in-Progress

The company was involved in research, design and development of cost effective Point of Sale Terminal hardware portfolio of payment devices and embedded software and device centric application platform. The material procured for the said activities and Test Devices Under Development were classified under Capital Work in Progress and other expenditure incurred for the said activities were classified as "Project Development Expenditure" forming part of Intangible Assets under Development.

1.1 Capital Work In Progress includes Server amounting to ₹ 138.30 lakhs (Previous Year - ₹ 138.30 lakhs).

1.2 Intangible Assets under Development:

Intangible Assets under Development on account of Project Development Expenditure.is Nil as on 31st March, 2018 (Previous Year ₹ 6919.11 lakhs).

Notes on Standalone financial statements for the year ended 31st March, 2018

₹ lakhs

		As at 31st March, 2018	As at 31st March, 2017
2.	**Other Financial Assets**		
	Unsecured and Considered Good		
	Security Deposit	**0.10**	0.13
		0.10	0.13

₹ lakhs

		As at 31st March, 2018	As at 31st March, 2017
3.	**Other Non Current Assets** (Unsecured and Considered Good)		
	Capital Advances	**-**	2.24
	Total	**-**	2.24

₹ lakhs

		As at 31st March, 2018		As at 31st March, 2017	
4.	**Current Investments**				
	Financial assets measured at Fair Value Through Profit and Loss (FVTPL)				
	Investment in Mutual Funds	**Units**	**Amount**	**Units**	**Amount**
	In Units - Unquoted - fully paid up				
	SBI-Premier Liquid Fund-Direct Plan - Growth	**362**	**9.85**	-	-
	SBI-Premier Liquid Fund- Regular Plan - Growth Option (Face value of ₹ 1000 each)	**-**	**-**	1,527	38.88
	Kotak Equity Arbitrage Fund- Direct Plan - Fortnight Dividend	**2,99,60,865**	**7,058.18**	-	-
	Total		**7,068.03**		38.88

	Book value	Book value
Category wise current investment		
Financial assets measured at Fair Value Through Profit and Loss (FVTPL)	7,068.03	38.88

	As at 31st March, 2018	As at 31st March, 2017
Aggregate amount of quoted investments	**-**	-
Market Value of quoted investments	**-**	-
Aggregate amount of unquoted investments	**7,068.03**	38.88

₹ lakhs

		As at 31st March, 2018	As at 31st March, 2017
5.	**Trade Receivables**		
	(Unsecured and Considered Good)		
	Trade receivable*	**-**	6.56
		-	6.56

*The average credit period is 30 days.

Notes on Standalone financial statements for the year ended 31st March, 2018

₹ lakhs

		As at 31st March, 2018	As at 31st March, 2017
6.	**Cash and Cash Equivalents**		
	Bank Balances:		
	In Current Accounts	**20.98**	13.18
	Total	**20.98**	13.18
7.	**Other Financial Assets**		
	(Unsecured and Considered Good)		
	Security Deposits	**-**	1.25
	Total	**-**	1.25

₹ lakhs

		As at 31st March, 2018	As at 31st March, 2017
8.	**Other Current Assets**		
	(Unsecured and Considered Good)		
	Balance with GST Authorities	**10.06**	203.86
	Others(i)	**0.08**	4.75
	Total	**10.14**	208.61

(i) This includes prepaid insurance expense and advance to employees

₹ lakhs

				As at 31st March, 2018	As at 31st March, 2017
9.	**Share Capital**				
	Authorised:				
		75,000,000 (75,000,000)	Equity Shares of ₹ 10 each	**7,500.00**	7,500.00
			Total	**7,500.00**	7,500.00
	Issued, Subscribed and Paid-Up:				
	Fully paid-up				
		75,000,000 (75,000,000)	Equity Shares of ₹ 10 each	**7,500.00**	7,500.00
			Total	**7,500.00**	7,500.00

(i) 7,50,00,000 (Previous Year 6,80,00,000) equity shares of ₹ 10 each fully paid up are held by Reliance Industrial Investments and Holdings Limited, the holding company including those held with its nominees.

(ii) **Terms/rights attached to equity shares :**

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

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

Notes on Standalone financial statements for the year ended 31st March, 2018

(iii) **The details of Shareholders holding more than 5% shares :**

Name of the Shareholders	As at 31st March, 2018 No. of Shares	As at 31st March, 2018 % held	As at 31st March, 2017 No. of Shares	As at 31st March, 2017 % held
Reliance Industrial Investments and Holdings Limited (Holding Company) including those held with its nominees	**7,50,00,000**	**100%**	6,80,00,000	91%
Shri Kushal C Kumar	**-**	**0%**	70,00,000	9%
	7,50,00,000		7,50,00,000	

(iv) **Reconciliation of opening and closing number of shares**

Particulars	2017-18 No. of shares	2017-18 ₹ lakhs	2016-17 No. of shares	2016-17 ₹ lakhs
Equity Shares outstanding at the beginning of the year	**7,50,00,000**	**7,500.00**	7,50,00,000	7,500.00
Add: Equity Shares issued during the year	**-**	**-**	-	-
Equity Shares outstanding at the end of the year	**7,50,00,000**	**7,500.00**	7,50,00,000	7,500.00

₹ lakhs

	As at 31st March, 2018	As at 31st March, 2017
10. Other Equity		
Balance at beginning of reporting year	**(457.71)**	(370.05)
Add: Profit/(Loss) for the year	**41.46**	(87.66)
Total	**(416.25)**	(457.71)

₹ lakhs

11. Borrowings - Non Current	As at 31st March, 2018	As at 31st March, 2017
Secured - At amortised cost		
Term Loans from Banks(i)	**-**	9.96
Unsecured - At amortised cost		
Loan from Holding company	**-**	666.00
Total	**-**	675.96

Secured Term Loans from Banks referred to in Note 11 above including the current maturities are secured by hypothecation of specific vehicles and repayable within 2 years from their respective date of disbursement. The loans carry interest of 10.50% p.a.

Unsecured loan from related parties represents loan from Reliance Industrial Investments and Holdings Limited [Holding company] repayable in 3 years. The loan carry interest of 11.50% p.a.

₹ lakhs

	As at 31st March, 2018	As at 31st March, 2017
12. Provisions - Non Current		
Provision for Employee Benefits (Refer Note 18)	**-**	28.35
Total	**-**	28.35

Notes on Standalone financial statements for the year ended 31st March, 2018

					₹ lakhs
			As at 31st March, 2018		As at 31st March, 2017
13.	**Financial Liabilities**				
	Current Maturities of Long Term Debt		**-**		12.50
	Interest Accrued but not due on Borrowings		**-**		22.98
	Other Financial Liability				
	- Creditors for Capital Expenditure	**-**		69.33	
	- Other Payables	**2.97**	**2.97**	2.92	72.25
	Total		**2.97**		107.73

			₹ lakhs
14.	**Other Current Liabilities**	**As at 31st March, 2018**	As at 31st March, 2017
	Other Payables	**12.53**	68.34
	Total	**12.53**	68.34

(i) Other payables includes statutory dues and payables to employees.

(ii) The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

		₹ lakhs
	As at 31st March, 2018	As at 31st March, 2017
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

			₹ lakhs
15.	**Provisions - Current**	**As at 31st March, 2018**	As at 31st March, 2017
	Provision for Employee Benefits (Refer Note 18)	**-**	18.12
		-	18.12

			₹ lakhs
16.	**Revenue from Operations**	**2017-18**	2016-17
	Sale of Products	**2,833.44**	-
		2,833.44	-
	Less: GST Recovered	**459.24**	-
		2,374.20	-

Notes on Standalone financial statements for the year ended 31st March, 2018

₹ lakhs

17.	**Other Income**		**2017-18**		2016-17
	Interest Income				
	From Others		**-**		0.01
	Dividend Income				
	From Current Investments		**179.74**		-
	Net Gain from Investments				
	Net Gain / (loss) on Sale of Investments	**107.93**		21.73	
	Net Gain / (loss) arising on financial assets designated as at FVTPL	**(47.12)**		(5.85)	
			60.81		15.88
	Other Non-Operating Income		**-**		1.69
	Total		**240.55**		17.58

₹ lakhs

18.	**Employee Benefits Expense**	**2017-18**	2016-17
	Salaries and Wages	**49.97**	29.20
	Contribution to Provident and other Funds	**2.71**	8.81
	Staff Welfare Expenses	**0.30**	2.13
	Total	**52.98**	40.14

There are only three employees on the Company's payroll as on 31st March, 2018, all of whom have joined after 1st January 2018. So their duration of service is less than 3 months. In view of this valuation of gratuity has not been done.

As per Indian Accounting Standard 19 "Employee benefits" the disclosures as defined are given below:

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised in books of accounts for the year is as under:

₹ lakhs

	2017-18	2016-17
Employer's Contribution to Provident Fund	**7.59**	17.54
Employer's Contribution to Pension Scheme	**1.77**	7.03

Defined Benefit Plan

The company pays gratuity to the employees whoever has completed five years of service with the company on resignation/ superannuation. The gratuity is paid @15 days salary for every completed year of service as per The Payment Gratuity Act 1972.

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

	Gratuity (Unfunded)	
	2017-18	2016-17
Defined Benefit obligation at beginning of year	**29.15**	36.97
Current Service Cost	**-**	2.96
Interest Cost	**-**	12.43
Actuarial (gain) / loss	**-**	(23.21)
Benefits paid	**(16.00)**	-
Reversed	**(13.15)**	-
Defined Benefit obligation at year end	**-**	29.15

Notes on Standalone financial statements for the year ended 31st March, 2018

II) Reconciliation of fair value of assets and obligations	Gratuity (Unfunded) As at 31st March, 2018	As at 31st March, 2017
Present Value of Obligation	-	29.15
Amount recognised in Balance sheet	-	29.15

III) Expenses recognised during the year	Gratuity (Unfunded) 2017-18	2016-17
Current Service Cost	-	2.96
Interest Cost	-	12.43
Actuarial (gain) / loss	-	(23.21)
Net Cost	-	(7.82)

IV) Actuarial assumptions	Gratuity (Unfunded) 2017-18	2016-17
Mortality Table (LIC)	-	2006-08
	-	(Ultimate)
Discount Rate (per annum)	-	7.46%
Rate of escalation in salary (per annum)	-	6.00%

V) Amounts recognised in previous four years ₹ lakhs

Particulars

Gratuity	2018	2017	2016	2015	2014
Defined benefit obligation	-	29.15	36.97	25.58	12.85
Fair value of plan assets	-	-	-	-	-
(Surplus) / Deficit in the plan	-	29.15	36.97	25.58	12.85
Actuarial (gain) / loss on plan obligation	-	(23.21)	(1.39)	2.83	(2.93)
Actuarial (gain) / loss on plan assets	-	-	-	-	-

Sensitivity Analysis for Gratuity

Significant Acturial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below is for previous year and has been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

₹ lakhs

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Decrease	Increase	Decrease	Increase
Projected Benefit Obligation on Current Assumptions				
Change in rate of discounting (delta effect of +/- 0.5%)	-	-	1.08	1.14
Change in rate of salary increase (delta effect of -/+ 0.5%)	-	-	1.10	1.16
Change in rate of employee turnover (delta effect of -/+ 0.5%)	-	-	0.11	0.10

These plans typically expose the Group to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Notes on Standalone financial statements for the year ended 31st March, 2018

Investment risk : The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yield at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk : A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity risk : The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk : The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

			₹ lakhs
19.	**Finance Costs**	**2017-18**	2016-17
	Interest Cost	**0.13**	1.84
		0.13	1.84

			₹ lakhs
20.	**Other Expenses**	**2017-18**	2016-17
	Other Repairs	**0.83**	2.01
	Loss on Sale of Assets	**79.42**	-
	Insurance	**0.19**	3.04
	Rates and Taxes	**0.52**	2.80
	Payment to Auditors	**1.58**	1.46
	Professional Fees	**55.55**	35.75
	Printing & Stationery	**-**	0.90
	General Expenses	**10.26**	4.83
		148.35	50.79
	Payment to Auditors as :		
	Audit Fees	**1.30**	1.20
	Certification Fees	**0.28**	0.26
		1.58	1.46

21 Previous year figures have been reworked, regrouped, re-arranged and reclassified wherever necessary to make them comparable with those of current year.

22 The company was involved in research, design and development of cost effective Point of Sale Terminal hardware portfolio of payment devices and embedded software and device centric application platform (the project). As part of the restructuring of the Company, the project has been sold to a fellow subsidiary Company namely "Reliance Corporate IT Park Limited" on going concern basis by way of "slump sale" , for a lump sum consideration of Rs. 6,959.74 Lakhs with effect from 31st May, 2017.

Notes on Standalone financial statements for the year ended 31st March, 2018

Details of Assets and Liabilities transferred in Slump Sale : ₹ lakhs

ASSETS		
Non-Current Assets	**7,590.13**	
Current Assets	**204.18**	**7,794.31**
LIABILITIES		
Non-Current Liabilities	**766.00**	
Current Liabilities	**68.57**	**834.57**

23 Segment Information

The company has a single segment as per the requirements of Ind As 108 for "Segment Reporting".

24 Deferred tax assets consist mainly of carried forward loss. Net Deferred tax assets to the extent of ₹ 112.66 Lakhs (Previous Year - ₹ 130.52 lakhs) is not recognised in balance sheet for the temporary differences arising on items as a matter of prudence as the company has not yet started the operation and management is yet to assess the probability of the future taxable profit.

₹ lakhs

Deferred tax liabilities / asset in relation to:	**Deferred Tax Asset/ (Liability)**	
	31st March, 2018	31st March, 2017
Property, Plant and Equipment	**0.12**	(2.76)
Current Investment	**11.94**	(0.07)
Provisions	**-**	13.88
Unabsorbed Depreciation & Business loss	**100.60**	119.47
Net Deferred Tax Asset	**112.66**	130.52

25 Earnings Per Share (EPS)

		2017-18	2016-17
i.	Net Loss after tax as per Profit and Loss Statement attributable to Equity Shareholders (Rs. In Lakhs)	**41.46**	(87.66)
ii.	Weighed Average number of equity shares used as denominator for Calculating EPS	**7,50,00,000**	7,50,00,000
iii.	Basic and Diluted earnings per share (Rs.)	**0.06**	(0.12)
iv.	Face Value per equity share (Rs.)	**10**	10

26 Related Party Disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties with whom transactions have taken place and relationship :

S. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Industrial Investments and Holdings Limited	Holding Company
3	Reliance Payment Solutions Limited	Fellow Subsidiary
4	Reliance Corporate IT Park Limited	Fellow Subsidiary
5	Reliance Jio Infocomm Limited	Fellow Subsidiary
6	Kumar Kushal	Chief Executive Officer (upto 17th January 2017)
7	Abhishek Juvekar	Company Secretary (w.e.f. 12th January 2017)
8	Ayushi Prasad	Chief Financial Officer (w.e.f 17th April 2017)
9	Utpal Kundu	Manager (w.e.f 26th May 2017)

Notes on Standalone financial statements for the year ended 31st March, 2018

(ii) Transactions during the year ended 31st March, 2018, with related parties ₹ lakhs

Sr. No.	Nature of Transactions (excluding reimbursements)	Holding Company	Fellow Subsidiary	Key Managerial Personnel	Total
1	Unsecured loans taken	**100.00**	**-**	**-**	**100.00**
		(666.00)	-	-	(666.00)
2	Professional Fee to Key Managerial Personnel	**-**	**-**	**55.13**	**55.13**
		-	-	(113.66)	(113.66)
3	Interest expense	**9.86**	**-**	**-**	**9.86**
		(25.35)	-	-	(25.35)
4	Advance Received	**-**	**-**	**-**	**-**
		-	(10.00)	-	(10.00)
5	Sale of Test Devices	**-**	**6.48**	**-**	**6.48**
		-	(145.08)	-	(145.08)
6	Slump Sale of Business (Net consideration) (Refer Note 22)	**-**	**6959.74**	**-**	**6959.74**
		-	-	-	-
7	Sale of used IT assets	**-**	**0.49**	**-**	**0.49**
		-	-	-	-
Balances as at 31st March, 2018					
8	Share Capital	**7500.00**	**-**	**-**	**7500.00**
		(6800.00)	-	(700.00)	(7500.00)
9	Unsecured loan	**-**	**-**	**-**	**-**
		(666.00)	-	-	(666.00)
10	Interest accrued but not due	**-**	**-**	**-**	**-**
		(22.82)	-	-	(22.82)
11	Trade Receivables	**-**	**-**	**-**	**-**
		-	(6.56)	-	(6.56)

Note : Figures in brackets represent previous year's amounts.

Notes on Standalone financial statements for the year ended 31st March, 2018

(iii) Disclosure in respect of Major Related Party Transactions during the year ended 31st March, 2018 ₹ lakhs

	Particulars	Relationship	2017-18	2016-17
1	**Unsecured loans taken**			
	Reliance Industrial Investments and Holdings Limited	Holding company	**100.00**	666.00
	Sub Total		**100.00**	666.00
2	**Professional Fee to Key Managerial Personnel**			
	Abhishek Juvekar	Company Secretary	**22.24**	-
	Ayushi Prasad	Chief Financial Officer	**10.67**	-
	Utpal Kundu	Manager	**22.22**	-
	Kumar Kushal	Chief Executive Officer	-	113.66
	Sub Total		**55.13**	113.66
3	**Interest expense**			
	Reliance Industrial Investments and Holdings Limited	Holding company	**9.86**	25.35
	Sub Total		**9.86**	25.35
4	**Advance Received**			
	Reliance Payment Solutions Limited	Fellow Subsidiary company	**-**	10.00
	Sub Total		**-**	10.00
5	**Sale of Test Devices**			
	Reliance Payment Solutions Limited	Fellow Subsidiary company	**6.48**	145.08
	Sub Total		**6.48**	145.08
6	**Slump Sale of Business (Net Consideration)**			
	Reliance Corporate IT Park Limited	Fellow Subsidiary company	**6,959.74**	-
	Sub Total		**6,959.74**	**-**
7	**Sale of used IT assets**			
	Reliance Jio Infocomm Limited	Fellow Subsidiary company	**0.49**	-
	Sub Total		**0.49**	**-**
	Balances as at 31st March, 2018			₹ lakhs
8	**Share Capital**		**2017-18**	2016-17
	Reliance Industrial Investments and Holdings Limited	Holding company	**7,500.00**	6,800.00
	Kumar Kushal	Key Managerial Personnel	-	700.00
	Sub Total		**7,500.00**	7,500.00
9	**Unsecured loan**			
	Reliance Industrial Investments and Holdings Limited	Holding company	-	666.00
	Sub Total		**-**	666.00
10	**Interest accrued but not due**			
	Reliance Industrial Investments and Holdings Limited	Holding company	-	22.82
	Sub Total		**-**	22.82
11	**Trade Receivables**			
	Reliance Payment Solutions Limited	Fellow Subsidiary company	-	6.56
	Sub Total		**-**	6.56

All related party contracts/arrangements have been entered on arm’s length basis.

Notes on Standalone financial statements for the year ended 31st March, 2018

27 Unhedged Foreign Currency Exposures

There are no foreign currency exposures that are not hedged by derivative instruments as on 31st March, 2018. (Previous Year ₹ 3.87 Lakhs).

28.1 Capital management

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the company consists of Equity share capital. As on 31st March, 2018, the Company did not have any debt.

28.1.1 Gearing Ratio

The gearing ratio at end of the reporting period was as follows.

₹ lakhs

	As at 31st March, 2018	As at 31st March, 2017
Debt	**-**	688.46
Cash and Bank Balance (including liquid investment)	**(7,089.01)**	(52.06)
Net Debt	**(7,089.01)**	636.40
Total Equity	**7,083.75**	7,042.29
Net debt to equity ratio	**-**	9.04%

Debt is defined as long-term and short-term borrowings (excluding derivative, financial guarantee contracts and contingentconsideration) as described in note 11, 13 and 6.

28.2 Financial Risk Management

Risk	**Exposure Arising from**	**Measurement**	**Mitigation**
Credit Risk	Trade and Other receivables	Ageing analysis	Dealing with highly rated counterparties / related parties
Liquidity Risk	OFCD and other liabilities	Ageing analysis, Rolling cash-flow forecast	Availability of funding through OFCD, OCPS, Liquid Mutual Funds
Market risk - Foreign exchange	For Purchases denominated in currencies other than INR.	Cash-flow forecasting and matching	Foreign currency payment done through Central Treasury Department
Market risk – Interest risk	Investment in Liquid Mutual Fund	NAV monitoring	Continuous monitoring of the investment in mutual fund

The company's risk management is carried out by a central treasury department under policies approved by the board of directors.

A) **Credit Risk** : is the risk that a customer will fail to pay amounts due causing financial loss to the company

The company is currently engaged in investing the surplus funds in Liquid Mutual Fund. The risks associated with this financial instrument is Interest Rate Risk. It arises from cash and cash equivalents, from credit exposures to customers relating to outstanding receivables and other receivables.

B) **Liquidity Risk** : is the risk that suitable sources of funding for the company's business activities may not be available.Prudent liquidity risk management implies maintaining sufficient cash and mutual fund balances and the availability of funding through an adequate amount of committed funding from its holding company to meet obligations when due. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The company's liquidity is managed with operating units forecasting their requirements to the treasury function. The treasury unit will then either arrange to fund the requirements or invest the surplus in mutual fund.

Notes on Standalone financial statements for the year ended 31st March, 2018

C) **Market Risk - Foreign exchange** : this risk arises from Purchases denominated in currencies other than INR.

₹ lakhs

Foreign Currency Exposure	Foreign Currency	As at 31st March, 2018	As at 31st March, 2017
Creditors for Capital Expenditure	USD	-	3.87

Foreign currency sensitivity analysis (assuming a currency movement of 1%) is appended in table below:

₹ lakhs

Particulars	As at 31st March, 2018 USD	As at 31st March, 2017
1% Depreciation in INR		
Transferred to P&L	-	(0.04)
1% Appreciation in INR		
Transferred to P&L	-	0.04

D) **Market Risk - Interest rate risk**: The risk that the fair value or future cash flows of a financial instrument (mutual fund) will fluctuate because of changes in market interest rates.

28.3 Fair valuation measurements

Fair valuation of mutual fund is done by multiplying the closing unit balance of mutual fund with NAV of the fund as on each reporting date.

₹ lakhs

	As at 31st March, 2018		As at 31st March, 2017	
	Carrying Amount	Level of input used Level 1	Carrying Amount	Level of input used Level 1
Financial Assets				
At Amortised Cost				
Other Financial Assets-Non Current	**0.1**	-	0.13	-
Trade Receivables	-	-	6.56	-
Cash and Cash Equivalents	**20.98**	-	13.18	-
Other Financial Assets-Current	-	-	1.25	-
At FVTPL				
Investments	**7068.03**	**7068.03**	38.88	38.88
Financial Liabilities				
At Amortised Cost				
Borrowings - Non Current	-	-	675.96	-
Other Financial Liabilities-Current	**2.97**	-	107.73	-

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Notes on Standalone financial statements for the year ended 31st March, 2018

29 Details of Loans given, Investment made and Guarantee given covered u/s 186(4) of the Companies Act, 2013

(i) The Company has not given any loans.

(ii) Investments made by the Company as at 31st March, 2018 (Refer note no. 4)

(iii) The Company has not given any Corporate Guarantees.

30 Approval Of Financial Statements

The financial statements were approved for issue by the Board of Directors on 7th April, 2018.

As per our Report of even date

For D T S & Associates
Chartered Accountants
Firm Regn No: 142412W

Anuj Bhatia
Partner
Membership No: 122179

Place: Mumbai
Date: April 9, 2018

For and on behalf of the Board

Murlidhara Kadaba
Director

Bharat Goenka
Director

Abhishek Juvekar
Company Secretary

Ayushi Prasad
Chief Financial Officer

Place: Bengaluru
Date: April 7, 2018

Utpal Kundu
Manager