

Date: 18th December 2024

To,  
The Manager  
Corporate Services,  
BSE Limited  
14th Floor, P J Towers, Dalal Street,  
Mumbai - 400 001

**SCRIP CODE: 531533**

**Subject: Independent Auditor's Report as on 31<sup>st</sup> March 2018.**

Dear Sir/Madam,

Please find enclosed the copy of Independent Auditor's Report for the financial year ending 31<sup>st</sup> March 2018.

This is for your information and record.

For ACCEDERE LIMITED

Neelam Purohit  
(Compliance Officer)

# GUPTA RAJ & CO. CHARTERED ACCOUNTANTS

DELHI OFFICE :  
101, KD BLOCK,  
PITAMPURA,  
NEAR KOHAT ENCLAVE  
METRO STATION,  
NEW DELHI 110034  
PH. NO. 011-47018333

MUMBAI OFFICE :  
2-C, MAYUR APARTMENTS,  
DADABHAI CROSS RD. NO.3,  
VILE PARLE (WEST),  
MUMBAI,  
PIN 400056  
PH. NO. 26210901, 26210902.

AHEMDABAD OFFICE :  
A-307 INFINITY TOWER,  
CORPORATE TOWER,  
PRAHALAD NAGAR,  
AHMEDABAD  
PIN - 380015  
M. NO. 9726777733

NAGPUR BRANCH :  
1ST FLR, MEMON  
JAMAD BUILDING,  
NR CENTRAL BANK,  
MASKASATH, ITWARI,  
NAGPUR - 440002  
M. NO. 7387811111

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF E COM INFOTECH (INDIA) LIMITED

#### Report on the Ind AS Financial Statements

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

#### Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these Ind AS financial 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 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 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 Ind AS financial statements based on our audit. In conducting 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 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 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 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 Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements

#### Basis for Qualified Opinion

The Company has made provision for Debtors of Rs 18,70,450 for an outstanding amount of Rs 3,47,11,158 /- shown as receivable from Sundry Debtors which is doubtful of recovery. Since management has provided the same, company has incurred loss for current year. Hence accumulated loss has gone high.

#### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid 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, its Profits and its cash flows for the year ended on that date.

#### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 & 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 the statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.
  - 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, we give our separate Report in "Annexure 2".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



FOR GUPTA RAJ & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 001687N

  
CA NIKUL JALAN  
PARTNER  
MEMBERSHIP NO. 0112353

PLACE: MUMBAI  
DATED : MAY 30,2018



**Annexure 1 to the Independent Auditors' Report**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its fixed assets:
- (a) The company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets. However no separate fixed asset register is maintained.
  - (b) The fixed assets are physically verified by the management according to a phased program designed to cover all the items over a period, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, a portion of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification. However no written report is available.
  - (c) The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.
- (ii) The inventory has been physically verified by management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) During the year the Company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore the provisions of sub clause (a), (b) & (c) of clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- (a) In our opinion and according to the information and explanations given to us, the terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
  - (b) In respect of loans granted during the year, the schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated thus we are unable to comment whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order. In respect of old outstanding, the party has not repaid the principal amount as stipulated and also has not been regular in payment of interest to the company as aforesaid.
- (iv) As per the information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) As per the information and explanations given to us, in respect of the class of industry in which the Company falls, the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- (vii) In respect of statutory dues:
- (a) The company is generally regular in depositing with appropriate authorities, 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 any other statutory dues applicable to it with the appropriate

authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of above dues were in arrears, as at 31st March, 2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- (viii) According to the information and explanation given to us, the company has not defaulted in repayment of dues to bank / financial institutions. The Company has not taken loan from government or has no dues to debenture holders.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) or term loans hence reporting under clause (ix) of the caro 2016 order is not applicable to company
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) As per the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the companies Act, 2013.
- (xii) 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.
- (xiii) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- (xvi) As per the information and explanation given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 .

PLACE: MUMBAI  
DATED : MAY 30,2018



FOR GUPTA RAJ & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 001687N

  
CA NIKUL JALAN  
PARTNER  
MEMBERSHIP NO. 0112353

**Annexure 1 to the Independent Auditors' Report**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) In respect of its fixed assets:
  - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets. However no separate fixed asset register is maintained.
  - (b) The fixed assets are physically verified by the management according to a phased program designed to cover all the items over a period, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, a portion of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification. However no written report is available.
  - (c) The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.
- (ii) The inventory has been physically verified by management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) During the year the Company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore the provisions of sub clause (a), (b) & (c) of clause (iii) of paragraph 3 of the Order are not applicable to the Company.
  - (a) In our opinion and according to the information and explanations given to us, the terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
  - (b) In respect of loans granted during the year, the schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated thus we are unable to comment whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order. In respect of old outstanding, the party has not repaid the principal amount as stipulated and also has not been regular in payment of interest to the company as aforesaid.
- (iv) As per the information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) As per the information and explanations given to us, in respect of the class of industry in which the Company falls, the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- (vii) In respect of statutory dues:
  - (a) The company is generally regular in depositing with appropriate authorities, 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 any other statutory dues applicable to it with the appropriate



authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of above dues were in arrears, as at 31st March, 2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- (viii) According to the information and explanation given to us, the company has not defaulted in repayment of dues to bank / financial institutions. The Company has not taken loan from government or has no dues to debenture holders.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) or term loans hence reporting under clause (ix) of the caro 2016 order is not applicable to company
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) As per the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the companies Act, 2013.
- (xii) 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.
- (xiii) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- (xvi) As per the information and explanation given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 .

FOR GUPTA RAJ & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 001687N



  
CA NIKUL JALAN  
PARTNER  
MEMBERSHIP NO. 0112353

PLACE: MUMBAI  
DATED : MAY 30,2018

## **Annexure 2 to the Independent Auditors' Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls 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 ECOM INFOTECH (INDIA) LTD ("the Company") as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 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, 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 31<sup>st</sup> 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI. Our opinion is not modified in respect of this matter.



**FOR GUPTA RAJ & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 001687N**

  
**CA NIKUL JALAN  
PARTNER  
MEMBERSHIP NO. 0112353**

**PLACE: MUMBAI  
DATED : MAY 30,2018**

**ECOM INFOTECH (INDIA) LTD.**  
**Balance Sheet as at 31st March, 2018**

| Particulars                               | Note No. | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|---|----------|----------------------|----------------------|---------------------|
|   |          | (₹ in Lakhs)         | (₹ in Lakhs)         | (₹ in Lakhs)        |
| <b>I. ASSETS</b>                          |          |                      |                      |                     |
| <b>(1) Non-current assets</b>             |          |                      |                      |                     |
| (a) Property, Plant and Equipment         | 2        | 0.986                | 0.255                | 0.302               |
| (b) Deferred tax assets (net)             | 3        | -                    | 0.005                | -                   |
| (c) Other non-current assets              | 4        | 73.000               | 73.000               | 73.000              |
| <b>Total non current assets</b>           |          | <b>73.986</b>        | <b>73.260</b>        | <b>73.302</b>       |
| <b>(2) Current Assets</b>                 |          |                      |                      |                     |
| (a) Inventories                           |          | -                    | -                    | -                   |
| (b) Financial Assets                      |          |                      |                      |                     |
| (ii) Trade receivables                    | 5        | 349.884              | 355.056              | 373.743             |
| (iii) Cash and cash equivalents           | 6        | 10.240               | 1.026                | 0.135               |
| (iv) Bank balances other than (iii) above |          | -                    | -                    | -                   |
| (c) Current Tax Assets                    | 7        | 8.173                | 1.535                | 1.435               |
| (d) Other current assets                  | 8        | -                    | 0.023                | 0.001               |
| <b>Total current assets</b>               |          | <b>368.297</b>       | <b>357.640</b>       | <b>375.313</b>      |
| <b>TOTAL ASSETS</b>                       |          | <b>442.283</b>       | <b>430.899</b>       | <b>448.615</b>      |
| <b>II. EQUITY AND LIABILITIES</b>         |          |                      |                      |                     |
| <b>(1) Equity</b>                         |          |                      |                      |                     |
| (a) Equity share capital                  | 9        | 475.740              | 475.740              | 475.740             |
| (b) Other equity                          | 10       | (60.523)             | (62.150)             | (43.524)            |
| <b>Total equity</b>                       |          | <b>415.217</b>       | <b>413.590</b>       | <b>432.216</b>      |
| <b>(2) Non current liabilities</b>        |          |                      |                      |                     |
| (a) Financial liabilities                 |          |                      |                      |                     |
| (i) Borrowings                            | 11       | 4.161                | 11.391               | 6.318               |
| (ii) Others                               |          | -                    | -                    | -                   |
| (b) Provisions                            |          | -                    | -                    | -                   |
| (c) Deferred tax Liability (Net)          | 3        | 0.045                | -                    | 0.000               |
| <b>Total non current liabilities</b>      |          | <b>4.207</b>         | <b>11.391</b>        | <b>6.319</b>        |
| <b>(3) Current liabilities</b>            |          |                      |                      |                     |
| (a) Financial liabilities                 |          |                      |                      |                     |
| (ii) Trade payables                       | 12       | 14.465               | 2.182                | 8.145               |
| (iii) Other financial Liabilities         |          | -                    | -                    | -                   |
| (b) Other current liabilities             | 13       | 8.394                | 3.736                | 1.936               |
| (c) Short-term provisions                 | 14       | -                    | -                    | -                   |
| (d) Current tax liabilities (net)         |          | -                    | -                    | -                   |
| <b>Total Current liabilities</b>          |          | <b>22.859</b>        | <b>5.918</b>         | <b>10.080</b>       |
| <b>TOTAL EQUITY AND LIABILITIES</b>       |          | <b>442.283</b>       | <b>430.899</b>       | <b>448.615</b>      |

As per our report Of Even Date  
For Gupta Raj & CO.  
Chartered Accountants  
Firm Reg No : 001687N

CA Nikul Jalan  
PARTNER  
Mem. No. 112353



For E COM INFOTECH (INDIA) LIMITED

ASHWIN CHAUDHARY  
MANAGING DIRECTOR  
(DIN No. 00365164)

PRIYA CHAUDHARY  
DIRECTOR  
(DIN No. 00365261)

Place : Mumbai  
Date : 30th May, 2018

**ECOM INFOTECH (INDIA) LTD.**  
**Statement of Profit and Loss for the year ended March 31, 2018**

| Particulars   | Note No. | For the Year ended<br>March 31, 2018 | For the Year ended<br>March 31, 2017 |
|---|----------|--------------------------------------|--------------------------------------|
|   |          | (₹ in lakhs)                         | (₹ in lakhs)                         |
| <b>Revenue</b>  |          |                                      |                                      |
| <b>I. Revenue from Operations (Gross)</b>                                     |          |                                      |                                      |
| Sale of Goods   | 15       | 66.120                               | 5.130                                |
| Other Operating revenue   |          | -                                    | -                                    |
| <b>II. Other income</b>   | 16       | 0.021                                | -                                    |
| <b>III. Total Income (I+II)</b>   |          | <b>66.140</b>                        | <b>5.130</b>                         |
| <b>IV. Expenses</b>   |          |                                      |                                      |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade |          | -                                    | -                                    |
| Employee Benefits Expenses  | 17       | 5.500                                | 0.200                                |
| Finance Cost  | 18       | 0.055                                | -                                    |
| Depreciation and Amortization Expenses  | 2        | 0.081                                | 0.047                                |
| Other Expenses  | 19       | 58.820                               | 23.490                               |
| <b>Total Expenses (IV)</b>  |          | <b>64.457</b>                        | <b>23.738</b>                        |
| <b>V. Profit/(loss) before Tax</b>  |          | <b>1.683</b>                         | <b>(18.608)</b>                      |
| <b>VI. Tax expense:</b>   |          |                                      |                                      |
| 1. Current Tax  |          | -                                    | 0.030                                |
| 2. Deferred Tax   | 4        | 0.050                                | (0.005)                              |
| <b>VII. Profit/(Loss) for the period</b>                                      |          | <b>1.633</b>                         | <b>(18.632)</b>                      |
| <b>VIII. Other comprehensive income</b>                                       |          |                                      |                                      |
| <u>Items that will not be reclassified to profit or loss</u>                  |          |                                      |                                      |
| Remeasurements of the defined benefit plans                                   |          | -                                    | -                                    |
| Income tax on above   |          | -                                    | -                                    |
|   |          | -                                    | -                                    |
| <b>IX. Total comprehensive income for the period</b>                          |          | <b>1.633</b>                         | <b>(18.632)</b>                      |
| <b>X. Earnings per equity share</b>   |          |                                      |                                      |
| Basic and Diluted earnings per share  | 20       | 0.032                                | (0.371)                              |
| <b>Notes to Balance Sheet and Statement of Profit and Loss</b>                | 1-26     |                                      |                                      |

As per our report Of Even Date

For **Gupta Raj & CO.**

Chartered Accountants

Firm Reg No : 001687N

CA Nikul Jalan  
PARTNER  
Mem. No. 112353



For **E COM INFOTECH (INDIA) LIMITED**

ASHWIN CHAUDHARY  
MANAGING DIRECTOR  
(DIN No. 00365164)

PRIYA CHAUDHARY  
DIRECTOR  
(DIN No. 00365261)

Place : Mumbai  
Date : 30th May, 2018

**Statement of Changes in Equity (SOCIE)**

| (a) Equity share capital<br>Particulars         | Note | Amount<br>(₹ in Lakhs) |
|---|------|------------------------|
| Balance as at April 1, 2016                     | 9    | 475.7                  |
| Changes in equity share capital during 2016-17  |      | -                      |
| Balance as at March 31, 2017                    |      | 475.7                  |
| Changes in equity share capital during the year |      | -                      |
| <b>Balance as at March 31, 2018</b>             |      | <b>475.7</b>           |

| (b) Other equity<br>Particulars                | Note | Reserves & Surplus (₹ in Lakhs) |                             |
|--|------|---------------------------------|-----------------------------|
|  |      | General Reserve                 | Retained Earnings<br>Total  |
| <b>Balance at April 1, 2016</b>                | 10   | 5,000                           | (48,524)<br><b>(43,524)</b> |
| Profit for the year                            |      | -                               | (18,627)                    |
| Other comprehensive income for the year        |      | -                               | -                           |
| Tax Adjustments of prior years                 |      | -                               | -                           |
| <b>Balance at March 31, 2017</b>               |      | <b>5,000</b>                    | <b>(62,150)</b>             |
| Profit for the year                            |      | -                               | 1,633                       |
| Less : Tax Adjustments relating to prior years |      | -                               | (0,005)                     |
| Other comprehensive income for the year        |      | -                               | -                           |
| <b>Balance at March 31, 2018</b>               |      | <b>5,000</b>                    | <b>(60,523)</b>             |

As per our report Of Even Date

**For Gupta Raj & CO.**

Chartered Accountants

Firm Reg No : 001687N



**CA Nikul Jalan**  
PARTNER  
Mem. No. 112353

Place : Mumbai  
Date : 30th May, 2018



**For E COM INFOTECH (INDIA) LIMITED**



**ASHWIN CHAUDHARY**  
MANAGING DIRECTOR  
(DIN No. 00365164)



**PRIYA CHAUDHARY**  
DIRECTOR  
(DIN No. 00365261)



**ECOM INFOTECH (INDIA) LTD.**  
Cash Flow Statement for the year ended 31st March, 2018


| Particulars  | For the Year ended<br>March 31, 2018 | For the Year ended<br>March 31, 2017 |
|--|--------------------------------------|--------------------------------------|
|  | (₹ in lakhs)                         | (₹ in lakhs)                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                                      |                                      |
| Profit before tax  | 1.68                                 | (18.61)                              |
| Adjustments to reconcile profit before tax to cash provided by operating activities: |                                      |                                      |
| Dividend Income  | -                                    | -                                    |
| Sundry Balances written off  | -                                    | -                                    |
| Interest payments  | -                                    | -                                    |
| Depreciation and amortisation expense  | 0.08                                 | 0.05                                 |
| <b>Operating Profit before working capital changes &amp; payment of taxes</b>        | <b>1.76</b>                          | <b>(18.56)</b>                       |
| Changes in assets and liabilities  |                                      |                                      |
| (Increase) / Decrease in Trade receivables   | 5.17                                 | 18.69                                |
| (Increase) / Decrease in Short term Loans & Advances                                 | -                                    | (0.15)                               |
| (Increase) / Decrease in Current Assets  | 0.02                                 | -                                    |
| Increase / (Decrease) in Trade Payables  | 12.28                                | (3.88)                               |
| Increase / (Decrease) in Non Current Liability                                       | (7.23)                               | -                                    |
| Increase / (Decrease) in Short Term provision  | -                                    | -                                    |
| Increase/ (Decrease) in Short Term Borrowings  | -                                    | 5.07                                 |
| Increase / (Decrease) in Other current Liability                                     | 4.66                                 | (0.28)                               |
| <b>Cash Generated From Operations</b>  | <b>16.67</b>                         | <b>0.89</b>                          |
| Income taxes paid  | 6.64                                 | -                                    |
| <b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>                                    | <b>10.03</b>                         | <b>0.89</b>                          |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                                      |                                      |
| Payment towards capital expenditure (Net)  | (0.81)                               | -                                    |
| Increase in Deposits   | -                                    | -                                    |
| <b>NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</b>                           | <b>(0.81)</b>                        | <b>-</b>                             |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                                      |                                      |
| Interest & Bank Charges Paid   | -                                    | -                                    |
| Increase / (Decrease) in Short term Borrowing  | -                                    | -                                    |
| Increase / (Decrease) in Long term Borrowing   | -                                    | -                                    |
| <b>NET CASH FROM/ (USED IN) FINANCING ACTIVITIES</b>                                 | <b>-</b>                             | <b>-</b>                             |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>                          | <b>9.21</b>                          | <b>0.89</b>                          |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD                             | 1.03                                 | 0.14                                 |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>                            | <b>10.24</b>                         | <b>1.03</b>                          |


As per our report Of Even Date  
For Gupta Raj & CO.  
Chartered Accountants  
Firm Reg No : 001687N

CA Nikul Jalan  
PARTNER  
Mem. No. 112353



For E COM INFOTECH (INDIA) LIMITED

  
ASHWIN CHAUDHARY  
MANAGING DIRECTOR  
(DIN No. 00365164)

  
PRIYA CHAUDHARY  
DIRECTOR  
(DIN No. 00365261)

Place : Mumbai  
Date : 30th May, 2018



**Note 2 : Property, plant and equipment**

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2018:

( ₹ in Lakhs )

| DESCRIPTION   | Furniture & Fixtures | Computers    | TOTAL        |
|---|----------------------|--------------|--------------|
| Cost as at April 1, 2017                                  | 0.459                | 0.654        | 1.113        |
| Additions   | -                    | 0.813        | 0.813        |
| Deletions   | -                    | -            | -            |
| <b>Cost as at March 31, 2018 (A)</b>                      | <b>0.459</b>         | <b>1.467</b> | <b>1.926</b> |
| Accumulated depreciation as at April 1, 2017              | 0.205                | 0.654        | 0.859        |
| Depreciation for the current period                       | 0.077                | 0.004        | 0.081        |
| Depreciation upto 1.4.2016                                | -                    | -            | -            |
| Deletions   | -                    | -            | -            |
| <b>Accumulated depreciation as at March 31, 2018 (B)</b>  | <b>0.282</b>         | <b>0.658</b> | <b>0.940</b> |
| <b>Net carrying amount as at March 31, 2018 (A) - (B)</b> | <b>0.177</b>         | <b>0.809</b> | <b>0.986</b> |

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2017:

( ₹ in Lakhs )

| DESCRIPTION  | Furniture & Fixtures | Computers    | TOTAL        |
|--|----------------------|--------------|--------------|
| Cost as at April 1, 2016                                 | 0.459                | 0.654        | 1.113        |
| Additions  | -                    | -            | -            |
| Deletions  | -                    | -            | -            |
| Transferred as per scheme of Arrangement                 | -                    | -            | -            |
| <b>Cost as at March 31, 2017 (A)</b>                     | <b>0.459</b>         | <b>0.654</b> | <b>1.113</b> |
| Accumulated depreciation as at April 1, 2016             | 0.157                | 0.654        | 0.811        |
| Depreciation for the year                                | 0.047                | -            | 0.047        |
| Deletions  | -                    | -            | -            |
| <b>Accumulated depreciation as at March 31, 2017 (B)</b> | <b>0.205</b>         | <b>0.654</b> | <b>0.859</b> |
| <b>Net carrying amount as at March 31, 2017 (A)- (B)</b> | <b>0.255</b>         | <b>0.000</b> | <b>0.255</b> |
| <b>Net carrying amount as at April, 1 2016</b>           | <b>0.302</b>         | <b>0.000</b> | <b>0.302</b> |

1) The Valuation of Fixed Assets has been taken, valued and certified by the managing director of the company

**ECOM INFOTECH (INDIA) LTD.**  
Notes to financial statements for the year ended 31 March 2018

| Particulars   | As at March 31, 2018<br>(₹ in Lakhs) | As at March 31, 2017<br>(₹ in Lakhs) | As at April 1, 2016<br>(₹ in Lakhs) |
|---|--------------------------------------|--------------------------------------|-------------------------------------|
| <b>Note 3 : Deferred tax Liabilities/ Assets (Net)</b>  |                                      |                                      |                                     |
| <b>1. Liabilities</b>   |                                      |                                      | 0.00                                |
| (a) Written Down Value of Assets  | 0.05                                 | -                                    | -                                   |
| (b) Other Provisions  | -                                    | -                                    | -                                   |
| <b>2. Assets</b>  |                                      | 0.00                                 |                                     |
| (a) Written Down Value of Assets  | -                                    | -                                    | -                                   |
| (b) Other Provisions  | -                                    | -                                    | -                                   |
|   |                                      | <b>(0.00)</b>                        | <b>0.00</b>                         |
| <b>Deferred Tax (Assets) / Liabilities (Net) (1-2)</b>  | <b>0.05</b>                          | <b>(0.00)</b>                        | <b>0.00</b>                         |
| <b>Note 4 : Other Non Current Assets:</b>   |                                      |                                      |                                     |
| - Office Deposit  | 73.00                                | 73.00                                | 73.00                               |
|   | <b>73.00</b>                         | <b>73.00</b>                         | <b>73.00</b>                        |
| <b>Note 5 : Trade and other receivables</b>   |                                      |                                      |                                     |
| <b>Trade Receivables</b>  |                                      |                                      | 373.74                              |
| Unsecured, considered good  | 368.59                               | 373.74                               | 373.74                              |
| Considered Doubtful   | -                                    | -                                    | -                                   |
| Less: Provision for doubtful debts  | 18.70                                | 18.69                                | -                                   |
|   | <b>349.88</b>                        | <b>355.06</b>                        | <b>373.74</b>                       |
| <b>Notes:</b>   |                                      |                                      |                                     |
| (i) Balance of Debtors are subject to Confirmation and/ or reconciliation/ consequential adjustments if any.  |                                      |                                      |                                     |
| (ii) Debtors balances of Rs. 3,55,05,575/- are debarred balance and hence of the above, approx 5.2% of the Debtors balance is written off in the current year |                                      |                                      |                                     |
| <b>Note 6 : Cash and cash equivalents</b>   |                                      |                                      |                                     |
| Cash on hand  | 4.30                                 | 0.10                                 | 0.13                                |
| Cheque on hand  | -                                    | -                                    | -                                   |
| Balance with banks  |                                      |                                      |                                     |
| - Current accounts  | 5.94                                 | 0.93                                 | 0.01                                |
| - In deposit accounts   | -                                    | -                                    | -                                   |
|   | <b>10.24</b>                         | <b>1.03</b>                          | <b>0.14</b>                         |
| <b>Note 7 : Current Tax Assets</b>  |                                      |                                      |                                     |
| Taxes Setoff Receivable   | 8.17                                 | 1.54                                 | 1.43                                |
|   | <b>8.17</b>                          | <b>1.54</b>                          | <b>1.43</b>                         |
| <b>Note 8 : Other Current Assets</b>  |                                      |                                      |                                     |
| Loans and Advances given  |                                      |                                      |                                     |
| - Unsecured, Considered Good  | -                                    | 0.02                                 | 0.00                                |
|   | -                                    | <b>0.02</b>                          | <b>0.00</b>                         |
| <b>Note 10 : Other Equity (Refer statement for change in equity for individual items)</b>   |                                      |                                      |                                     |
| General Reserve Account   | 5.00                                 | 5.00                                 | 5.00                                |
| Profit and Loss A/c   | (65.52)                              | (67.15)                              | (48.52)                             |
|   | <b>(60.52)</b>                       | <b>(62.15)</b>                       | <b>(43.52)</b>                      |

**Note 9 : Share capital**

**a. Details of authorised, issued and subscribed share capital** (₹ in lakhs)

| Particulars                                 | 31-Mar-18     |              | 31-Mar-17     |              | 01-Apr-16     |              |
|---|---------------|--------------|---------------|--------------|---------------|--------------|
|   | No. of shares | Rs. in lakhs | No. of shares | Rs. in lakhs | No. of shares | Rs. in lakhs |
| <b>Authorised Capital</b>                   |               | 550.000      |               | 550.000      |               | 550.000      |
| Equity shares of Rs 10 each                 |               |              |               |              |               |              |
| <b>Issued, Subscribed and fully Paid up</b> |               |              |               |              |               |              |
| Equity shares of Rs 10 each                 |               | 502.710      |               | 502.710      |               | 502.710      |
| Less: Calls in arrears                      |               | 26.970       |               | 26.970       |               | 26.970       |
|   |               | 475.740      |               | 475.740      |               | 475.740      |

**b. Reconciliation of number of shares at the beginning and at the end of the year** (Figures in lakhs)

| Particulars                                     | 31-Mar-18     |              | 31-Mar-17     |              |
|---|---------------|--------------|---------------|--------------|
|   | No. of shares | Rs. in lakhs | No. of shares | Rs. in lakhs |
| Shares outstanding at the beginning of the year | 50.27         | 502.71       | 50.27         | 502.71       |
| Add: Shares issued during the year              | 50.27         | 502.71       | 50.27         | 502.71       |
| Less: Calls in Arrears                          |               | 26.97        |               | 26.97        |
| Shares outstanding at the end of the year       | 50.27         | 475.74       | 50.27         | 475.74       |

**d. Particulars of shareholders holding more than 5% of shares held** (Figures in lakhs)

| Name of Shareholder | 31-Mar-18     |               | 31-Mar-17     |               | 01-Apr-16     |               |
|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                     | No. of shares | Percentage    | No. of shares | Percentage    | No. of shares | Percentage    |
| Ashwin Chaudhary    | 35.130        | 69.88%        | 35.130        | 69.88%        | 35.122        | 69.87%        |
| Savitri Manghnani   | 2.523         | 5.02%         | 2.523         | 5.02%         | 2.523         | 5.02%         |
| <b>Total</b>        | <b>37.653</b> | <b>74.90%</b> | <b>37.653</b> | <b>74.90%</b> | <b>37.645</b> | <b>74.88%</b> |

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

**ECOM INFOTECH (INDIA) LTD.**

Notes to financial statements for the year ended 31 March 2018

| Particulars   | As at March 31, 2018<br>(₹ in Lakhs) | As at March 31, 2017<br>(₹ in Lakhs) | As at April 1, 2016<br>(₹ in Lakhs) |
|---|--------------------------------------|--------------------------------------|-------------------------------------|
| <b>Note 11 : Financial Liabilities - Borrowings</b> |                                      |                                      |                                     |
| <b>Unsecured Loans</b>                              | 4.16                                 | 11.39                                | 6.32                                |
| - Loans and Advances from Directors                 | -                                    | -                                    | -                                   |
| <b>Secured Loans</b>                                | -                                    | 11.39                                | 6.32                                |
| - Others  | 4.16                                 | -                                    | -                                   |

**Notes:**

Balances of Loans and Advances are subject to Confirmation and /or Reconciliation/ consequential adjustments if any.

|                                 |       |      |      |
|---------------------------------|-------|------|------|
| <b>Note 12 : Trade Payables</b> | 14.47 | 2.18 | 8.14 |
|                                 | 14.47 | 2.18 | 8.14 |

Total outstanding due to creditors other than micro and small enterprises.

**Note:**

(a) Balance of Trade Payables/ Creditors of Services are subject to Confirmation and/ or Reconciliation/consequential adjustments if any.

|  |      |      |      |
|--|------|------|------|
| <b>Note 13 : Other Current Liabilities</b> | 7.33 | 0.45 | 0.38 |
| Duties and Taxes                           | 1.06 | 3.29 | 1.56 |
| Other Liabilities                          | 8.39 | 3.74 | 1.94 |

**Note 14 : Short term provisions**  
Other Provision

|  |   |   |   |
|--|---|---|---|
|  | - | - | - |
|  | - | - | - |

| Particulars                                    | For the year ended<br>March 31, 2018<br>₹ In Lakhs | For the year ended<br>March 31, 2017<br>₹ In Lakhs |
|--|--|--|
| <b>Note 15 : Revenue from Operations</b>       |  |  |
| Provision of Services                          | 66.12  | 5.13   |
| Less : Trade discount, Returns, Rebate etc.,   | -  | -  |
|  | <u>66.12</u>                                       | <u>5.13</u>  |
| <b>Note 16 : Other Income</b>                  |  |  |
| Other Miscellaneous income                     | 0.02   | -  |
|  | <u>0.02</u>  | <u>-</u>   |
| <b>Note 17 : Employee benefit expense</b>      |  |  |
| Salaries, wages and bonus                      | 5.50   | 0.20   |
| Staff welfare expenses                         | -  | -  |
|  | <u>5.50</u>  | <u>0.20</u>  |
| <b>Note 18 : Finance cost</b>                  |  |  |
| Interest Expense                               | 0.06   | -  |
|  | <u>0.06</u>  | <u>-</u>   |
| <b>Note 19 : Other Expenses</b>                |  |  |
| Advertisement Expenses                         | 0.45   | 0.30   |
| Auditors Remuneration                          | 0.58   | 0.45   |
| Discount given                                 | 0.67   | -  |
| Electricity Expenses                           | 0.68   | -  |
| Filing Fees                                    | -  | 0.06   |
| Insurance Expenses                             | 0.11   | -  |
| Legal and Professional fees                    | 5.71   | 0.42   |
| Listing Fees                                   | 2.50   | 2.00   |
| Office Expenses                                | 1.18   | -  |
| Postage, Telephone, Internet & Courier Charges | 1.38   | -  |
| Provision for Debtors                          | 18.70  | 18.69  |
| Rent/ Rates and Taxes                          | 0.84   | 0.47   |
| Share Transfer Fees                            | -  | 0.62   |
| Subscription Fess                              | 0.45   | 0.45   |
| Transportation                                 | 0.30   | -  |
| Travelling Expenses (In Foreign Currency)      | 6.89   | -  |
| Travelling Expenses (India)                    | 18.23  | 0.04   |
| Web Hosting Fees                               | 0.14   | -  |
|  | <u>58.82</u>                                       | <u>23.49</u>                                       |



**Note 20 : Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

| Particulars  | ( Figures ₹ in Lakhs ) |                 |
|--|------------------------|-----------------|
|  | March 31, 2018         | March 31, 2017  |
| <b>i. Profit attributable to equity holders (Rs in lakhs)</b>                  |                        |                 |
| Profit attributable to equity holders of the parent for basic and diluted EPS  | 1.633                  | (18.632)        |
|  | <b>1.633</b>           | <b>(18.632)</b> |
| <b>ii. Weighted average number of ordinary shares</b>                          |                        |                 |
| Issued ordinary shares   | 50.271                 | 50.271          |
| Added/(Less): Effect of shares issued/ (bought back)                           |                        | -               |
| <b>Weighted average number of shares at March 31 for basic and diluted EPS</b> | <b>50.271</b>          | <b>50.271</b>   |
| <b>iii. Basic and diluted earnings per share (Rs)</b>                          | 0.032                  | (0.371)         |

**Note 21 : Financial Risk Management**

The Company's business activities are exposed to financial risks, namely Credit risk, Liquidity risk. The Company's Senior Management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The audit committee oversees how Management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee

**i. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes, if require an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

**iii. Liquidity risk**

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

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents

**Note 22 : Capital Management**

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances

( Figures ₹ in Lakhs )

| Particular                               | As at 31st March 2018 | As at 31st March 2017 | As at 01st April 2016 |
|--|-----------------------|-----------------------|-----------------------|
| Non- Current borrowing                   | 4.161                 | 11.391                | 6.318                 |
| Current borrowings                       | -                     | -                     | -                     |
| <b>Gross debt</b>                        | <b>4.161</b>          | <b>11.391</b>         | <b>6.318</b>          |
| Less : Cash and cash equivalents         | 10.240                | 1.026                 | 0.135                 |
| Less : Other bank balances               | -                     | -                     | -                     |
| <b>Adjusted net debt</b>                 | <b>(6.079)</b>        | <b>10.365</b>         | <b>6.183</b>          |
| Total Equity                             | 415.217               | 413.590               | 432.216               |
| <b>Adjusted Net debt to Equity ratio</b> | <b>(0.015)</b>        | <b>0.025</b>          | <b>0.014</b>          |

## Explanation of transition to Ind AS:

As per Note 1, these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended 31 March 2018, the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('IGAAP').

The accounting policies set out in Note 1 have been applied in preparing these financial statements for the year ended 31 March 2018 and the opening Ind AS balance sheet on the date of transition i.e. 1 April 2016.

In preparing its Ind AS balance sheet as at 1 April 2016 and in presenting the comparative information for the year ended 31 March 2018, the Company has adjusted amounts previously reported in the financial statements prepared in accordance with IGAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with IGAAP, and how the transition from IGAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

## 2. Optional exemptions availed and mandatory exceptions

In preparing the financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

### A. Optional exemptions availed

#### i) Property, plant and equipment and intangible assets

The Company has availed the exemption available under Ind AS 101 to continue the carrying value for all of its property, plant and equipment and intangibles as recognised in the financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition (1 April 2016).

#### ii) Investment in Subsidiaries

The Company has elected to use the exemption to measure all investments in Subsidiaries as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2016).

### B. Mandatory Exceptions

#### i) Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

#### ii) Classification and measurement of financial assets

As permitted under Ind AS 101, Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. In line with Ind AS 101, measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

|                                       |  | ( ₹ in Lakhs )              |                            |
|---------------------------------------|--|-----------------------------|----------------------------|
|                                       |  | Footnote ref.               | As at 1 April, 2016        |
| <b>3. Reconciliation of net worth</b> |  | <b>As at 31 March, 2017</b> | <b>As at 1 April, 2016</b> |
| Particulars                           |  | 413.590                     | 432.216                    |
| Net worth under IGAAP                 |  | -                           | -                          |
| Summary of Ind AS adjustments         |  | -                           | -                          |
| Total Ind AS adjustments              |  | 413.590                     | 432.216                    |
| <b>Net worth under Ind AS</b>         |  |                             |                            |

|   |  | Footnote ref. | March 31, 2017  |
|---|--|---------------|-----------------|
| <b>4. Reconciliation of profit and loss</b> |  |               | <b>(18.632)</b> |
| Particulars                                 |  |               | -               |
| Net Profit as per Indian GAAP               |  |               | -               |
| Summary of Ind AS adjustments               |  |               | -               |
| Total Ind AS adjustments                    |  |               | -               |
| Profits as per Ind AS                       |  |               | <b>(18.632)</b> |

5. There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP

24 : Related Party Transactions:

Relationships

a) Key Management Personnel (KMP)

Ashwin Krishnakumar Chaudhary  
Priya Chaudhary  
Dalpat Tabhajibhai Tanjaria

Managing Director  
Director  
Director

Note: Related Party Relationships are as identified by the management and relied upon by the auditors.

2) Amount involved for parties referred above

| Nature of Transactions | Relationship | Name of Related Party | Amount (₹ in lakhs) |         |
|------------------------|--------------|-----------------------|---------------------|---------|
|                        |              |                       | 2017-18             | 2016-17 |
| Directors Remuneration | KMP          | Ashwin Chaudhary      | 3.00                | -       |
| Loan Taken             | KMP          | Ashwin Chaudhary      | 0.75                | 5.07    |
| Loan Repayment         | KMP          | Ashwin Chaudhary      | 7.98                | -       |

Note 25: There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

Note 26: Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation.

As per our report Of Even Date  
For Gupta Raj & CO.  
Chartered Accountants  
Firm Reg No : 001687N

CA Nikul Jalan  
PARTNER  
Mem. No. 112353



For E COM INFOTECH (INDIA) LIMITED

ASHWIN CHAUDHARY  
MANAGING DIRECTOR  
(DIN No. 00365164)

PRIYA CHAUDHARY  
DIRECTOR  
(DIN No. 00365261)

Place : Mumbai  
Date : 30th May, 2018