

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Inuva Info Management Private Limited

### **Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of Inuva Info Management Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

## **Opinion**

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

## **Emphasis of Matter**

We draw attention to Note 2 to the Ind AS financial statements, which describe the basis for preparation of these Ind AS financial statements. These Ind AS financial statements have been prepared on a liquidation basis of accounting, for the reasons stated in the aforementioned note. Accordingly, the carrying values of all assets as at March 31, 2018 are presented at their estimated realizable values and all liabilities are presented at their estimated settlement amounts. Our opinion is not qualified in respect of this matter.

## **Other Matter**

The comparative Ind AS financial statements of the Company for the period ended March 31, 2017, included in these Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 19, 2017. Our opinion is not qualified in respect of this 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 the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 Statement of Cash Flows 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 Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164(2) of the Act;

- (f) This report does not include Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Act, since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the Company basis the exemption available to the Company under MCA notification no. G.S.R. 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls over financial reporting; and
- (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; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Rajeev Kumar

Partner

Membership Number: 213803

Place of signature: Bengaluru

Date: April 26, 2018

**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF INUVA INFO MANAGEMENT PRIVATE LIMITED**

**Statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order")**

- (i) The Company did not own any property, plant and equipment, intangible assets and immovable properties during the year. Accordingly, the requirements under paragraph 3(i) (a), (b) and (c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given by the management, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and, hence not commented upon.
- (iv) In our opinion and according to the information and explanations given by the management, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods/ services. Therefore in our opinion the provisions of clause 3(vi) of the Order relating to the maintenance of cost records under section 148(1) of the Act are not applicable to the Company.
- (vii)(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, goods and service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
  - (c) According to the information and explanations given to us, there are no dues of provident fund, employees' state insurance, income tax, sales-tax, service tax, goods and service tax, duty of custom, excise duty, value added tax and cess which have not been deposited on account of any dispute.

- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by the way of initial public offer / further public offer / debt instruments and term loans during the year. Hence, reporting under clause 3(ix) of the Order is not applicable to the Company and, hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of the Act where applicable, and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given by the management and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (xvi) According to the information and explanations given by the management, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per Rajeev Kumar

Partner

Membership Number: 213803

Place of signature: Bengaluru

Date: April 26, 2018

**INUVA INFO MANAGEMENT PRIVATE LIMITED**  
**Balance sheet as at 31 March 2018**

(Rs. in thousands)

	<u>Notes</u>	<u>As at</u> <u>31 March 2018</u>	<u>As at</u> <u>31 March 2017</u>
<b><u>ASSETS</u></b>			
<b>Current assets</b>			
Financial assets			
Cash and cash equivalents	3	1,787	489
Other financial assets	4	-	2,563
Income tax assets (net)	5	-	76
<b>Total current assets</b>		<b>1,787</b>	<b>3,128</b>
<b>Total assets</b>		<b>1,787</b>	<b>3,128</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>EQUITY</b>			
Equity share capital	6	238	238
Other equity	7	1,403	2,890
<b>Total equity</b>		<b>1,641</b>	<b>3,128</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	8	146	-
<b>Total current liabilities</b>		<b>146</b>	<b>-</b>
<b>Total equity and liabilities</b>		<b>1,787</b>	<b>3,128</b>

Summary of significant accounting policies 2.1  
The notes form an integral part of the Ind AS financial statements

As per our report of even date

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

**For and on behalf of the Board of Directors of**  
**Inuva Info Management Private Limited**

**per Rajeev Kumar**  
Partner  
Membership number: 213803

**Amit Kothiyal**  
Director  
DIN: 06652067

**Sundararajan Sampath**  
Director  
DIN: 01783000

Place: Bengaluru  
Date: April 26, 2018

Place: Bengaluru  
Date: April 16, 2018

Place: Bengaluru  
Date: April 16, 2018

**INUVA INFO MANAGEMENT PRIVATE LIMITED****Statement of Profit and Loss and Other Comprehensive Income for the year ended 31 March 2018**

	<u>Notes</u>	<b>(Rs. in thousands)</b>	
		<b>For the year ended 31 March 2018</b>	<b>For the period from 1 January 2016 to 31 March 2017 *</b>
<b>Income</b>			
Other income	9	266	-
<b>Total income</b>		<b>266</b>	<b>-</b>
<b>Expenses</b>			
Other expenses	10	1,004	-
<b>Total expenses</b>		<b>1,004</b>	<b>-</b>
<b>Loss before tax</b>		<b>(738)</b>	<b>-</b>
<b>Tax expense (Income taxes related to prior periods)</b>	5	749	-
<b>Loss for the year/ period</b>		<b>(1,487)</b>	<b>-</b>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year/ period</b>		<b>(1,487)</b>	<b>-</b>
<b>Loss per equity share of par value Rs. 10 each</b>			
Basic and diluted loss per equity share (Rs.) [nominal value of share Rs. 10 (31 March 2017 : Rs. 10)]	15	(61.96)	-

\* Expenses for this period have been absorbed by the Parent Company ISG Novasoft Technologies Limited.

Summary of significant accounting policies 2.1  
The notes form an integral part of the Ind AS financial statements

As per our report of even date

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

**For and on behalf of the Board of Directors of  
Inuva Info Management Private Limited**

**per Rajeev Kumar**  
Partner  
Membership number: 213803

**Amit Kothiyal**  
Director  
DIN: 06652067

**Sundararajan Sampath**  
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Place: Bengaluru  
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**INUVA INFO MANAGEMENT PRIVATE LIMITED**  
**Cash Flow Statement for the year ended 31 March 2018**

	(Rs. in thousands)	
	For the year ended 31 March 2018	For the period from 1 January 2016 to 31 March 2017
<b>Cash flow from operating activities</b>		
Loss for the year/ period before tax	(738)	-
Adjustment to reconcile loss before tax to net cash flows:		
Interest income	(266)	
<b>Operating loss before working capital changes</b>	<b>(1,004)</b>	<b>-</b>
<b>Working capital changes:</b>		
Decrease in other financial assets	2,563	-
Increase in Trade payables	146	
<b>Cash used in operations</b>	<b>1,705</b>	<b>-</b>
Income tax paid	(673)	-
<b>Net cash from operating activities (A)</b>	<b>1,032</b>	<b>-</b>
<b>Cash flow from investing activities</b>		
Interest received	266	-
<b>Net cash flows from investing activities(B)</b>	<b>266</b>	<b>-</b>
<b>Cash flow from financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>1,298</b>	<b>-</b>
Cash and cash equivalents at beginning of the year/ period	489	489
<b>Cash and cash equivalents at the end of the year/ period</b>	<b>1,787</b>	<b>489</b>
<b>Components of cash and bank balance:</b>		
Balance with banks		
- In current accounts	1,787	198
- In margin money deposits	-	291
	<b>1,787</b>	<b>489</b>

Summary of significant accounting policies (Refer note 2.1)

The notes form an integral part of the Ind AS financial statements

As per our report of even date

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Rajeev Kumar**

Partner

Membership number: 213803

Place: Bengaluru

Date: April 26, 2018

**For and on behalf of the Board of Directors of  
Inuva Info Management Private Limited**

**Amit Kothiyal**

Director

DIN: 06652067

Place: Bengaluru

Date: April 16, 2018

**Sundararajan Sampath**

Director

DIN: 01783000

Place: Bengaluru

Date: April 16, 2018



**INUVA INFO MANAGEMENT PRIVATE LIMITED**  
**Statement of Changes in Equity for the year ended 31 March 2018**

(Rs. in thousands)

	Equity share capital	Other equity (Attributable to equity shareholders of the Company) (Refer note 7)			
		General reserve	Capital redemption reserve	Retained earnings	Total
Balance as at 1 January 2016	238	6,725	31	(3,866)	2,890
Changes in equity for the period from 1 January 2016 to 31 March 2017					
Profit/Loss for the period	-	-	-	-	-
Balance as at 31 March 2017	238	6,725	31	(3,866)	2,890
Changes in equity for the year ended 31 March 2018					
Loss for the year	-	-	-	(1,487)	(1,487)
Balance as at 31 March 2018	238	6,725	31	(5,353)	1,403

Summary of significant accounting policies (Refer note 2.1)  
The notes form an integral part of the Ind AS financial statements

As per our report of even date

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

**For and on behalf of the Board of Directors of  
Inuva Info Management Private Limited**

**per Rajeev Kumar**  
Partner  
Membership number: 213803

**Amit Kothiyal**  
Director  
DIN: 06652067

**Sundararajan Sampath**  
Director  
DIN: 01783000

Place: Bengaluru  
Date: April 26, 2018

Place: Bengaluru  
Date: April 16, 2018

Place: Bengaluru  
Date: April 16, 2018

## **INUVA INFO MANAGEMENT PRIVATE LIMITED**

### **Notes to the Ind AS financial statements for the year ended 31 March 2018**

#### **1. Corporate information**

Inuva Info Management Private Limited ('the Company') was incorporated in 2001 and has its registered office at S.P.Mukherjee Road, Tollygunge, Kolkata, India. From 27 November 2007, the Company operates as a subsidiary of ISG Novasoft Technologies Limited ('ISGN'). ISGN is a subsidiary of CFCL Ventures Limited, Cayman Islands ('CVL'), which is a subsidiary of Chambal Fertilisers and Chemicals Limited ('CFCL' / 'the Ultimate Holding Company'), an Indian company listed on recognised stock exchanges in India.

#### **2. Basis of preparation**

The Company did not have any operations during the year and does not intend to resume its operations. The management is in the process of exploring options for sale or liquidation and winding up of the Company. Accordingly, these Ind AS financial statements of the Company have been prepared under the liquidation basis of accounting whereby the carrying value of all assets as at 31 March 2018 are presented at their estimated realizable value and all liabilities are presented at their estimated settlement amounts.

The Statement of Profit and Loss including Other Comprehensive Income and the Statement of Cash Flows, represent discontinued operations. The Company does not have any other operations in the current or previous years, and accordingly no separate disclosures for discontinued operations have been made.

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (India Accounting Standards) Rules, 2015 as amended.

The accounting policies adopted in the preparation of these Ind AS financial statements are consistent with those of previous periods.

##### **a) Reporting period**

A reporting period of 12 months i.e., from 1 April 2017 to 31 March 2018 was considered during preparation of financial statements of the Company (comparative being 15 months i.e., from 1 January 2016 to 31 March 2017).

##### **b) Functional and presentation currency**

These financial statements are presented in Indian Rupee rounded to the nearest thousands, which is also the Company's functional currency.

##### **c) Use of estimates, assumptions and judgements**

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in the future periods. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable.

## **INUVA INFO MANAGEMENT PRIVATE LIMITED**

### **Notes to the Ind AS financial statements for the year ended 31 March 2018**

#### **d) Measurement of fair values**

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

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

#### **2.1 Significant accounting policies**

##### **a) Cash and cash equivalents**

Cash and cash equivalents in the cash flow statement comprise cash in hand and balance in bank in current accounts. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

##### **b) Cash flow statement**

Cash flows are reported using the indirect method, whereby net profit / (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Company are segregated.

##### **c) Earnings/ (loss) per share**

The basic earnings/ (loss) per share is computed by dividing the net profit/ (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit/ (loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

##### **d) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

##### The Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the lease escalations are linked to inflation, in such a case the lease expense is recognised as per the terms of the lease arrangement.

## **INUVA INFO MANAGEMENT PRIVATE LIMITED**

### **Notes to the Ind AS financial statements for the year ended 31 March 2018**

#### **e) Revenue recognition**

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. Interest income is included under the head “other income” in the statement of profit and loss.

#### **f) Current tax**

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

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

#### **g) Provisions and Contingent liabilities**

A provision is recognised if, as a result of a past event, the Company has a present (legal or constructive) obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation.. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

#### **h) Financial Instruments**

##### **i. Recognition and initial measurement**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised when the Company becomes a party to the contract that gives rise to financial assets and liabilities. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**INUVA INFO MANAGEMENT PRIVATE LIMITED**

**Notes to the Ind AS financial statements for the year ended 31 March 2018**

ii. Financial assets at amortised cost

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

iii. Financial liabilities at amortised cost

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.

iv. Derecognition of financial assets and liabilities

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 when the obligation specified in the contract is discharged or cancelled or expires. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

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**INUVA INFO MANAGEMENT PRIVATE LIMITED****Notes to the Ind AS financial statements for the year ended 31 March 2018****3. Cash and cash equivalents**

	(Rs. in thousands)	
	As at 31 March 2018	As at 31 March 2017
Balance with banks		
- In current accounts	1,787	198
- In margin money deposits	-	291
	<b>1,787</b>	<b>489</b>

**4. Other financial assets**

	(Rs. in thousands)	
	As at 31 March 2018	As at 31 March 2017
<b>Current</b> (Unsecured, considered good)		
Other receivables from a related party*	-	2,563
	-	<b>2,563</b>
* Financial assets carried at amortized cost	-	2,563

**5. Income taxes**

Income tax expense in the statement of profit and loss comprises:

	(Rs. in thousands)	
	For the year ended 31 March 2018	For the period from 1 January 2016 to 31 March 2017
Current taxes (Income taxes related to prior periods)	749	-
Deferred taxes	-	-
<b>Income tax expense</b>	<b>749</b>	<b>-</b>

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

	(Rs. in thousands)	
	For the year ended 31 March 2018	For the period from 1 January 2016 to 31 March 2017
Income taxes related to prior periods	749	-
<b>Income tax expense</b>	<b>749</b>	<b>-</b>

The Company has incurred losses in the current year and accordingly does not have any taxable income.

The following table provides the details of income tax assets and income tax liabilities:

	(Rs. in thousands)	
	As at 31 March 2018	As at 31 March 2017
Advance tax (net of provision for income tax)	-	76
	-	<b>76</b>

**INUVA INFO MANAGEMENT PRIVATE LIMITED****Notes to the Ind AS financial statements for the year ended 31 March 2018****6. Equity share capital**

	(Rs. in thousands)	
	As at 31 March 2018	As at 31 March 2017
<b>Authorized share capital</b>		
50,000 (31 March 2017 : 50,000) equity shares of par value Rs. 10 each	500	500
	<b>500</b>	<b>500</b>
<b>Issued, subscribed and paid up share capital</b>		
23,800 (31 March 2017 : 23,800) equity shares of par value Rs. 10 each fully paid-up	238	238
	<b>238</b>	<b>238</b>

**a) Reconciliation of the shares outstanding as at the beginning and at the end of the reporting period:**

	(Rs. in thousands)			
	As at 31 March 2018		As at 31 March 2017	
	Number of shares	Amount in Rs. thousands	Number of shares	Amount in Rs. thousands
<b>Equity Shares</b>				
At the beginning of the year/ period	23,800	238	23,800	238
Changes during the year/ period	-	-	-	-
<b>At the end of the year/ period</b>	<b>23,800</b>	<b>238</b>	<b>23,800</b>	<b>238</b>

**b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. All these shares have the same rights and preferences with respect to payment of dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting, except in case of interim dividend. The Company has not proposed any dividend during the current year. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**c) Shareholding by the Holding company and equity shareholders more than 5 percent of equity shares along with the number of equity shares held at the beginning and at the end of the period is as given below:**

	As at 31 March 2018		As at 31 March 2017	
	Number of shares	% of share holding	Number of shares	% of share holding
ISG Novasoft Technologies Limited, Holding Company	16,900	71%	16,900	71%
Soumen Sarkar	6,900	29%	6,900	29%

As per records of the Company, the above shareholding represents legal ownership of shares.

**d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:**

There has been no issuance of bonus shares, shares issued for consideration other than cash or buy back of shares during the last five periods ended 31 March 2018.

**INUVA INFO MANAGEMENT PRIVATE LIMITED**

Notes to the Ind AS financial statements for the year ended 31 March 2018

**7. Other equity**

	(Rs. in thousands)	
	As at 31 March 2018	As at 31 March 2017
<b>General reserve</b>		
Balance as per last financial statements	6,725	6,725
Add: Changes during the year/ period	-	-
<b>Closing balance</b>	<b>6,725</b>	<b>6,725</b>
<b>Capital redemption reserve</b>		
Balance as per last financial statements	31	31
Add: Changes during the year/ period	-	-
<b>Closing balance</b>	<b>31</b>	<b>31</b>
<b>Surplus / (deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	(3,866)	(3,866)
Loss for the year/ period	(1,487)	-
<b>Closing balance</b>	<b>(5,353)</b>	<b>(3,866)</b>
<b>Total other equity</b>	<b>1,403</b>	<b>2,890</b>

**8. Trade payables**

	(Rs. in thousands)	
	As at 31 March 2018	As at 31 March 2017
<b>Current</b>		
Trade payables *		
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	146	-
	<b>146</b>	-
* Financial liabilities at amortized cost	146	-

Trade payables are non-interest bearing and are normally settled on 30 - 45 days terms.

Based on information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at 31 March 2018 and 31 March 2017.



**INUVA INFO MANAGEMENT PRIVATE LIMITED****Notes to the Ind AS financial statements for the year ended 31 March 2018****9. Other income**

	<b>(Rs. in thousands)</b>	
	<b>For the year ended 31 March 2018</b>	<b>For the period from 1 January 2016 to 31 March 2017</b>
Interest on fixed deposits	266	-
	<b>266</b>	<b>-</b>

**10. Other expenses**

	<b>(Rs. in thousands)</b>	
	<b>For the year ended 31 March 2018</b>	<b>For the period from 1 January 2016 to 31 March 2017</b>
Rent	150	-
Legal and professional fees	731	-
Audit fees*	80	-
Rates and taxes	36	-
Bank charges	7	-
	<b>1,004</b>	<b>-</b>

\* Exclusive of taxes

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**INUVA INFO MANAGEMENT PRIVATE LIMITED**  
**Notes to the Ind AS financial statements for the year ended 31 March 2018**

**11. Related party disclosures:**

**Related parties where control exists**

Ultimate Holding Company - Chambal Fertilisers and Chemicals Limited  
Intermediate Holding Company - CFCL Ventures Limited, Cayman Islands  
Holding company - ISG Novasoft Technologies Limited

**Details of the transactions with the related parties during the year/ period**

	(Rs. in thousands)	
	For the year ended 31 March 2018	For the period from 1 January 2016 to 31 March 2017
<b>Reimbursement of expenses paid</b>		
ISG Novasoft Technologies Limited	686	-

**Details of balances receivable from and payable to related parties as at year/ period end:**

	(Rs. in thousands)	
	As at 31 March 2018	As at 31 March 2017
<b>Other Receivables from</b>		
ISG Novasoft Technologies Limited	-	2,563

During the year ended 31 December 2015, the Company had reimbursed certain expenses related to ISG Novasoft Technologies Limited. The same has been collected during the year ended 31 March 2018.

**12. Leases**

The Company has taken an office space under cancellable operating lease agreement with lease period of twelve months, which is renewable at the option of the Company. There are no sub leases. Total rental expenses for the year under cancellable operating lease was Rs. 150 Thousands (period ended 31 March 2017: Rs. Nil).

**13. Financial instruments by category**

The carrying value and fair value of financial instruments by categories is as follows:

	(Rs. in thousands)			
	Carrying value		Fair Value	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<b>Financial assets</b>				
- Cash and cash equivalents	1,787	489	1,787	489
- Other financial assets	-	2,563	-	2,563
<b>Total financial assets</b>	<b>1,787</b>	<b>3,052</b>	<b>1,787</b>	<b>3,052</b>
<b>Financial liabilities</b>				
- Trade payables	146	-	146	-
<b>Total financial liabilities</b>	<b>146</b>	<b>-</b>	<b>146</b>	<b>-</b>

**Fair value hierarchy**

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The aforesaid financial assets and liabilities are at Level 3 of Fair Value Hierarchy.

**INUVA INFO MANAGEMENT PRIVATE LIMITED**  
**Notes to the Ind AS financial statements for the year ended 31 March 2018**

14. The Company does not have any operations during the current year and the previous period and these financial statements have been prepared on a liquidation basis. Accordingly, disclosures with regard to Capital Management, Risk and Segment information is not applicable to the Company.

**15. Loss per share**

	<b>(Rs. in thousands)</b>	
	<b>For the year ended 31 March 2018</b>	<b>For the period from 1 January 2016 to 31 March 2017</b>
Loss for the year/ period	(1,487)	-
Weighted average number of ordinary shares considered in calculating Basic/ Diluted Earnings/ Loss Per Share ('EPS')	23,800	23,800
Basic/ Diluted EPS (in Rs.)	(61.96)	-

**16. Previous period figures**

Previous period figures have been regrouped / reclassified, where necessary, to conform to this year's classification. Also, the current year figures are not comparable with previous period figures of fifteen months.

As per our report of even date

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**For and on behalf of the Board of Directors of**

**Inuva Info Management Private Limited**

**per Rajeev Kumar**

Partner

Membership number: 213803

Place: Bengaluru

Date: April 26, 2018

**Amit Kothiyal**

Director

DIN: 06652067

Place: Bengaluru

Date: April 16, 2018

**Sundararajan Sampath**

Director

DIN: 01783000

Place: Bengaluru

Date: April 16, 2018