N K R & CO
CHARTERED ACCOUNTANTS

A/17-18, Everest Building, Tardeo Road,
Tardeo, Mumbai - 400 034
Tel : 2351 5414 Fax : 2351 5527
E-mail: contact@nkrco.net
Website : www.nkrco.in

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BODHTREE HUMAN CAPITAL PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Bodhtree Human Capital Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

N K R & CO * CHARTERED ACCOUNTANTS * R.NO. 127820W

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

N K R & CO.
R.NO. 127820W
CHARTERED ACCOUNTANTS

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

N K R & CO. * CHARTERED ACCOUNTANTS * R.NO. 127820W

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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, we give in the **Annexure** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, (the Statement of Changes in Equity) and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A".**

(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:

N K R & CO. R.NO. 127820W CHARTERED ACCOUNTANTS

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements if any.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

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

For N K R & CO
Chartered Accountants
(Firm's Registration No. 127820W)

N K R & CO * CHARTERED ACCOUNTANTS * R.NO. 127820W

T.N.V.Visweswara Rao
Partner
(Membership No.204084)

Place: Hyderabad
Date: 30-05-2019

ANNEXURE to the Auditor's Report

The annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended March 31, 2019, we report that:

(i) Since the company does not own any fixed assets and immovable properties Clause (i)(a), (b) and (c) are not applicable.

(ii) Since the company does not have inventory Clauses (ii) are not applicable.

(iii) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

(v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

(vii) (a) According to the records of the company, the company is regular in depositing the undisputed statutory dues of Employee State Insurance and Professional Tax, however, the company has not deposited undisputed statutory dues of provident fund, income-tax, service tax, Goods and Services Tax, value added tax and central sales tax with the appropriate authorities. The arrears of statutory dues as at March 31, 2019 for a period of more than six months from the date they became payable are as under.

S.No	Nature of Due	Amount in Rs.
1	Provident Fund	915

(b) According to the records of the company, there are no dues of income tax or sales tax or wealth 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 dispute.

(viii) According to the records of the company, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.

(ix) According to the record of the company, during the year the company has not raised funds by way of public offering or term loans and hence reporting under Clause (ix) of the order is not applicable to the company.

N K R & CO. CHARTERED ACCOUNTANTS R.NO. 127820W

(x) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

(xi) Based upon information and explanations given by the management, the Company has not paid nay managerial remuneration and hence this clause is not applicable.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) During the year under review the company has not made preferential allotment or private placement of Shares or fully or partly paid convertible debentures and hence reporting under clause (xiv) of the order is not applicable to the company.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected to directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For N K R & CO
Chartered Accountants
(Firm Registration No. 127820 W)

T.N.V.Visweswara Rao
Partner
(Membership No. 204084)

Place: Hyderabad
Date: 30/05/2019

N K R & CO
CHARTERED ACCOUNTANTS
R.NO. 127820W

ANNEXURE B to the Auditor's Report

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 **BODHTREE HUMAN CAPITAL PRIVATE LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone 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 the 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.

Auditor's 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") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 judgment, 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.

N K R & CO
R.NO. 127820W
CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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.

For N K R & CO
Chartered Accountants
(Firm Registration No. 127820 W)

N K R & CO * CHARTERED ACCOUNTANTS * R.NO. 127820W

T.N.V.Visweswara Rao
Partner
(Membership No. 204084)

Place: Hyderabad
Date: 30/05/2019

Bodhtree Human Capital Private Limited

Balance Sheet as at 31st March, 2019

	Note No.	As at 31st March, 2019	As at 31st March, 2018
		Rs	Rs
ASSETS			
Current Assets			
(a) Financial Assets			
(i) Trade receivables	2	1,605	-
(ii) Cash and cash equivalents	3	14,213	105,000
Total Current Assets		**15,818**	**105,000**
Total Assets		**15,818**	**105,000**
EQUITY			
(a) Equity Share capital	4	100,000	100,000
(b) Other Equity	5	(3,017,126)	(135,108)
Total Equity		**(2,917,126)**	**(35,108)**
LIABILITIES			
Non-Current Liabilities			
(a) Provisions	6	**26,339**	-
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	7	169,045	120,045
(i) Other Financial Liabilities	8	893,925	-
(b) Other Current Liabilities	9	1,843,555	20,063
(c) Provisions	10	80	-
Total Current Liabilities		**2,906,605**	**140,108**
Total Liabilities		**15,818**	**105,000**

Corporate information and significant accounting policies 1

Accompanying notes form an integral part of the financial Statements

As per our attached report of even date

For N K R & CO
Chartered Accountants
Firm Reg. No: 127820W

G. N. V. Visweswara Rao

T.N.V.Visweswara Rao
Partner

N K R & CO CHARTERED ACCOUNTANTS R.NO. 127820W

Place: Hyderabad
Date : 30-05-2019

For and on behalf of the Board

K. Rajesh

K. Rajesh
Director

K. Prabhakar Rao
Director

BODHTREE HUMAN CAPITAL PRIVATE LIMITED HYDERABAD

Bodhtree Human Capital Private Limited

Statement of Profit and Loss for the year ended 31st March, 2019

	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
		Rs.	Rs.
REVENUE			
Revenue from operations		638,081	-
Total Income		**638,081**	**-**
EXPENSES			
Employee Benefits Expense	11	3,452,602	-
Finance Cost	12	1,304	-
Other Expenses	13	66,194	53,000
Total Expenses		**3,520,099**	**53,000**
Profit / (Loss) before tax		(2,882,018)	(53,000)
Tax expense:			
Current tax		-	-
Profit/(Loss) for the year		**(2,882,018)**	**(53,000)**
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(2,882,018)**	**(53,000)**
Earning per equity share of Rs. 10 each	14		
(1) Basic		(288.20)	(5.30)
(2) Diluted		(288.20)	(5.30)

Corporate information and significant accounting policies 1

Accompanying notes form an integral part of the financial Statements

As per our attached report of even date

For N K R & CO
Chartered Accountants
Firm Reg. No: 127820W

T.N.V.Visweswara Rao
Partner

Place: Hyderabad
Date : 30-05-2019

For and on behalf of the Board

K. Rajesh
Director

K. Prabhakar Rao
Director

Bodhtree Human Capital Private Limited

Cash Flow Statement for the Year ended 31st March, 2019

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	(Rs.)	(Rs.)
Cash Flow from Operating Activities		
Profit/(Loss) before Tax	(2,882,018)	(53,000)
Adjustment for:		
Provision for Gratuity	26,419	
Operating profit before working capital changes	**(2,855,599)**	**(53,000)**
Adjustment for change in Working Capital		
Decrease/(Increase) in Trade Receivables	(1,605)	-
Increase/ (Decrease) in Trade Payables	49,000	50,000
Increase/ (Decrease) in Other Financial Liabilities	893,925	-
Increase/ (Decrease) in Other Current Liabilities	1,823,492	8,000
Cash generated from Operations	**(90,787)**	**5,000**
Less: Aggregate Direct Taxes paid/(Refund)	-	-
Net Cash Flow from Operating Activities	**(90,787)**	**5,000**
Cash Flow from Investing Activities	-	-
Net Cash Flow from Investing Activities	-	-
Cash Flow from Financing Activities	-	-
Net Cash Flow from Financing Activities	-	-
Net Increase / (Decrease) in cash and Cash equivalents	**(90,787)**	**5,000**
Cash and cash equivalents at the beginning of the year	**105,000**	**100,000**
Cash and cash equivalents at the end of the year	**14,213**	**105,000**

Cash and Cash equivalents included in the cash flow statement comprise of the following balance sheet amounts

	As at 31st March, 2019	As at 31st March, 2018
	Rs.	Rs.
Cash on Hand	-	-
Balance with scheduled banks in		
- HDFC CURRENT ACCOUNT	14,213	105,000
Cash and cash equivalents	**14,213**	**105,000**

Accompanying notes form an integral part of the financial Statements

As per our attached report of even date

For N K R & CO
Chartered Accountants
Firm Reg. No: 127820W

T.N.V.Visweswara Rao
T.N.V.Visweswara Rao
Partner

Place: Hyderabad
Date : 30-05-2019

N K R & CO
R.NO. 127820W
CHARTERED ACCOUNTANTS

For and on behalf of the Board

K. Rajesh
K. Rajesh
Director

K. Prabhakar Rao
Director

BODHTREE HUMAN CAPITAL PRIVATE LIMITED
HYDERABAD

Bodhtree Human Capital Private Limited
Statement of Changes in Equity for the year ended March 31, 2019

a. Equity Share Capital

Amount In Rs.

Particulars	As at March 31, 2019	As at April 1, 2018
Balance at the beginning of the reporting period	100,000	100,000
Changes in equity share capital during the year	-	-
Balance at the end of the reporting period	**100,000**	**100,000**

b. Other Equity
Statement of Changes in Equity

Particulars	Retaining Earnings	Total
Balance as at April 01, 2016	(51,295)	(51,295)
Addition / (deletion) during the year / Period	-	-
Profit / (Loss) for the year	(30,813)	(30,813)
Balance as at April 1, 2017	(82,108)	(82,108)
Addition / (deletion) during the year / Period	-	-
Profit / (Loss) for the year	(53,000)	(53,000)
Balance as at April 1, 2018	(135,108)	(135,108)
Addition / (deletion) during the year / Period	-	-
Profit / (Loss) for the year	(2,882,018)	(2,882,018)
Balance as at March 31, 2019	(3,017,126)	(3,017,126)

N K R & CO * CHARTERED ACCOUNTANTS * R.NO. 127820W

Bodhtree Human Capital Private Limited

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019

1 **Significant Accounting Policies**

a. Basis of Preparation:

The Standalone financial Statements have been prepared to comply in all material aspects with the Accounting Standars notified under Section 133 of Companies Act, 2013 as per Companies (Indian Accounting Standards (Ind AS) Rules, 2015 and other relevant provisions of the Companies Act, 2013 and rules framed thereunder.

b. Use of estimates:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosures relating to contingent liabilities, at the end of the reporting period. Actual results could differ from these estimates and adjustments are recognised in the periods in which the results are known / materialised.

c. Property Plant and Equipment:

Property, plant and equipment is stated at cost of acquisition, net of accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment under installation or under construction as at balance sheet are shown as capital work-in-progress, and the related advances are shown as loans and advances.

Cost of acquisition comprises of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to their intended use. Costs of construction are composed of those costs that relate directly to specific assets and those that are attributable to the construction or project activity in general and can be allocated to specific assets up to the date the assets are put to their intended use.

Depreciation on fixed assets is provided on a straight-line method over their estimated useful lives at the rates as prescribed under Schedule II of the Companies Act, 2013. Depreciation is charged on pro-rata basis from the date of capitalisation. Individual assets costing Rs.5,000 or less are fully depreciated in the year of acquisition.

Amortisation on softwares is provided on a straight-line method over their estimated useful lives of 3 years. Amortisation is charged on pro-rata basis from the date of capitalisation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Expenditure incurred towards development eligible for capitalization are carried as intangible assets under development where such assets are not yet ready for their intended use.

An Intangible asset is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

d. Impairment of assets other than financial assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount but limited to the carrying amount that would have been determined (net of depreciation / amortization and depletion) had no impairment loss been recognised in prior accounting periods. A reversal of an impairment loss is recognised immediately in P&L.

e. Revenue Recognition:

Revenue recognition depends on the arrangements with the customer which are either on "Time and material" or on a " fixed-price" basis. Revenue from software services performed on a "time and material" basis is recognized as and when services are performed and/or on the basis of man-days/man hours spent as per terms of the contracts.

The Company also performs work under " fixed-price" arrangements, under which revenue is recognized as per the 'percentage- of-completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Percentage of completion is determined based on the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The input method has been used to measure the progress towards completion as there is direct relationship between input and productivity. Provision for estimated losses on such engagements is made in the year in which such loss becomes probable and can be reasonably estimated.

Unbilled revenue represents amounts recognized based on services performed in advance of billings in accordance with contract terms and is net of estimated allowances for uncertainties and provision for estimated losses.

Revenues from Annual maintenance contracts are recognised pro-rata over the period of the contract in which the services are rendered.

Reimbursement of expenditure is recognised under revenue along with recognition of sale of service to which it relates.

Revenue is net of volume discounts/price incentives which are estimated and accounted for based on the terms of the contracts and also net of applicable indirect taxes.

Revenue from sale of licenses, hardware and other related items are recognized when the significant risk and rewards of ownership and title of the product is transferred to the buyer which generally coincides with acknowledgement of delivery. The value of the sale is net of taxes.

Contract assets: A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by tansferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments.

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

Interest income is recognised on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Divided income is recognised on right to receive the payment is established.

f. Impairment of assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount but limited to the carrying amount that would have been determined (net of depreciation / amortization and depletion) had no impairment loss been recognised in prior accounting periods. A

N K R & CO
R.NO. 127820W
CHARTERED ACCOUNTANTS

reversal of an impairment loss is recognised immediately in P&L.

g. Investments:

i) Classification -: The company classifies its financial assets at fair value (either through other comprehensive income, or through profit or loss). The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

ii) Measurement-: At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction cost that are directly attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed in profit or loss.

iii) Investments in subsidiary / Associate companies are recorded at cost and reviewed for impairment at each reporting date

h. Foreign currency transactions/translations:

i) Functional and Presentation Currency - The company's financial statements are presented in Indian Rupee (Rs.) , which is also the company's functional and presentation currency

ii) Transactions in foreign currencies are translated into functional currency using the exchange rate at the date of the transactions. Foreign exchange gains / loss from transaction and translation of monetary items at the end of the year are recognised in statement of profit and loss accounts.

iii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined. The gain or loss on translation of non monetary items measured at fair value is recognised in Other comprehensive income or Profit and loss.

i. Retirement and other Employee benefits:

i. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss

The Company operates the following post-employment schemes:

(a) defined benefit plans

(b) defined contribution plans

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost and Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised in statement of Profit & Loss account.

in other comprehensive income.

They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plans

Provident fund contributions are recognised as employee benefit expense when they are due.

j. Income Tax:

Tax expense represents the sum of Current Tax and Deferred Tax. Current and deferred tax are recognised as an expense or income in the income statement, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity.

i. Current Tax- Current Tax payable by Company is computed in accordance with the applicable tax rates and tax laws.

ii. Deferred Tax- Deferred tax is recognised on all temporary differences between the carrying amount of Assets and Liabilities in the Financial Statements and the corresponding tax bases used in computation of Taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset will be realized or the liability will be settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

k. Cash flow statement:

Cash flows are reported using the indirect method, whereby net profit 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 revenue generating, investing and financing activities of the Company are segregated.

l. Provisions, contingent liabilities and contingent assets:

A provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Contingent liabilities are not recognised but disclosed unless the probability of an outflow of resources is remote. Contingent assets are not recognized but disclosed when an inflow of economic benefits is probable.

m. Borrowing costs:

Borrowing costs are expensed as incurred and any Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Ind AS 23 on "Borrowing Costs" are capitalised as part of the cost of such asset up to the date when the asset is ready for its intended use.

n. Financial Instruments:

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

i. Cash and cash equivalents- The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

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.

NKR & CO. R.NO. 127820W CHARTERED ACCOUNTANTS

iii. Financial assets at fair value through other comprehensive income (FVTOCI)- Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.
The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income.

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

v. Financial liabilities are measured at amortised cost using the effective interest method.
vi. Equity investments other than equity investment in subsidiaries & associates- Investments in equity instruments are classified as at FVTPL, unless the company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

vii. Equity instruments- An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are measured at the proceeds received net of direct issue costs.

viii. Offsetting of financial instruments- Financial assets and financial liabilities are off set and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

ix. Impairment of Financial assets- The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

o. Segment Reporting:
The Company has only one reportable business segment, which is Software and related products. Accordingly, the amounts appearing in the standalone financial statements relate to the Company's single business segment.

p. Earning Per Share:
The company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

Changes in accounting policies and disclosures

New and amended standards

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

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

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on March 28, 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all evenue arising from contracts with customers. Ind AS 115 establishes a fivestep model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at April 1, 2018.

Under the modified retrospective approach there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the standalone financial statements.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Considerations
The appendix clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in foreign currency. This nterpretation does not have any significant impact on the Company's standalone financial statements.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment
The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profi t (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12.

The Company is currently evaluating the impact that the adoption of this new standard will have on its financial statements.

N K R & CO
R.NO.
127820W
CHARTERED ACCOUNTANTS

Bodhtree Human Capital Private Limited

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019

Note 2

Trade Receivables

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Rs.)	(Rs.)
(Unsecured, Considered Good)		
Trade Receivables	1,605	-
Total	**1,605**	**-**

Note 3

Cash & Cash Equivalents

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Rs.)	(Rs.)
HDFC Current Account	14,213	105,000
Total	**14,213**	**105,000**

Note 4

Share Capital

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Rs.)	(Rs.)
Authorised Capital		
10,000 Equity Shares of Rs.10 each	100,000	100,000
	100,000	**100,000**
Issued, Subscribed & Paid up Capital		
10,000 Equity Shares of Rs.10 each fully paid up	100,000	100,000
Total	**100,000**	**100,000**

a. Reconciliation of Equity Shares outstanding at the beginning and at the end of the year

	31st March, 2019		31st March, 2018	
	No. of shares	Amount	No. of shares	Amount
At the Beginning of the year	10,000	100,000	10,000	100,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	10,000	100,000	10,000	100,000
(including sahres held by nominee of the holding company)				

b. Terms/Rights and restrictions attached to the equity shares:
The Company has only one class of equity shares having a face value of Rs.10/-. Each share holder is eligible for one vote per share held.

c. Details of shareholders holding more than 5% shares in the company

	31st March, 2019		31st March, 2018	
Name	**Nos.**	**%age**	**Nos.**	**%age**
Bodhtree Consulting Limited	10,000	100%	10,000	100%
(including sahres held by nominee of the holding company)				

Note 5

Other Equity

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Rs.)	(Rs.)
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	(135,108)	(82,108)
Add: Profit / (Loss) for the year	(2,882,018)	(53,000)
Balance as at the end of the year	(3,017,126)	(135,108)
Total	**(3,017,126)**	**(135,108)**

N K R & CO * CHARTERED ACCOUNTANTS * R.NO. 127820W

Bodhtree Human Capital Private Limited

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019

Note 6

Provisions(Non-Current)

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Rs.)	(Rs.)
Provision for Employee Benefit		
Gratuity	26,339	
Total	**26,339**	**-**

Note 7

Trade Payables

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Rs.)	(Rs.)
Trade Payables other than Acceptances:		
Dues to micro enterprises and small enterprises		
Others	169,045	120,045
Total	**169,045**	**120,045**

Note 8

Other Current Liabilities

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Rs.)	(Rs.)
Payable to Employees	893,925	-
Total	**893,925**	**-**

Note 9

Other Current Liabilities

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Rs.)	(Rs.)
Advances from Related party	1,228,198	20,063
Statutory Liabilities	615,357	
Total	**1,843,555**	**20,063**

Note 10

Provisions(Current)

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Rs.)	(Rs.)
Provision for Employee Benefit		
Gratuity	80	
Total	**80**	**-**

N K R & CO. R.NO. 127820W CHARTERED ACCOUNTANTS

Bodhtree Human Capital Private Limited

Note 11

Employee Benefits Expense

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Rs.)	(Rs.)
Salaries and Allowances	3,313,446	-
Contribution to Provident Fund & others	139,156	-
Total	**3,452,602**	-

Note 12

Finance Cost

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Rs.)	(Rs.)
Bank Charges	1,304	-
Total	**1,304**	-

Note 13

Other Expenses

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Rs.)	(Rs.)
Auditors Remuneration	50,000	50,000
Exchange Fluctuation	1,062	-
Rates & Taxes	15,132	3,000
Total	**66,194**	**53,000**

Note: 14

Earnings Per share

Particulars	As at 31st March, 2019	For the year ended 31st March, 2017
Net profit / (loss) for the year	(2,882,018)	(53,000)
Weighted average number of equity shares for the purpose of calculating basic earnings per share	10,000	10,000
Weighted average number of equity shares for the purpose of calculating diluted earnings per share	10,000	10,000
Basic / Diluted earnings per share of face value of Rs.10 each	(288.20)	(5.30)

N K R & CO. * CHARTERED ACCOUNTANTS * R.NO. 127820W

Bodhtree Human Capital Private Limited

Note: 15

Employee Benefits

Defined benefit plans

The Company provides for gratuity, a defined benefit plan to its employees. The gratuity plan provides a lump sum payment to eligible employees at retirement or termination of employment based on the respective employees last drawn salary and years of employment with the Company as governed by the Payment of Gratuity Act, 1972.

A. Change in Defined Benefit Obligation

	As at 31-Mar-19	31-Mar-18
Defined benefit obligation at the beginning of the year	-	-
Current service cost	26,419	-
Interest Cost	-	-
Loss / (gain) on settlements	-	-
Benefit Payments from Employer	-	-
Remeasurements - Due to Demographic Assumptions	-	
Remeasurements - Due to Financial Assumptions	-	-
Remeasurements - Due to Experience Adjustments	-	-
Projected benefit obligation at the end of the year	**26,419**	-

B. Change in Fair Value of Plan Assets

Fair Value of Plan Assets at the beginning year	-	-
Employer Direct Benefit Payments	-	-
Benefit Payments from Employer	-	-
Fair Value of Plan Assets at the end of the year	-	-

C. Components of Defined Benefit Cost

Current service cost	26,419	-
Interest cost	-	-
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	**26,419**	-
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	-	-
Remeasurements - Due to Experience Adjustments	-	-
Total Remeasurements in OCI	-	-
Total Defined Benefit Cost recognized in P&L and OCI	**26,419**	-

D. Amounts recognized in the balance sheet

Defined Benefit Obligation	26,419	-
Fair Value of Plan Assets	-	-
Funded Status	**26,419**	-
Effect of Asset Ceiling / Onerous Liability	-	-
Net Defined Benefit Liability / (Asset)	**26,419**	-
Short term liability in the above	**80**	-

Assumptions		
Discount rate	7.60%	0.00%
Expected rate of salary increases	5.00%	0.00%
Employee attrition rate	0.00%	0.00%

In respect of Defined contribution plan (Provident Fund), an amount of Rs.26,419 (31 March 2018: Rs.nil) has been recognised in the Statement of Profit and Loss.

N K R & CO. R.NO. 127820W CHARTERED ACCOUNTANTS

Bodhtree Human Capital Private Limited

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019

Note: 16
Financial instruments

i. Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance. The capital structure of the Company consists of net debt and total equity of the Company. The Company is not subject to any externally imposed capital requirements.

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

Particulars		As at March 31, 2019	As at March 31, 2018
Interest-bearing loans and borrowings		-	-
Less: cash and cash equivalents		14,213	105,000
Underlying net debt	A	-	-
Total equity	B	(2,917,126)	(35,108)
Equity and underlying net debt	C=[A+B]	(2,917,126)	(35,108)
Gearing ratio	D=[A/C]	0.00%	0.00%

ii. Category of Financial Instruments

Particulars	March 31, 2019		March 31, 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Non Current Financial Assets				
Investments	-	-	-	-
Current Financial Assets				
Trade Receivables	-	1,605	-	-
Cash and cash equivalents	-	14,213	-	-
Short-term loans and advances	-	-	-	-
Others	-	-	-	-
Total financial assets	-	15,818	-	-
Financial Liabilities				
Non Current Financial liabilities				
Borrowings	-		-	
Current Financial liabilities				
Borrowings	-	-	-	-
Trade payables		169,045		120,045
Other financial liabilities		893,925		-
Total financial liabilities	-	1,062,970	-	120,045

iii. Financial risk management

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

The Company's Corporate Treasury function reports quarterly to the Company's Board of Directors that monitors risks and policies implemented to mitigate risk exposures.

iv. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Company's credit risk arises principally from the trade receivables, loans, cash and cash equivalents and other financial assets.

Trade receivables

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. The customer's credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management.The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue trade receivables. The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

Cash and bank balances

The credit risk on liquid funds and other bank deposits is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

N K R & CO. R.NO. 127820W CHARTERED ACCOUNTANTS

Loans

The Company's corporate treasury function manages the financial risks related to the business. The treasury function focuses on capital protection, liquidity and yield maximisation.

Deposits and advances

The Company's Corporate treasury function manages the financial risks related to the business. The Treasury function focuses on capital protection, liquidity and yield maximisation. Deposits and Advances are extended to counterparties after assessing their financial capabilities. Counterparty credit limits are reviewed and approved by Board/Audit Committee of the Company. These limits are set to minimise the concentration of risks and therefore mitigates the financial loss through counterparty's potential failure to make payments.

v. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors. The Company manages liquidity risk by maintaining reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

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

(Rs in lakhs)

Particulars	As at March 31, 2019				As at March 31, 2018			
	< 1year	1-5 years	> 5 years	Total	< 1year	1-5 years	> 5 years	Total
Financial assets								
(i) Trade receivables	0.02	-	-	0.02	-	-	-	-
(ii) Cash and cash equivalents	0.14	-	-	0.14	1.05	-	-	1.05
(iii) Bank balances other than (ii) above	-	-	-	-	-	-	-	-
(iv) Loans and advances	-	-	-	-	-	-	-	-
(v) Other Financial Assets	-	-	-	-	-	-	-	-
Total financial assets	**0.16**	**-**	**-**	**0.16**	**1.05**	**-**	**-**	**1.05**
Financial liabilities								
Non-Current								
(i) Borrowings	-	-	-	-	-	-	-	-
Current								
(i) Borrowings	-	-	-	-	-	-	-	-
(ii) Trade Payables	1.69	-	-	1.69	1.20	-	-	1.20
(iii) Other Financial Liabilities	8.94	-	-	8.94	-	-	-	-
Total financial liabilities	**10.63**	**-**	**-**	**10.63**	**1.20**	**-**	**-**	**1.20**

N K R & CO * CHARTERED ACCOUNTANTS * R.NO. 127820W

Note: 17

Related Party Disclosures

Enterprises Commonly controlled or influenced by major shareholders/directors of the company : Bodhtree Consulting Limited

Transactions with Related Parties

Particulars	2018-19	2017-18
	(Rs.)	(Rs.)
Advances Received		
-Bodhtree Consulting Limited	1,208,135	8,000
Balances outstanding at the end of the year		
Credit Balances-Bodhtree Consulting Limited	1,228,198	20,063

Note: 18

Payments to Auditors

Statutory Audit Fee Rs.50,000/-(Previous Year- Rs.50,000/-)

Note: 19

Previous year figures have been regrouped / re arranged / re-classified wherever considered necessary to conform to the classification of the current year.

As per our attached report of even date

For N K R & CO
Chartered Accountants
Firm Reg. No: 127820W

T.N.V.Visweswara Rao
Partner

Place: Hyderabad
Date : 30-05-2019

For and on behalf of the Board

K. Rajesh
Director

K. Prabhakar Rao
Director

Place: Hyderabad
Date : 30-05-2019