B S R & Associates LLP

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of Aujas Networks Private Limited

Report on the Audit of the Indian Accounting Standards (Ind AS) Financial Statements

Opinion

We have audited the Ind AS financial statements of Aujas Networks Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2019, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and statement of cash flows for the year then ended, and notes to the Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("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 31 March 2019, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

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

Information Other than the Ind AS Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Directors Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

B S R & Associates (a partnership firm with Registration No. BA69226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

Registered Office:
1st Floor, Lodha Excelus
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N.M. Joshi Marg, Mahalakshmi
Mumbai - 400 011

Aujas Networks Private Limited

INDEPENDENT AUDITORS' REPORT (continued)

Management's Responsibility for the Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and Board of Directors are 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. Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS 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.

Aujas Networks Private Limited

INDEPENDENT AUDITORS' REPORT (continued)

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements (continued)

- 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 Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 the 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;

Aujas Networks Private Limited

INDEPENDENT AUDITORS' REPORT (continued)

Report on other Legal and Regulatory Requirements

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act;

(e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**";

(B) With respect to the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 2.33 to the Ind AS financial statements;

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

iv. The disclosures in the Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

for **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Sagar lulla

Sagar Lulla
Partner
Membership number: 137645

Bengaluru
30 April 2019

Aujas Networks Private Limited

Annexure - A to the Auditors' Report

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not own any immovable properties. Accordingly, paragraph 3(i)(c) of the Order is not applicable.

(ii) The Company is a service company, primarily rendering data security management services. Accordingly, it does not hold any physical inventories. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) 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'). Thus, paragraph 3(iii) (a) to (c) of the Order is not applicable.

(iv) The Company has not advanced any loan, including any loan represented by book debt to any of its Directors or to any other person in whom the director is interested or not given any guarantee or not provided any security in connection with any loan taken by him or such person. The Company has not made investment through more than two layers of investment companies. Also the Company has not given loan, guarantee or provide security in connection with a loan, whether directly or indirectly to any person or other body corporate. Accordingly, paragraph 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits from the public.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, Service tax, Goods and Service tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there has been a slight delay in a few cases. As explained to us, the Company did not have any dues on account of employees' state insurance, duty of customs and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, service tax, Goods and Service tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, Goods and Service tax, service tax and value added tax which have not been deposited with the appropriate authorities on account of any disputes except for the following:

Name of the statute	Nature of dues	Amount (INR)	Period to which assessment relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	2,100,000	April 2010 to September 2014	Service Tax Department

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company did not have any loans or borrowings from any financial institutions, government or any dues to debenture holders during the year.

(ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer/further public offer (including debt instruments). However, the money raised as term loan from bank during the year was applied for the purpose for which the loan was obtained.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) The provisions of Section 197 read with Schedule V to the Act are applicable only to the public companies. Accordingly, the provision of Clause 3(xi) of the Order is not applicable to the Company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements, as required by the applicable accounting standards. The Company was not required to constitute an audit committee as per the provisions of the Act, hence compliance with Section 177 of the Act is not applicable.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

Aujas Networks Private Limited

Annexure – A to the Independent Auditor's Report (continued)

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

for **B S R & Associates LLP**
Chartered Accountants
Firm's registration number: 116231W/W-100024

Sagar Lulla

Sagar Lulla
Partner
Membership number: 137645

Bangalore
30 April 2019

Aujas Networks Private Limited

Annexure B to the Independent Auditors' Report on Ind AS financial statements of the Company for the year ended 31 March 2019

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of the Company as of 31 March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with respect to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with respect to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Aujas Networks Private Limited

Annexure B to the Independent Auditors' Report on Ind AS financial statements of the Company for the year ended 31 March 2019 (continued)

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for **B S R & Associates LLP**
Chartered Accountants
Firm's registration number: 116231W/W-100024

Sagar Lulla

Sagar Lulla
Partner
Membership number: 137645

Bangalore
30 April 2019

Aujas Networks Private Limited
Balance sheet

Rs in thousands

	Note	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
ASSETS				
Non-current assets				
Property, plant and equipment	4	13,093	11,744	8,441
Intangible assets	5	115	297	542
Financial assets				
- Other financial assets	6	9,894	9,412	8,357
Deferred tax assets (net)	29	-	-	-
Non-current tax assets (net)	29	96,399	56,358	68,391
Total non-current assets		119,501	77,811	85,731
Current assets				
Financial assets				
- Current investments	7	1,000	12,028	4,890
- Trade receivables	8	169,897	193,960	214,143
- Cash and cash equivalents	9	32,868	18,376	6,849
- Bank balances other than cash and cash equivalents	10	15,891	16,866	15,866
- Loans	11	2,915	11,370	11,399
- Other financial assets	12	117,322	92,601	69,637
Other current assets	13	18,750	10,182	4,940
Total current assets		358,643	355,383	327,724
Total assets		478,144	433,194	413,455
EQUITY AND LIABILITIES				
Equity				
Share capital	14	265,135	22,214	22,040
Other equity	15	30,392	297,348	287,921
Total equity		295,527	319,562	309,961
Non-current liabilities				
Financial liabilities				
- Borrowings	16	52,838	929	1,505
Provisions	17	6,423	2,704	4,391
Total non-current liabilities		59,261	3,633	5,896
Current liabilities				
Financial liabilities				
- Trade payables				
Total outstanding dues to micro and small enterprises	18	-	-	-
Total outstanding dues to creditors other than micro and small enterpri:	18	27,270	27,516	18,366
- Other financial liabilities	19	4,454	2,259	10,119
Provisions	20	5,088	4,610	647
Other current liabilities	21	86,544	75,614	68,466
Total current liabilities		123,356	109,999	97,598
Total equity and liabilities		478,144	433,194	413,455
		-	-	-
Significant accounting policies	3			

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

Sagar Lulla
Sagar Lulla
Partner
Membership no.: 137645

Place: Bangalore
Date: 30-04-2019

for and on behalf of the Board of Directors of
Aujas Networks Private Limited

J Ravichandran
Director
DIN: 00073736

N Muralidaran
Director
DIN: 06567029

Sameer Shelke
CEO

Suriyanarayan PS
Whole Time Director & CFO

Prateek Savla
Company Secretary

Place: Bangalore
Date: 30-04-2019

Aujas Networks Private Limited
Statement of profit and loss

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
			Rs in thousands
Income			
Revenue from operations	22	943,186	890,189
Other income	23	3,949	8,992
Total income		947,135	899,181
Expenses			
Cost of traded products		7,925	25,685
Cost of technical subcontractors		93,494	68,276
Employee benefits expense	24	668,943	603,040
Finance costs	25	670	1,132
Depreciation and amortization expense	26	6,516	5,922
Other expenses	27	197,355	187,026
Total expenses		974,903	891,081
(Loss) / Profit before tax		(27,768)	8,100
Tax expense			
- Current tax	29	-	702
- Deferred tax	29		(702)
(Loss) / Profit for the year, net of tax		(27,768)	8,100
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit liability		1,422	(936)
Items that will be reclassified subsequently to profit or loss:		-	-
Other comprehensive income for the year, net of taxes		1,422	(936)
Total comprehensive income for the year		(26,346)	7,164
Earnings per equity share :	35		
- Basic		(0.10)	0.38
- Diluted		(0.10)	0.03
Total comprehensive income per equity share :			
- Basic		(0.10)	0.34
- Diluted		(0.10)	0.03
Significant accounting policies	3		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number 116231W/W-100024

Sagar Lulla
Sagar Lulla
Partner
Membership no 137645

Place Bangalore
Date 30-04-2019

for and on behalf of the Board of Directors of
Aujas Networks Private Limited

J Ravichandran
Director
DIN 00073736

N Muralidaran
Director
DIN 06567029

Sameer Shelke
CEO

Suriyanarayan PS
Whole Time Director & CFO

Prateek Savla
Company Secretary

Place Bangalore
Date 30-04-2019

Aujas Networks Private Limited
Statement of changes in equity

a Share capital

Rs in thousands

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	22,214	22,040
Changes in equity share capital during the year		
Issue of equity shares for cash	-	174
Issue of equity shares from utilization of securities premium	242,921	-
Balance at the end of the Year	**265,135**	**22,214**

b Other Equity

Rs in thousands

For the year ended 31 March 2019

Particulars	Reserves and surplus			Other comprehensive income	
	Securities premium	Retained earnings	Share based payment reserve	Remeasurements of actuarial gain and losses	Total equity
Balance as at 1 April 2018	722,246	(427,746)	4,737	(1,889)	297,348
Loss for the year	-	(27,768)	-	-	(27,768)
Other comprehensive income, (net of taxes)	-	-	-	1,422	1,422
Contributions and distributions:					
Employee stock compensation expense	-	-	6,175	-	6,175
Conversion of preference shares to equity shares	(242,921)	-	-	-	(242,921)
Exercise of options by employees	-	-	(3,864)	-	(3,864)
Balance as at 31 March 2019	**479,325**	**(455,514)**	**7,048**	**(467)**	**30,392**

B S R & Associates LLP

Aujas Networks Private Limited
Statement of changes in equity (continued)

b Other Equity (continued)

For the year ended 31 March 2018

Rs in thousands

Particulars	Reserves and surplus			Other comprehensive income	Total equity
	Securities Premium	Retained Earnings	Share based payment reserve	Remeasurements of actuarial gain and losses	
Balance as at 1 April 2017	722,007	(435,846)	2,713	(953)	287,921
Issue of equity shares during the year	179	-	-	-	179
Profit for the year		8,100	-	-	8,100
Other comprehensive income, (net of taxes)	-	-	-	(936)	(936)
Contributions and distributions:					
Employee stock compensation expense		-	2,084	-	2,084
Exercise of options by employees	60	-	(60)	-	-
Balance as at 31 March 2018	722,246	(427,746)	4,737	(1,889)	297,348

Significant accounting policies 3

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number 116231W/W-100024

Sagar Lulla
Partner
Membership no: 137645

Place: Bangalore
Date: 30-04-2019

for and on behalf of the Board of Directors of
Aujas Networks Private Limited

J Ravichandran
Director
DIN: 00073736

N Muralidaran
Director
DIN: 06567029

Sameer Shelke
CEO

Suriyanarayan PS
Whole Time Director & CFO

Prateek Savla
Company Secretary

Place: Bangalore
Date: 30-04-2019

Aujas Networks Private Limited
Statement of cash flows

Rs in thousands

	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flows from operating activities		
Profit / (loss) for the year	(26,346)	7,164
Adjustments:		
- Interest income on income tax refund	-	(5,217)
- Interest income on deposits	(967)	(1,306)
- Dividend income from mutual fund investments	(195)	-
- Profit/loss on sale of plant and equipment	(8)	(677)
- Interest expense	670	1,119
- Provision for doubtful debts, net	714	752
- Stock compensation expense	6,175	2,084
- Depreciation and amortization	6,516	5,922
- Unrealised foreign exchange loss	887	(670)
Operating cash flow before working capital changes	(12,554)	9,171
Changes in		
- Trade receivables	23,349	20,131
- Current and non-current loans	8,455	29
- Current and non-current financial assets	(25,178)	(24,560)
- Other current and non-current assets	(8,568)	(5,242)
- Trade payables	(246)	9,150
- Current liabilities	10,930	7,145
- Current and non-current provisions	4,197	2,276
Cash generated from operations	385	18,100
Income taxes (paid) / refund received, net	(40,041)	17,250
Cash used in operations (A)	(39,656)	35,350
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,609)	(7,325)
Investment in term deposit	975	(1,700)
Proceeds from sale of property, plant and equipment	1,214	-
Proceeds from sale of investments	12,028	39,840
Investment in mutual fund units	(1,000)	(46,300)
Interest and dividend income received	1,137	2,547
Net cash generated from investing activities (B)	6,745	(12,938)
Cash flows from financing activities		
Proceeds from/ (repayment of) long-term and short-term borrowings	822	(517)
Interest paid	(670)	(1,119)
Proceeds from issue of shares	-	353
Exercise of option by employee	(3,864)	-
Proceeds from long term loans	52,000	(9,574)
Net cash used in financing activities (C)	48,288	(10,857)

B S R & Associates LLP

Aujas Networks Private Limited
Statement of cash flows (continued)

Rs in thousands

	For the year ended 31 March 2019	For the year ended 31 March 2018
Net decrease in cash and cash equivalents (A+B+C)	15,377	11,555
Cash and cash equivalents at the beginning of the year	18,376	6,849
Effect of movements in exchange rates on cash held	(887)	(28)
Cash and cash equivalents at the end of the year	32,866	18,376
Components of cash and cash equivalents (refer note 9)		
Balances with banks:		
- in current accounts	32,868	18,376
Cash and cash equivalents at the end of the year	32,868	18,376

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

Sagar Lulla
Partner
Membership no.: 137645

Place: Bangalore
Date: 30-04-2019

for and on behalf of the Board of Directors of
Aujas Networks Private Limited

J Ravichandran
Director
DIN: 00073736

N Muralidaran
Director
DIN: 06567029

Sameer Shelke
CEO

Suriyanarayan PS
Whole Time Director & CFO

Prateek Savla
Company Secretary

Place: Bangalore
Date: 30-04-2019

1 Company background

Aujas Networks Private Limited ('the Company') was incorporated on 8 February 2008 as a private limited company under the Companies Act, 1956 ("the Act"). The Company offers data security management services including application security, IT risk management, identity management and vulnerability management. The Company commenced commercial operations in April 2008. The registered office of the Company has been changed to 'No 595,4th Floor, 24th Main, 15th Cross, J P Nagar 1st Phase, Bangalore – 560078' with effect from 1 June 2011

The Company earns revenue through sale of security management services and products.
The financial statements are approved for issue by the Company's Board of Directors on 30 April 2019.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The Company is required to prepare its financial statements under Ind AS since the Company was acquired by NSE IT Limited on 22 March 2019, which is mandatorily required to present its financial statements under Ind AS as per the notification issued by the Ministry of Corporate affairs on 16th February 2015.

The financial statements up to and for the year ended 31 March 2018 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('Indian GAAP' or 'previous GAAP').

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position and financial performance of the Company is provided in note 3.15.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

2.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
- expected to be realised or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:
- expected to be settled in normal operating cycle,
- held primarily for the purpose of trading,
- due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Liability for equity settled share based plan	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

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2.5 Use of estimates and judgements

In preparing the financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors and that are believed to be reasonable under the circumstance. Revisions to accounting estimates are recognised prospectively.

Judgements, assumptions & estimates
Information about judgements, assumptions and estimates made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:
- note 4 and 5: property, plant and equipment and other intangible assets: useful life of asset;
- note 34: recognition of deferred tax asset: availability of future taxable profit against which deferred tax can be used;
- note 35: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- note 37: employee stock option plan: key assumptions about the inputs used.
- note 42: measurement of defined benefit obligation: key actuarial assumptions;
- note 44 and 45: impairment of financial assets

2.6 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.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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3 Significant accounting polices

3.01 Property, plant and equipment and other intangible assets

a) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit or loss.

b) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2017, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (see note 48).

c) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

d) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss.The Company believes that the existing useful life as given below represents the best useful estimated lives of these assets. Accordingly, the Company has carried out an external assessment which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II
Computers	3 years	3 years
Office equipment	3 years	5 years
Furniture and fixtures	5 years	10 years
Vehicles	5 years	8 years

Leasehold improvements are depreciated over the lease term or estimated useful life of 3 years, whichever is lower.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on internal assessment, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

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3.02 Revenue recognition

a) Security management services

Revenue from data security management services compries revenue from time and material/transaction based and fixed price contarcts. Revenue from time and material/transaction based contracts is recognised as the related services are rendered. Revenue from fixed price contract is recognised in accordance with the percentage of completion method determined based on project costs incurred to the date as a percentage of total estimated project costs required to complete the project.

Unbilled revenue represents revenue recognised in excess of billings as at the end of reporting period. Unearned revenue represents billing in excess of revenue recognized.

Revenue on maintenance contracts are recognised ratably over the period in which services are rendered

Revenue are stated net of trade/volume discounts and any applicable duties or taxes.

b) Interest income or expense

Interest on deployment of surplus funds is recognised using the time proportionate methos based on underlying interest rates.

Dividend income on investment is recognised when the right to receive payment is established.

3.03 Leases

Assets acquired under lease, where the company has substantially assumed all the risks and rewards of ownership are classified as finance lease.Such lease are capitalised at the inception of the lease, at fair value of asset or the present value of the minimum lease payments, whichever is lower.

Assets acquired under lease, where a significant portion of the risk an rewards of ownership are retained by the lessor, are classified as operating leases. Lease rentals are charged to the statement of profit and loss on a straight line basis over the lease term.

3.04 Financial instruments

a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

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3.04 Financial instruments (continued)

b) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified and measured at
- amortised cost;
- Fair value through other comprehensive income (FVOCI) – debt investment;
- Fair value through other comprehensive income (FVOCI) – equity investment; or
- Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets 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.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
– the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

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3.04 Financial instruments (continued)

c) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

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

d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.05 Impairment

a) Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

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3.05 Impairment (continued)

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

b) Impairment of non-financial assets
The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of a cash-generating unit (CGU) (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

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

3.06 Employee benefits

a) Short-term employee benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

b) Share-based payment transactions
The Company recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share Based Payment. The estimated fair value of awards is charged to income on straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

c) Defined contribution plans
A defined contribution plan is a post-employment benefit plan under which contribution are made to appropriate authorities at a predetermined rates and charged to the statement of profit and loss in the year in which they are incurred.

d) Defined benefit plans
A defined benefit plan is a postemployment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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3.06 Employee benefits (continued)

e) Compensated absence
The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the projected unit credit method as at the reporting date. To the extent the employee has unconditional right to avail the leave, the same has been classified as "current" even though the same is measured as "other long-term employee benefit" as per Ind AS 19.

f) Termination benefits
Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

3.07 Foreign currency

a) Foreign currency transactions
Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

b) Foreign operations
In respect of integral operation, monetary assets and laibilities are translated at the exchange rate prevailing at the date of the balance sheet. Non-monetary items are translated at historical rate. The items in the statement of profit and loss are translated at the average exchange rate during the period. The differences arising out of the translation are recognised in the statement of profit and loss. In respect of non integral operations, assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. The items in the statement of profit and loss are translated at the average exchange rate during the period. The difference arising out of the traslation are transfered to translation reserve.

3.08 Income tax

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

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

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

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3.08 Income tax (continued)

b) Deferred tax

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

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future and taxable temporary differences arising on the initial recognition of goodwill.

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

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

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

3.09 Provisions (other than for employee benefits)

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. 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. Expected future operating losses are not provided for.

3.10 Contingent liabilities

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

3.11 Cash and cash equivalents

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

3.12 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 operating, investing and financing activities of the Company are segregated.

3.13 Earnings per share

In determining the earning per share, the net profit after tax is divided by the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all potential dilutive equity shares. Potential dilutive equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

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3.15 Standards / pronouncements issued but not yet effective

Ind AS 116, Leases:

On 30 March 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees.

The effective date for the adoption of Ind AS 116 is annual periods beginning on or after 1 April 2019. The standard permits two possible methods of transition:

• Full retrospective – Retrospectively to each prior period presented applying Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors

• Modified retrospective – Retrospectively, with the cumulative effect of initially applying the standard recognized at the date of initial application under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset is equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (1 April 2019). Accordingly, comparatives for the year ended 31 March 2019 will not be retrospectively adjusted. The effect of adoption of Ind AS 116 would be insignificant in the financial statements.

Ind AS 12, Appendix C, Uncertainty over Income Tax Treatment:

On 30 March 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after 1 April 2019. The Company does not have any impact on account of this amendment.

Amendment to Ind AS 12, Income taxes:

On 30 March 2019, the Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, Income Taxes, in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019. The Company does not have any impact on account of this amendment.

Amendment to Ind AS 19, plan amendment, curtailment or settlement:

On 30 March 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

• To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

• To recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019. The Company does not have any impact on account of this amendment.

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3.15 First time adoption

As stated in Note 2.1, these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended 31 March 2018, the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP' or 'Indian GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable as at and for the year ended 31 March 2019, together with the comparative period data as at and for the year ended 31 March 2018 and in the preparation of an opening Ind AS balance sheet as at 1 April 2017 (the Company's transition date) as described in the summary of significant accounting policies. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2017 and the financial statements as at and for the year ended 31 March 2018.

Optional exemptions availed and mandatory exceptions

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

A. Optional exemptions availed:

1 Share-based payments

Ind AS 101 allows a first-time adopter to elect not to apply Ind AS 102 - Share-based Payment to equity instruments that were vested before the transition date. Accordingly, the Company has elected the optional exemption given and not accounted for share options vested prior to 1 April 2017 as per Ind AS 102.

2 Property plant and equipment and intangible assets

As per Ind AS 101 an entity may elect to:

(i) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date;

(ii) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to:
- fair value,
- or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

The elections under (i) and (ii) above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost); and criteria in Ind AS 38 for revaluation (including the existence of an active market).

(iii) use carrying values of property, plant and equipment and intangible assets as on the date of transition to Ind AS (which are measured in accordance with previous GAAP.

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets also. The Company has disclosed the net carrying amount of property, plant and equipment and intangible assets as its deemed cost as at the date of transition.

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3 First time adoption (continued)

B. Mandatory exceptions:

1 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively.

2 Estimates

Ind AS 101 prohibits the use of hindsight to correct estimates made under previous GAAP unless there is objective evidence of error. It only allows to adjust the estimates made under previous GAAP when the basis of calculation does not comply with Ind AS. Upon an assessment of the estimates made under Previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, other than those required due to application of Ind AS.

3 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the derecognition requirements of Ind AS 109 prospectively to transactions occurring on or after the date of transition. However, it also allows the first-time adopter that wants to apply the derecognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing may only do so, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has chosen to avail the exception to apply the derecognition provisions of Ind AS 109 prospectively from the date of transition.

3 First time adoption (continued)

C Reconciliation between previous GAAP and Ind AS:

(i) (a) Reconciliation of equity as at date of transition (1 April 2017)

Rs in thousands

Particulars	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind As
ASSETS				
Non-current assets				
Property, plant and equipment		8,441	-	8,441
Intangible assets		542	-	542
Financial assets				
- Other financial assets		8,357	-	8,357
Non-current tax assets (net)		68,391	-	68,391
Total non-current assets		**85,731**	-	**85,731**
Current assets				
Financial assets				
- Current investment		4,890	-	4,890
- Trade receivables		214,143	-	214,143
- Cash and cash equivalents		6,849	-	6,849
- Bank balances other than cash and cash equivalents		15,866	-	15,866
- Loans		11,399	-	11,399
- Other financial assets		69,637	-	69,637
Other current assets		4,940	-	4,940
Total current assets		**327,724**	-	**327,724**
Total assets		**413,455**	-	**413,455**
EQUITY AND LIABILITIES				
Equity				
Share capital		22,040	-	22,040
Other equity **	A	291,223	(3,302)	287,921
Total equity		**313,263**	**(3,302)**	**309,961**
Non-current liabilities				
Financial liabilities				
- Borrowings		1,505	-	1,505
Provisions	A	1,089	3,302	4,391
Total non-current liabilities		**2,594**	**3,302**	**5,896**
Current liabilities				
Financial liabilities				
- Trade payables		18,366	-	18,366
- Other financial liabilities		10,119	-	10,119
Provisions		647	-	647
Other current liabilities		68,466	-	68,466
Total current liabilities		**97,598**	-	**97,598**
Total equity and liabilities		**413,455**	-	**413,455**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

** Rs 1,386 thousand has been reversed from Share based payment reserve to General reserve to account of outstanding options in accordance with Ind AS 101

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3 First time adoption (continued)

(b) Reconciliation of equity as at 31 March 2018

Rs in thousands

Particulars	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind As
ASSETS				
Non-current assets				
Property, plant and equipment		11,744	-	11,744
Intangible assets		297	-	297
Financial assets				
- Other financial assets		9,412	-	9,412
Deferred tax assets (net)		-	-	-
Non-current tax assets (net)		56,358	-	56,358
Total non-current assets		**77,811**	-	**77,811**
Current assets				
Financial assets				
- Current investment		12,028	-	12,028
- Trade receivables		193,960	-	193,960
- Cash and cash equivalents		18,376	-	18,376
- Bank balances other than cash and cash equivalents		16,866	-	16,866
- Loans		11,370	-	11,370
- Other financial assets		92,601	-	92,601
Other current assets		10,182	-	10,182
Total current assets		**355,383**	-	**355,383**
Total assets		**433,194**	-	**433,194**
EQUITY AND LIABILITIES				
Equity				
Share capital		22,214	-	22,214
Other equity	A	302,566	(5,218)	297,348
Total equity		**324,780**	(5,218)	**319,562**
Non-current liabilities				
Financial liabilities				
- Borrowings		929	-	929
Provisions	A	1,226	1,478	2,704
Total non-current liabilities		**2,155**	**1,478**	**3,633**
Current liabilities				
Financial liabilities				
- Trade payables		27,516	-	27,516
- Other financial liabilities		2,259	-	2,259
Provisions	A	870	3,740	4,610
Other current liabilities		75,614	-	75,614
Total current liabilities		**106,259**	**3,740**	**109,999**
Total equity and liabilities		**433,194**	-	**433,194**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

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3 First time adoption (continued)

(ii) Reconciliation of total comprehensive income for the year ended 31 March 2018

Rs in thousands

Particulars	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind As
Income				
Revenue from operations		890,189	-	890,189
Other income		8,992	-	8,992
Total income		**899,181**	-	**899,181**
Expenses				
Cost of traded products		25,685	-	25,685
Cost of technical subcontractors		68,276	-	68,276
Employee benefits expense	A + B	601,921	1,119	603,040
Finance costs		1,132	-	1,132
Depreciation and amortization expense		5,922	-	5,922
Other expenses		187,026	-	187,026
Total expenses		**889,962**	**1,119**	**891,081**
Profit/(loss) before tax		**9,219**	**(1,119)**	**8,100**
Tax expense:				
- Current tax		702	-	702
- Deferred tax		(702)	-	(702)
Profit for the year, net of tax		**9,219**	**(1,119)**	**8,100**
Other comprehensive income for the period				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurements of defined benefit plan actuarial gains/ (losses)	A	-	(936)	(936)
Items that will be reclassified subsequently to profit or loss:				
Total comprehensive income for the period		9,219	(2,055)	7,164

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

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3 First time adoption (continued)

(iii) Reconciliation of total equity as at 31 March 2018 and 1 April 2017

Rs in thousands

Particulars	31 March 2018	1 April 2017
Total equity (shareholder's funds) as per previous GAAP	324,780	313,263
Adjustments:		
Remeasurements for defined benefit liability	(5,218)	(3,302)
Total adjustments	(5,218)	(3,302)
Total equity as per Ind AS	319,562	309,961

Notes to the reconcilliation

A Employee benefit expenses

As per Ind AS 19, actuarial gain and losses are recognised in other comprehensive income and not reclassified to profit and loss in subsequent period. On account of change in valuation in accordance with Ind As 19, additional cost of Rs 3,302 thousand on the date of transition has been adjusted in opening reserve and Rs 1,917 thousand for the year ended 31 March 2018 has be recorded through profit and loss account.

B Share based payments

Unlike in previous GAAP, Ind AS requires Companies to account for Share Based Payments (SBP) following a fair value approach where in the call option value for the underlying stock optionsare valued and is recognised as compensation cost over the vesting period. However, Ind AS 101 allows companies not to account for share based payment cost for grants made in earlier periods as long as those options vested before the transition period

The above exemption allowed the Company to account for SBP costs under fair value approach only for 10,623,544 options whose vesting period extends beyond 1 April 2017. An amount of Rs 137 thousand was recorded as compensation cost for the year ended 31 March 2018.

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Aujas Networks Private Limited

Notes to the financial statements for the year ended 31 March 2019 (continued)

4 Property, plant and equipment

Rs in thousands

Following are the changes in the carrying value of property, plant and equipment for the year ended 31 March 2019:

Reconciliation of carrying amount

Particulars	Computers	Office equipment	Furniture and fixtures	Vehicles	Total
Cost or deemed cost					
Balance as at 1 April 2017	5,891	525	28	1,997	8,441
Additions during the year	8,281	699	-	-	8,980
Disposals during the year	-	-	-	-	-
Balance as at 31 March 2018	**14,172**	**1,224**	**28**	**1,997**	**17,421**
Balance as at 1 April 2018	14,172	1,224	28	1,998	17,422
Additions during the year	8,742	71	11	-	8,824
Disposals during the year	(62)	-	-	(1,998)	(2,060)
Balance as at 31 March 2019	**22,852**	**1,295**	**39**	-	**24,186**
Accumulated depreciation					
Accumulated depreciation as of 1 April 2017	-	-	-	-	-
Charge for the period	4,787	424	6	460	5,677
Deduction / Adjustments during the period	-	-	-	-	-
Accumulated depreciation as of 31 March 2018	**4,787**	**424**	**6**	**460**	**5,677**
Accumulated depreciation as of 1 April 2018	4,787	424	6	460	5,677
Charge for the period	5,536	399	3	329	6,267
Accumulated depreciation on disposals	(62)	-	-	(789)	(851)
Accumulated depreciation as of 31 March 2019	**10,261**	**823**	**9**	-	**11,093**
Carrying amount					
As at 1 April 2017	**5,891**	**525**	**28**	**1,997**	**8,441**
As at 31 March 2018	**9,385**	**800**	**22**	**1,537**	**11,744**
As at 31 March 2019	**12,591**	**472**	**30**	-	**13,093**

Note 4.1

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment (PPE) recognised as at 1April 2017 measured as per the previous Indian GAAP and use that carrying value as the deemed cost of the PPE.

Deemed cost as on 1 April 2017

Particulars	Computers	Office equipment	Furniture and fixtures	Vehicles	Total
Gross block as on 1 April 2017	24,543	2,488	504	2,300	29,835
Accumulated depreciation till 1 April 201	18,652	1,963	476	303	21,394
Net block treated as deemed cost upon transition	**5,891**	**525**	**28**	**1,997**	**8,441**

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5 Intangible assets

Rs in thousands

Particulars	Software	Total
Cost or deemed cost*:		
Balance at 1 April 2017	542	542
Additions	-	-
Disposals	-	-
Balance at 31 March 2018	542	542
Balance at 1 April 2018	542	542
Additions	67	67
Disposals	-	-
Balance at 31 March 2019	609	609
Accumulated depreciation		
Balance at 1 April 2017	-	-
Amortisation for the year	245	245
Disposals	-	-
Balance at 31 March 2018	245	245
Balance at 1 April 2018	245	245
Amortisation for the year	249	249
Disposals	-	-
Balance at 31 March 2019	494	494
Carrying amount:		
As at 1 April 2017	542	542
As at 31 March 2018	297	297
As at 31 March 2019	115	115

Note 5.1

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2017 measured as per the previous Indian GAAP and use that carrying value as the deemed cost of the intangible assets.

Particulars	Software
Gross block as on 1 April 2017	2,972
Accumulated depreciation till 1 April 2017	2,430
Net block treated as deemed cost upon transition	542

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6 Other non-current financial assets

Rs in thousands

Particulars	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Unsecured, considered good			
Security deposit	9,194	8,712	8,357
Bank deposits (due to mature after twelve months from the reporting date)	700	700	-
	9,894	**9,412**	**8,357**

Note 6.1 - The Management has determined its security deposits not to be in the nature of loans and accordingly have been classified as other financial assets.

7 Current investments

Rs in thousands

Particulars	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Investments at fair value through profit or loss			
Investment in Mutual Funds - unquoted			
Reliance Ultra Short Duration Fund (31 March 2019 : 327.372, 31 March 2018 : Nil and 1 April 2017 : Nil) units fully paid up	1,000	-	-
Tata Money Market Fund (31 March 2019 : Nil, 31 March 2018 : 4429.02 and 1 April 2017 : Nil) units fully paid up	-	12,028	
Reliance Money Manager Fund (31 March 2019 : Nil, 31 March 2018 : Nil and 1 April 2017 : 491,751) units fully paid up	-	-	955
Cash Management Fund-Treasury Advantage Fund (31 March 2019 : Nil, 31 March 2018 : Nil and 1 April 2017 : 102,552.72) units fully paid up	-	-	3,600
Birla Sunlife Floating Rate Fund (31 March 2019 : Nil, 31 March 2018 : Nil and 1 April 2017 : 522.828) units fully paid up	-	-	100
Birla Sunlife Cashplus (31 March 2019 : Nil, 31 March 2018 : Nil and 1 April 2017 : 491.84) units fully paid up	-	-	102
Religare Incesco Credit Opportunities Fund (31 March 2019 : Nil, 31 March 2018 : Nil and 1 April 2017 : 83.27) units fully paid up	-	-	133
	1,000	**12,028**	**4,890**
Aggregate value of unquoted investments	1,000	12,028	4,890
Aggregate amount of impairment in value of investments	-	-	-

8 Trade receivables

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Unsecured			
Considered good	169,897	193,960	214,143
Considered doubtful	16,277	15,563	14,771
	186,174	209,523	228,914
Less: Allowance for expected credit loss (refer note 40)	(16,277)	(15,563)	(14,771)
Net trade receivables	**169,897**	**193,960**	**214,143**

a) Due date based ageing			
Debts outstanding for a period exceeding six months from the date they became due	15,833	29,077	207,272
Other debts	170,341	180,446	21,642
Total	**186,174**	**209,523**	**228,914**

9 Cash and cash equivalents

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Cash on hand	17	65	-
Balances with banks			
- in current accounts	32,806	18,255	6,819
- in EEFC accounts	45	56	30
Cash and cash equivalents	**32,868**	**18,376**	**6,849**
Book overdrafts used for cash management purposes (refer note 19)	-	-	
Cash and cash equivalents in the statement of cash flows	**32,868**	**18,376**	

10 Bank balances other than cash and cash equivalents

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Balances with banks			
- in fixed deposit accounts with banks (due to mature within twelve months from the reporting date)	15,891	16,866	15,866
	15,891	**16,866**	**15,866**

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11 Current loans

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Unsecured, considered good			
Loans and advances to employees	2,376	5,689	5,718
Loans and advances to related parties (refer note 36)	539	5,681	5,681
	2,915	11,370	11,399

12 Other current financial assets

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Unsecured, considered good			
Unbilled revenue	110,761	88,718	64,460
Security deposit	6,034	3,381	3,434
Interest accrued on bank deposits	527	502	1,743
	117,322	92,601	69,637

Note 12.1 - The Management has determined its security deposits not to be in the nature of loans and accordingly have been classified as other financial assets.

13 Other current assets

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Prepaid expenses	9,954	9,553	4,858
Advances to suppliers	3,296	629	82
GST input credit receivable	5,500	-	-
	18,750	10,182	4,940

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Aujas Networks Private Limited
Notes to the financial statements for the year ended 31 March 2019 (continued)

14 Share capital

(a) Particulars

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Authorised			
268,999,800 (31 March 2018 : 28,999,800 and 1 April 2017 : 28,999,800) equity shares of INR 1 each	269,000	29,000	29,000
15,000 (31 March 2018 : 15,000 and 1 April 2017 : 15,000) Series A equity shares of INR 1 each	15	15	15
1,000 (31 March 2018 : 1,000 and 1 April 2017 : 1,000) Series B equity shares of INR 1 each	1	1	1
205,882 (31 March 2018 : 205,882 and 1 April 2017 : 205,882) compulsorily convertible Series A preference shares of INR 1 each	206	206	206
57,812 (31 March 2018 : 57,812 and 1 April 2017 : 57,812) compulsorily convertible Series A1 preference shares of INR 1 each	58	58	58
57,962 (31 March 2018 : 57,962 and 1 April 2017 : 57,962) compulsorily convertible Series A2 preference shares of INR 1 each	58	58	58
90,581 (31 March 2018 : 90,581 and 1 April 2017 : 90,581) compulsorily convertible Series A3 preference shares of INR 1 each	91	91	91
32,094 (31 March 2018 : 32,094 and 1 April 2017 : 32,094) compulsorily convertible Series A4 preference shares of INR 1 each	32	32	32
14,875 (31 March 2018 : 14,875 and 1 April 2017 : 14,875) compulsorily convertible Series A5 preference shares of INR 1 each	15	15	15
17,250 (31 March 2018 : 17,250 and 1 April 2017 : 17,250) compulsorily convertible Series A6 preference shares of INR 1 each	17	17	17
10,125 (31 March 2018 : 10,125 and 1 April 2017 : 10,125) compulsorily convertible Series A7 preference shares of INR 1 each	10	10	10
385,119 (31 March 2018 : 385,119 and 1 April 2017 : 385,119) compulsorily convertible Series B preference shares of INR 1 each	385	385	385
75,000 (31 March 2018 : 75,000 and 1 April 2017 : 75,000) compulsorily convertible Series B1 preference shares of INR 1 each	75	75	75
37,500 (31 March 2018 : 37,500 and 1 April 2017 : 37,500) compulsorily convertible Series B2 preference shares of INR 1 each	38	38	38
	270,001	**30,001**	**30,001**

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14 Share capital (continued)

Issued, subscribed and fully paid up

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
265,132,321 (31 March 2018 : 21,226,248 and 1 April 2017 : 21,051,531) equity shares of INR 1 each fully paid-up	265,132	21,226	21,052
2,010 (31 March 2018 : 2,010 and 1 April 2017 : 2,010) Series A equity shares of INR 1 each fully paid-up	2	2	2
1,000 (31 March 2018 : 1,000 and 1 April 2017 : 1,000) Series B equity shares of INR 1 each fully paid-up	1	1	1
Nil (31 March 2018 : 205,882 and 1 April 2017 : 205,882) compulsorily convertible Series A preference shares of INR 1 each	-	206	206
Nil (31 March 2018 : 57,812 and 1 April 2017 : 57,812) compulsorily convertible Series A1 preference shares of INR 1 each	-	58	58
Nil (31 March 2018 : 57,962 and 1 April 2017 : 57,962) compulsorily convertible Series A2 preference shares of INR 1 each	-	58	58
Nil (31 March 2018 : 90,581 and 1 April 2017 : 90,581) compulsorily convertible Series A3 preference shares of INR 1 each	-	91	91
Nil (31 March 2018 : 32,094 and 1 April 2017 : 32,094) compulsorily convertible Series A4 preference shares of INR 1 each	-	32	32
Nil (31 March 2018 : 14,875 and 1 April 2017 : 14,875) compulsorily convertible Series A5 preference shares of INR 1 each	-	15	15
Nil (31 March 2018 : 17,250 and 1 April 2017 : 17,250) compulsorily convertible Series A6 preference shares of INR 1 each	-	17	17
Nil (31 March 2018 : 10,125 and 1 April 2017 : 10,125) compulsorily convertible Series A7 preference shares of INR 1 each	-	10	10
Nil (31 March 2018 : 385,119 and 1 April 2017 : 385,119) compulsorily convertible Series B preference shares of INR 1 each	-	385	385
Nil (31 March 2018 : 75,000 and 1 April 2017 : 75,000) compulsorily convertible Series B1 preference shares of INR 1 each	-	75	75
Nil (31 March 2018 : 37,500 and 1 April 2017 : 37,500) compulsorily convertible Series B2 preference shares of INR 1 each	-	38	38
	265,135	22,214	22,040

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14 Share capital (continued)

(b) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Rs in thousands(except share data)

	As at 31 March 2019		As at 31 March 2018	
	No of shares	Amount	No of shares	Amount
Equity shares				
Number of shares at the beginning of the year	21,226,248	21,226	21,051,531	21,052
Add: Shares issued during the year	-	-	174,717	174
Add: Shares issued on account of conversion of CCPS	243,906,073	243,906		
Number of shares outstanding at the end of the year	265,132,321	265,132	21,226,248	21,226
Series A Equity shares				
Number of shares at the beginning and end of the year	2,010	2	2,010	2
Series B Equity shares				
Number of shares at the beginning and end of the year	1,000	1	1,000	1
Series A Preference shares				
Number of shares at the beginning of the year	205,882	206	205,882	206
Less: Preference shares converted to equity shares	(205,882)	(206)	-	-
Number of shares outstanding at the end of the year	-	-	205,882	206
Series A1 Preference shares				
Number of shares at the beginning of the year	57,812	58	57,812	58
Less: Preference shares converted to equity shares	(57,812)	(58)	-	-
Number of shares outstanding at the end of the year	-	-	57,812	58
Series A2 Preference shares				
Number of shares at the beginning of the year	57,962	58	57,962	58
Less: Preference shares converted to equity shares	(57,962)	(58)	-	-
Number of shares outstanding at the end of the year	-	-	57,962	58
Series A3 Preference shares				
Number of shares at the beginning of the year	90,581	91	90,581	91
Less: Preference shares converted to equity shares	(90,581)	(91)	-	-
Number of shares outstanding at the end of the year	-	-	90,581	91
Series A4 Preference shares				
Number of shares at the beginning of the year	32,094	32	32,094	32
Less: Preference shares converted to equity shares	(32,094)	(32)	-	-
Number of shares outstanding at the end of the year	-	-	32,094	32
Series A5 Preference shares				
Number of shares at the beginning of the year	14,875	15	14,875	15
Less: Preference shares converted to equity shares	(14,875)	(15)	-	-
Number of shares outstanding at the end of the year	-	-	14,875	15
Series A6 Preference shares				
Number of shares at the beginning of the year	17,250	17	17,250	17
Less: Preference shares converted to equity shares	(17,250)	(17)	-	-
Number of shares outstanding at the end of the year	-	-	17,250	17
Series A7 Preference shares				
Number of shares at the beginning of the year	10,125	10	10,125	10
Less: Preference shares converted to equity shares	(10,125)	(10)	-	-
Number of shares outstanding at the end of the year	-	-	10,125	10
Series B Preference shares				
Number of shares at the beginning of the year	385,119	385	385,119	385
Less: Preference shares converted to equity shares	(385,119)	(385)	-	-
Number of shares outstanding at the end of the year	-	-	385,119	385
Series B1 Preference shares				
Number of shares at the beginning of the year	75,000	75	75,000	75
Less: Preference shares converted to equity shares	(75,000)	(75)	-	-
Number of shares outstanding at the end of the year	-	-	75,000	75
Series B2 Preference shares				
Number of shares at the beginning of the year	37,500	38	37,500	38
Less: Preference shares converted to equity shares	(37,500)	(38)	-	-
Number of shares outstanding at the end of the year	-	-	37,500	38

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14 Share capital (continued)

(c) Rights, preferences and restrictions attached to equity shares

The Company has three classes of equity shares namely Equity Shares, Series A Equity Shares and Series B Equity Shares. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Series B equity shares carry a voting right of 77,121 votes per share. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(d) Rights attached to the preference shares:

The fully and mandatorily convertible Series A, A1, A2, A3, A4, A5, A6, A7 and B, B1 and B2 preference shares carry a fixed preferential dividend of higher of 0.1% or pro-rate dividend declared and payable on equity shares of the Company on a fully diluted basis.

The holders of Series A, A1, A2, A3, A4 and A5 shall have the right to convert their preference shares into equity shares of the Company at any time. The number of equity shares issuable pursuant to conversion of Series A preference shares shall be in the ratio of 1:201 and for Series A1, A2, A3, A4 and A5 preference shares in the ratio of 1:279 based on the pre-money valuation of the Company in accordance with terms of issue.

The holders of Series A6, A7 and B shall have the right to convert their preference shares into equity shares of the Company at any time. The number of equity shares issuable pursuant to conversion ratio of Series A6, A7 and B preference shares will be based on the following conditions :-

1) In the event the pre money valuation of the Company is INR 1,045,800.00 calculated as per the terms of the agreement the conversion for all series B preference shares will take place based on pre money valuation of INR 1,045,800.00.

2) In the event the pre money valuation of the Company is less than INR 1,045,800.00, then the Company will be required to achieve a cumulative 12 months revenue target as agreed with the investor and the conversion for all series B preference shares will take place based on pre money valuation of INR 1,045,800.00.

The holders of Series B1 and B2 shall have the right to convert their preference shares into equity shares of the Company at any time. The number of equity shares issuable pursuant to conversion of Series B1 and B2 preference shares shall be in the ratio of 1:216.44.

(e) Particulars of shareholders holding more than 5% shares of a class of shares

Name of the shareholder	As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
	% of holding	No of shares	% of holding	No of shares	% of holding	No of shares
Equity shares						
Mr. Srinivas Rao	3.18%	8,423,307	39.68%	8,423,307	40.01%	8,423,307
Mr. Sameer Shelke	1.81%	4,785,810	22.54%	4,785,810	22.73%	4,785,810
Mr. Navin Kotian	0.90%	2,391,900	11.27%	2,391,900	11.36%	2,391,900
Founders trust	0.97%	2,573,403	12.12%	2,573,403	12.22%	2,573,403
Aujas ESOP trust**	1.07%	2,832,291	13.34%	2,832,291	13.45%	2,832,291
Series A Equity shares						
IDG Ventures India I LLC	100.00%	2,010	100.00%	2,010	100.00%	2,010
Series B Equity shares						
IVYCAP Ventures	50.00%	500	50.00%	500	50.00%	500
RVCF	50.00%	500	50.00%	500	50.00%	500

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14 Share capital (continued)

(e) Particulars of shareholders holding more than 5% shares of a class of shares (contd)

Name of the shareholder	As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
	% of holding	No of shares	% of holding	No of shares	% of holding	No of shares
Preference shares						
Compulsorily convertible Series A Preference shares						
IDG Ventures India I LLC	0.00%	-	100.00%	205,882	100.00%	205,882
Compulsorily convertible Series A1 Preference shares						
IDG Ventures India I LLC	0.00%	-	100.00%	57,812	100.00%	57,812
Compulsorily convertible Series A2 Preference shares						
IDG Ventures India I LLC	0.00%	-	100.00%	57,962	100.00%	57,962
Compulsorily convertible Series A3 Preference shares						
IDG Ventures India I LLC	0.00%	-	84.38%	76,428	84.38%	76,428
Mr. Srinivas Rao	0.00%	-	15.62%	14,153	15.62%	14,153
Compulsorily convertible Series A4 Preference shares						
IDG Ventures India I LLC	0.00%	-	100.00%	32,094	100.00%	32,094
Compulsorily convertible Series A5 Preference shares						
IDG Ventures India I LLC	0.00%	-	100.00%	13,750	100.00%	13,750
Compulsorily convertible Series A6 Preference shares						
IDG Ventures India I LLC	0.00%	-	100.00%	17,250	100.00%	17,250
Compulsorily convertible Series A7 Preference shares						
IDG Ventures India I LLC	0.00%	-	100.00%	10,125	100.00%	10,125
Compulsorily convertible Series B Preference shares						
IVYCAP Ventures	0.00%	-	48.69%	187,497	48.69%	187,497
RVCF	0.00%	-	48.69%	187,497	48.69%	187,497
Compulsorily convertible Series B1 Preference shares						
IVYCAP Ventures	0.00%	-	50.00%	37,500	50.00%	37,500
RVCF	0.00%	-	50.00%	37,500	50.00%	37,500
Compulsorily convertible Series B2 Preference shares						
Technology Venture Fund	0.00%	-	100.00%	37,500	100.00%	37,500

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14 Share capital (continued)

(f) There has been no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the balance sheet date.

(g) **Shares reserved for issue under options and convertible preference shares**

	As at 31 March 2019	As at 31 March 2018
Under Employee Stock Option Scheme I	-	116,021
Under Employee Stock Option Scheme II	-	270,194
Under Employee Stock Option Scheme III	-	12,170,430
Under Employee Stock Option Scheme IV	-	2,718,825
Compulsorily convertible Series A preference shares	-	41,382,282
Compulsorily convertible Series A1 preference shares	-	16,129,548
Compulsorily convertible Series A2 preference shares	-	16,171,398
Compulsorily convertible Series A3 preference shares	-	25,272,099
Compulsorily convertible Series A4 preference shares	-	8,954,226
Compulsorily convertible Series A5 preference shares	-	4,150,125
Compulsorily convertible Series B1 preference shares	-	16,233,000
Compulsorily convertible Series B2 preference shares	-	8,116,500

***the number of shares to be issued on conversion is contingent upon achievement of certain conditions.

15 Other equity

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018
Securities premium		
At the commencement of the year	722,246	722,007
Add: Addition during the year	-	179
Less : On conversion of preference share to equity shares	(242,921)	-
Transfer from employee stock option	-	60
At the end of the year	**479,325**	**722,246**
Share based payment reserve		
At the commencement of the year	4,737	2,713
Add: Employee compensation expense for the year (refer note 33)	6,175	2,084
Less: Exercise of options by employees	(3,864)	(60)
At the end of the year	**7,048**	**4,737**
Deficit (debit balance in statement of profit and loss)		
At the commencement of the year	(427,746)	(435,846)
Add: Net (loss) / profit for the year	(27,768)	8,100
At the end of the year	**(455,514)**	**(427,746)**
Other items of other comprehensive income		
(i) Remeasurements of defined benefit plan actuarial gains/ (losses)		
At the commencement of the year	(1,889)	(953)
Add: Addition during the year	1,422	(936)
At the end of the year	**(467)**	**(1,889)**
	30,392	**297,348**

Securities premium:
Securities premium is used to record the premium received on issue of shares by the Company. The reserve can be utilised in accordance with the provision of Section 52(2) of Companies Act, 2013.

Employee stock options outstanding:
The share options outstanding account is used to recognise the grant date fair value of options issued to employees under employee stock option plan.

Actuarial gain / (loss):
Remeasurements of defined benefit liability (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

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16 Non-current borrowings

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Secured			
Term loan			
From Bank	838	929	1,505
Loan from holding company, NSE IT Ltd	52,000	-	-
	52,838	**929**	**1,505**

Terms and repayment:
Term loan from Dhanlakshmi Bank: INR 2,300,000 taken during the previous year. It is repayable in 29 monthly instalments from the reporting date. Interest is 10.85% p.a. (i.e., MCLR + 0.45% fixed, present MCLR being 10.40) with annual reset. Secured via hypothecation of brand new Toyota Innova Crysta.

Loan from NSE IT Ltd
The Company has entered into loan agreement with its holding company for Rs 120,000 thousand. Off this sanctioned amount, Rs 52,000 thousand was received by the Company on 22 March 2019. The loan is repayable on 31 March 2021 and carries an interest rate of 12 months MCLR as published by SBI + 0.5%.

17 Non-current provisions

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Provision for employee benefits			
- Gratuity (refer note 37)	6,423	2,704	4,391
	6,423	**2,704**	**4,391**

18 Trade payables

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Dues to micro, small and medium enterprises (refer note 32)	-	-	-
Dues to others	27,270	27,516	18,366
	27,270	**27,516**	**18,366**

19 Other current financial liabilities

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Current maturities of term loan (refer note 16)	1,489	576	517
Bank overdraft*	-	-	9,574
Capital creditors	2,965	1,683	28
	4,454	**2,259**	**10,119**

20 Current provisions

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Provision for employee benefits			
- Gratuity (refer note 37)	384	4,066	199
- Compensated absences	4,705	544	448
	5,089	**4,610**	**647**

21 Other current liabilities

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Unearned revenue	8,150	4,496	7,186
Statutory dues payable	11,453	10,509	4,695
Accrued salaries and benefits	39,814	36,620	31,507
Accrued expenses	27,127	23,989	25,078
	86,544	**75,614**	**68,466**

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22 Revenue from operations

Rs in thousands

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of security management services	925,456	850,053
Sale of traded products	17,730	40,136
	943,186	**890,189**

Effective 1 April 2018, the Company adopted Ind AS 115, Revenue from contracts with Customers, using the cumulative catch-up transition method, applied to contracts that were not completed as of 1 April 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and / or revised significant accounting policies related to revenue recognition. The effect on adoption of Ind AS 115 was insignificant.
Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.
Arrangement with customer for project revenue services are either on a fixed-price or time and material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. The percentage of completion is computed based on output method (i.e. surveys of performance till date) that faithfully depicts entity's complete satisfaction of the performance obligation. The output method provides a basis of direct measurements of the value to the customer of the goods or services transferred to date relative to remaining goods or services promised under the contract.

Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Deferred costs are costs incurred to fulfill a contract which are recognized as assets and shall be amortized on a systematic basis that is consistent with the transfer to the customer of goods or service to which the cost relates.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Disaggregation of revenue

The table below presents disaggregated revenues from contracts with customers for the year ended 31 March 2019 by geography for revenue from sale of services.

Revenue by geography	For the year ended 31 March 2019
India	399,461
US	349,371
Middle East	194,355
Total	**943,187**

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22 Revenue from operations (continued)

Trade receivables and contract balances

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue

A receivable is a right to consideration that is unconditional upon passage of time. Revenue for time-and-material contracts are recognized as related service are performed. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Revenue recognition for fixed-price contracts is based on percentage-of-completion method. Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed-price contracts is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Contract Balances	For the year ended 31 March 2019
Trade Receivables	169,897
Unbilled Revenue	110,761
Unearned Revenue	8,150

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

During the year ended 31 March 2019, the Company recognized revenue of Rs 4,496 thousand arising from opening unearned revenue as of 1 April 2018.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

The impact on account of applying the erstwhile Ind AS 18, Revenue instead of Ind AS 115, Revenue from contract with Customers on the financials results of the Company for the year ended and as at 31 March 2019 is insignificant.

23 Other income

Rs in thousands

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest income	967	1,306
Interest income on refund of income tax	-	5,217
Profit on sale of plant and equipment	8	677
Dividend income from mutual fund investments	195	-
Net gain on foreign currency transactions	887	-
Miscellaneous income	1,892	1,792
	3,949	8,992

24 Employee benefits expense

Rs in thousands

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and bonus	638,939	582,239
Contribution to provident and other funds	12,912	11,176
Employee stock compensation expenses (refer note 33)	6,175	2,084
Staff welfare expenses	2,318	2,627
Staff recruitment	8,599	4,914
	668,943	603,040

25 Finance costs

Rs in thousands

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest expense	670	1,119
Others	-	13
	670	**1,132**

26 Depreciation and amortization expense

Rs in thousands

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation of property, plant and equipment (refer note 4)	6,267	5,677
Amortization of intangible assets (refer note 5)	249	245
	6,516	5,922

27 Other expenses

Rs in thousands

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Rent (refer note 38)	19,596	17,219
Legal and professional charges	27,572	21,470
Travelling and conveyance	88,851	99,401
Net loss on foreign currency transactions	-	3,025
Office expenses	6,776	5,384
Bank charges	1,320	1,231
Insurance	4,353	2,923
Power and fuel	2,304	1,945
Repairs and maintenance		
- plant and machinery	-	-
- Others	706	1,420
Recruitment and training charges	-	-
Software expenses	5,961	6,550
Advertising and sales promotion	19,884	10,026
Communication	7,672	11,900
Printing and stationary	406	615
Provision for doubtful debts	714	752
Rates and taxes	5,409	1,882
Miscellaneous expenses	5,831	1,283
	197,355	187,026

28 Auditor's remuneration (included in legal and professional charges and excludes service tax)

Rs in thousands

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
As auditor		
- for statutory audit	2,650	1,700
- for other services	150	-
Reimbursement of expenses	100	40
	2,900	**1,740**

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29 Income tax

(a) Amounts recognised in profit or loss:

Rs in thousands

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
(Loss) / Profit before tax	(27,768.00)	8,100
Estimated tax at Indian tax rate of 26.00% (31 March 2018: 30.90%)	(7,220)	2,503
Losses on which no deferred tax is created	7,220	(2,503)
Income tax expense reported in the statement of profit or loss	-	-

(b) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Rs in thousands

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Carry forward of business losses	242,231	215,885
Potential tax benefit @ 26.00% (31 March 2018: 30.90%)	62,980	66,708
Carry forward of unabsorbed depreciation	13,156	7,224
Potential tax benefit @ 26.00% (31 March 2018: 30.90%)	4,065	2,232

(c) The Company has non-current tax assets of Rs 96,399 thousand and Rs 56,358 thousand as at 31 March 2019 and 31 March 2018 respectively. These assets relate to tax deducted at source which are recoverable from the Government of India.

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30 There are no contingent liabilities and commitments for the current year ended 31 March 2019 and previous year ended 31 March 2018.

31 Tax litigations

In the year 2014-15, the Company had received a notice dated 26 August 2014 from the Commissioner of Income-Tax (TDS) ['CIT'] for the assessment years 2013-2014 and 2014-2015 under section 276B read with section 278B of the Income Tax Act, 1961 for delayed remittance of tax deducted at source for dues arising in those years. The Company has filed an application for compunding of offence before Chief Commissioner of Income-tax ('TDS') ['CCIT'] to drop the proceedings and compound the offence. Management believes that this will lead to probable outflow of resources of the Company and has recorded a provision of INR 2,870,043 towards compounding charges. The Management believes that the ultimate outcome of these proceedings will not have any other impact on the Company's financial position and results of operations

The company had received a show cause notice from service tax department on 20th October 2015 demanding service tax on various grounds for the pericd covering April 2010 to Sept 2014. The Management has recorded a provision of Rs 2100 thousands towards non payment of service tax on the value claimed as exempted services during the period June 2010 to Sept 2013 without documentry evidence which is the Managment's best estimate of the possible outflow of resources.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions as required. Additionally the Company is also involved in other disputes, lawsuits and claims, including commercial matters, which arise from time to time in the ordinary course of business. The Company believes that ther are no such pending matters that are expected to have any materially adverse effect on its financial position.

32 Micro and small enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2019 (31 March 2018: Nil; 1 April 2017 : Nil) has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;			
(a) (i) Principal	-	-	-
(ii) Interest	-	-	-
the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the			
(i) Interest	-	-	-
(ii) Payment	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-	-
succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* No interest has been paid by the Company during the year.

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Aujas Networks Private Limited
Notes to the financial statements for the year ended 31 March 2019 (continued)

33 Share-based payments

A. Description of share-based payment arrangements

The Company has following stock option plans:

a) Scheme 1 c) Scheme 3
b) Scheme 2 d) Scheme 4

The salient features of these plans are as follows:

Particulars	Scheme 1	Scheme 2	Scheme 3	Scheme 4
Year of approval	2009-10	2010-11	2010-11	2013-14
Vesting conditions	50 % on 01 June 2018 50 % on 01 June 2019	50 % on 01 June 2018 50 % on 01 June 2019	Various	Based on individual and company performance
Exercise period	Upto 30 June 2019	Upto 30 June 2019	Various	No limit
Administration	ESOP Committee	ESOP Committee	ESOP Committee	ESOP Committee

B. Measurement of fair values

The inputs used in the measurement of the grant date fair values of the plan are as follows:

	For options granted in the financial year ended			
	31-Mar-18	31-Mar-18	31-Mar-17	31-Mar-16
Grant date	28-Jan-18	13-Jul-17	1-Apr-16	15-Oct-15
Market price	3.69	3.69	3.69	3.69
Exercise price	1	3.69	3.69	3.69
Expected term (years)	1 year 5 months	4 years	4 years	4 years
Fair value of share price at grant date	2.83	0.94	0.94	0.94
Expected price volatility of shares	0.01%	0.01%	0.01%	0.01%
Expected dividend yield	0%	0%	0%	0%
Risk free interest rate	7.79%	7.50%	7.50%	7.50%

- The expected volatility is a measure of the amount by which a price is expected to fluctuate during a period. The measure of volatility used in option pricing models is the annualised standard deviation of the continuously compounded rates of return on the share over a period of time.
- As per Ind AS 102, the risk-free interest rate is the implied yield currently available on zero-coupon government issues of the country in whose currency the exercise price is expressed, with a remaining term equal to the expected term of the option being valued (based on the option's remaining contractual life and taking into account the effects of expected early exercise).
- The expected term of an option is the length of the period over which the option is expected to be unexercised.

C. Reconciliation of outstanding share option

The movement in the options under Scheme 1, Scheme 2 and Scheme 3 during the year ended 31 March 2019 is set out below:

Particulars	Scheme 1	Scheme 2	Scheme 3	Scheme 4
Options outstanding at the beginning of the year	116,021	270,194	12,170,430	2,718,825
Granted during the year	-	-	-	-
Options exercised during the year	-	-	-	-
Options forfeited/lapsed during the year	116,021	270,194	12,170,430	2,718,825
Options outstanding at the end of the year	-	-	-	-
Options exercisable at the end of the year	-	-	-	-
Weighted average exercise price (Rs)	1	1	3.29	3.40
Weighted average remaining contractual life (years)	-	-	-	-

The movement in the options under Scheme 1, Scheme 2 and Scheme 3 during the year ended 31 March 2018 is set out below:

Particulars	Scheme 1	Scheme 2	Scheme 3	Scheme 4
Options outstanding at the beginning of the year	257,051	544,164	10,979,430	2,793,542
Granted during the year	116,021	270,194	3,820,430	-
Options exercised during the year			100,000	74,717
Options forfeited/lapsed during the year	257,051	544,164	2,529,430	-
Options outstanding at the end of the year	116,021	270,194	12,170,430	2,718,825
Options exercisable at the end of the year	-	-	1,933,101	2,718,825
Weighted average exercise price (Rs)	1	1	3.29	3.40
Weighted average remaining contractual life (years)	1.25	1.25	1.74	1.25

During the year ended 31 March 2019 and 31 March 2018, the Company recorded an employee stock compensation expense of Rs 6,175 thousand and Rs 2,084 thousand respectively in the statement of profit and loss

34 Unhedged foreign currency exposure

The Company has not taken any hedging instruments to hedge the foreign currency exposure. Foreign currency denominated trade receivables.

	Currency	As at 31 March 2019	As at 31 March 2018
Trade receivables	AED	16.14	254.69
	SAR	1,184.12	399.62
	SGD	1.38	2.08
	USD	1,431.58	1,559.67
	Equivalent INR	119,014.67	112,962.51
Trade Payable	AED	26.35	31.68
	SAR	108.94	77.91
	USD	109.63	51.42
	Equivalent INR	10,091.12	5,262.09
Salary Payable	USD	-	30.11
	AED	-	640.00
	SAR	-	58.00
	Equivalent INR	-	4,115.10
Unbilled Revenue	USD	996.40	809
	Equivalent INR	68,929.50	52,594

35 Earnings per share (EPS)

Computation of earnings per share is as follows:

Rs in thousands

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit (loss) for the year, attributable to the equity holders	(27,768)	8,100

Reconciliation of basic and diluted shares used in computing earnings per share –

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Weighted average number of equity shares outstanding during for calculation of basic EPS	265,135,000	21,082,304
Effect of dilutive potential equity shares		
- Employee stock option	-	-
- Compulsorily convertible preference shares		225,371,882
Weighted average number of equity shares outstanding during for calculation of diluted EPS	265,135,000	246,454,186

Earnings per share:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Basic	(0.10)	0.38
Diluted	(0.10)	0.03

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36 Related party

Related parties with whom transactions have taken place during the year

A. Key management personnel

Executive Director	M Srinivas Rao (Resigned on 22nd March 2019)
Executive Director	Pattamadai Sundaram Suriyanarayanan (Effective 22nd March 2019)
Non Executive Director	Jagannathan Ravichandran (Effective 22nd March 2019)
	Muralidaran N (Effective 22nd March 2019)
	T C Meenakshi Sundaram (Resigned on 22nd March 2019)
	Sudhir Sethi (Resigned on 22nd March 2019)
	Vikram Gupta (Resigned on 22nd March 2019)
Chief Executive Officer (CEO)	Sameer Shelke
Chief Marketing Officer (CMO)	Navinkumar S Kotian

B. Investing party in respect of which the company is an associate

NSEIT Limited

C. The following is a summary of related party transactions

Rs in thousands

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
1. Rent Paid		
- Sameer Shelke	472	402
	472	402
2. Unsecured Loan received		
- NSE IT Limited	52,000	-
	52,000	-
3. Sale of Car		
- M Srinivas Rao	1,106	-
	1,106	

E. The following is a summary of balances payable to related parties:

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018
1. Loan repayable		
- NSE IT Limited	52,000	-
	52,000	-

36 Related party (continued)

F. Compensation of key management personnel of the Company:

Rs in thousands

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Short-term employee benefits	31,329	28,314
	31,329	**28,314**

Managerial remunerations does not include gratuity and compensated absences since these have been provided based on the actuarial valuation carried out for the Company as a whole

G. Terms and conditions

All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within the credit period allowed as per the policy. None of the balances is secured. No guarantees have been given or received during the year. The loss allowance on loans and trade receivables including those to subsidiaries has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for loans and trade receivables considered good on the basis that credit risk exists even though it may be very low.

37 Gratuity and other employee benefits

a) Define contribution plan

The amount recognised as an expense towards contribution to provident fund and employee state insurance aggregated to Rs 12,911 thousand and Rs 11,175 thousand for the year ended 31 March 2019 and 31 March 2018 respectively.

b) Define benefit plan

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible to a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet as at 31 March 2019, 31 March 2018 and 1 April 2017

c) Statement of reconciliation of present value of defined benefit obligations

Rs in thousands

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Balance at the beginning of the year	6,768	4,588	2,091
Benefits paid	591	1,560	1,002
Current service cost	1,546	2,507	2,438
Interest cost	504	297	109
Remeasurements due to :			
change in experience adjustment	6,387	1,800	1,259
change in demographic assumptions	(7,809)	(753)	1,992
changes in financial assumptions	-	(111)	(2,299)
Balance at the end of the year	6,805	6,768	4,588

d) Net defined benefit liability

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Non-current	6,423	2,704	4,391
Current	384	4,066	199
	6,807	6,770	4,590

e) Expense recognised in the statement of profit and loss under employee benefit expenses:

Rs in thousands

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	1,546	2,507
Interest cost	504	297
	2,050	2,804

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37 Gratuity and other employee benefits (continued)

f) Remeasurements recognised in other comprehensive income:

Rs in thousands

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
(Gain)/loss from changes in demographic assumptions	(7,809)	(753)
(Gain)/loss from changes in experience adjustments	6,387	1,800
(Gain)/loss from changes in financial assumptions	-	(111)
	(1,422)	936

g) Actuarial assumptions

The weighted-average assumptions used to determine benefit obligations are set out below

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Discount rate	7.79%	7.79%
Salary increase	1.00%	1.00%
Attrition rate	60.00%	60.00%
Retirement age	60 years	58 years
Mortality rate	IALM 2006-08	IALM 2006-08

Notes:

(i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.

(ii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

h) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Impact from Increase/Decrease in		As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Discount rate	Up 100 basis point	(887)	(185)	(139)
	Down 100 basis point	1,080	195	150
Salary Growth rate	Up 100 basis point	1,045	142	128
	Down 100 basis point	(856)	(158)	(121)
Attrition rate	Up 100 basis point	985	20	6
	Down 100 basis point	(1,133)	(27)	(8)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

i) Expected future cash flows

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Within one year	366	2,403	1,499
Between one to three years	330	1,714	1,105
Between three to five years	254	899	646
After five years	5,857	1,755	1,341

The weighted average duration to the payment of these cash flows is 20.54 years as at 31 March 2019, 3.41 years as at 31 March 2018 and 3.58 years as at 1 April 2017.

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38 Leases

(i) Operating lease

Total rental expenses incurred during the year cancellable operating leases amounted to Rs 19,596.16 thousands (31 March 2018 Rs 31,678 thousands)
The obligation on long term, non cancellable operation leases payable as per rentals stated in the respective agreement are as follows

Rs in thousands

Particulars	As at 31 March 2019 Minimum lease payments (MLP)	As at 31 March 2018 Minimum lease payments (MLP)
Not later than 1 year	6,407	11,387
Later than 1 year and not later than 5 years	13,190	20,291
More than 5 years		

39 Financial instruments

(a) Accounting classification and fair value

Rs in thousands

Particulars	Carrying value	Fair value			
	As at 31 March 2019	Level 1	Level 2	Level 3	Total
Financial assets/ liabilities at fair value through profit or loss - Mandatory					
Investments in mutual funds	1,000	-	1,000	-	1,000
Financial assets measured at amortised cost:					
Other financial assets	127,216	-	-	-	-
Loans	2,915				
Trade receivables	169,897	-	-	-	-
Cash and cash equivalents	32,868	-	-	-	-
Bank balances other than cash and cash equivalents	15,891	-	-	-	-
Total	349,787	-	1,000	-	1,000
Financial liabilities measured at amortised cost:					
Borrowings	54,327	-	-	-	-
Trade payables	27,270	-	-	-	-
Other financial liabilities	2,965	-	-	-	-
Total	84,562	-	-	-	-

The Company has not disclosed the fair values for financial instruments for loans, other financial assets and liabilities, trade receivables, trade payables, cash and cash equivalents and bank balances other than cash and cash equivalents because their carrying amounts are reasonably approximation of fair value.

Rs in thousands

Particulars	Carrying value	Fair value			
	As at 31 March 2018	Level 1	Level 2	Level 3	Total
Financial assets/ liabilities at fair value through profit or loss - Mandatory					
Investments in mutual funds	12,028	-	12,028	-	12,028
Financial assets measured at amortised cost:					
Loans	11,370	-	-	-	-
Other financial assets	102,013	-	-	-	-
Trade receivables	193,960	-	-	-	-
Cash and cash equivalents	18,376	-	-	-	-
Bank balances other than cash and cash equivalents	16,866	-	-	-	-
Total	354,613	-	12,028	-	12,028
Financial liabilities measured at amortised cost:					
Borrowings	1,505	-	-	-	-
Trade payables	27,516	-	-	-	-
Other financial liabilities	1,683	-	-	-	-
Total	30,704	-	-	-	-

The Company has not disclosed the fair values for financial instruments for loans, other financial assets, trade receivables, trade payables, cash and cash equivalents and bank balances other than cash and cash equivalents because their carrying amounts are reasonably approximation of fair value

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(b) Measurement of fair values

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is mentioned below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

(c) Valuation technique used to determine fair value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

- The fair values of the unquoted preference shares have been estimated considering a net present value calculated using discount rates derived from quoted prices of government securities with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor

- The fair value of obligations under finance leases is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit

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40 Financial instruments - risk management

The Company's activities expose it to the following risks

- credit risk
- liquidity risk and
- market risk.

(a) Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans provided to the related parties.

The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables and loans:

The Company's exposure to credit risk is influenced mainly by its customers. The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

The Company does not have trade receivables for which no loss allowance is recognised because of collateral.

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(c) Liquidity risk

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

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance in between cash outflow and inflow. Usually the excess of funds is invested in short term mutual funds and fixed deposits. This is generally carried out in accordance with practice and limits set by the Company. These limits vary to take into account the liquidity of the market in which the Company operates.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted contractual cash flow

As at 31 March 2019 *Rs in thousands*

Particulars	Carrying amount	Total	less than 1 year	1–2 years	More than 2 years
Non-derivative financial liabilities					
Loan	54,327	**54,327**	1,489	52,838	-
Trade payables	27,270	**27,270**	27,270	-	-
Capital creditors	2,965	**2,965**	2,965	-	-
	84,562	84,562	31,724	52,838	-

As at 31 March 2018 *Rs in thousands*

Particulars	Carrying amount	Total	less than 1 year	1–2 years	More than 2 years
Loan	1,505	**1,505**	576	929	-
Trade payables	27,516	**27,516**	27,516	-	-
Capital creditors	1,683	**1,683**	1,683		
	30,704	30,704	29,775	929	- -

As at 1 April 2017 *Rs in thousands*

Particulars	Carrying amount	Total	less than 1 year	1–2 years	More than 2 years
Loan	2,022	**2,022**	517	1,505	-
Trade payables	18,366	**18,366**	18,366	-	-
Capital Creditors	28	**28**	28		
Bank overdraft	9,574	**9,574**	9,574		
	29,990	29,990	28,485	1,505	-

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40 Financial instruments - risk management (continued)

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return

i) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and loans are denominated and the functional currency of the Company. The functional currency of the Company is primarily INR. The currencies in which these transactions are primarily denominated are US dollars, Euro etc.

Management monitors the movement in foreign currency and the Company's exposure in each of the foreign currency. Based on the analyses and study of movement in foreign currency, the Company decides to exchange its foreign currency.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows.

Rs in thousands

Particulars	As at 31 March 2019			
	AED	SAR	SGD	USD
Trade receivables	16	1,184	1	1,432
Trade payables	(26)	(109)	-	(110)
Net exposure in respect of recognized assets and liabilities	(10)	1,075	1	1,322

Rs in thousands

Particulars	As at 31 March 2018			
	AED	SAR	SGD	USD
Trade receivables	255	400	2	1,560
Trade payables	(32)	(78)	-	(51)
Salary payable	(640)	(58)		(30)
Net exposure in respect of recognized assets and liabilities	(417)	264	2	1,479

Rs in thousands

Particulars	As at 1 April 2017			
	AED	SAR	SGD	USD
Trade receivables	100	117	8	2,447
Trade payables	(25)	(52)		(127)
Net exposure in respect of recognized assets and liabilities	75	65	8	2,320

The following significant exchange rates have been applied

INR	Year-end spot rate		
	31 March 2019	31 March 2018	1 April 2017
AED 1	18.35	17.67	17.62
SAR 1	18.30	17.29	17.26
SGD 1	51.00	49.52	46.40
USD 1	68.10	65.04	64.84

Sensitivity analysis

A reasonably possible strengthening (weakening) of the euro, US dollar and Yen against INR at 31 March would have affected the measurement of financial

Effect in thousands of INR

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2019				
AED (1% movement)	(1.84)	1.84	(1.84)	1.84
SAR (1% movement)	196.73	(196.73)	196.73	(196.73)
SGD (1% movement)	0.51	(0.51)	0.51	(0.51)
USD (1% movement)	900.28	(900.28)	900.28	(900.28)
31 March 2018				
AED (1% movement)	(73.68)	73.68	(73.68)	73.68
SAR (1% movement)	45.65	(45.65)	45.65	(45.65)
SGD (1% movement)	0.99	(0.99)	0.99	(0.99)
USD (1% movement)	961.94	(961.94)	961.94	(961.94)

ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments. such risks are overseen by the Company's Chief Finance Officer as well as senior management.

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41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company monitors capital using a ratio of net debt to equity. For this purpose, net debt is defined as total liabilities, comprising obligations under finance leases, trade payables and other liabilities less cash and cash equivalents. Equity comprises all components of equity. The Company's net debt to equity ratio at 31 March 2017 was as follows

Rs in thousand

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Borrowings	2,327	1,505	2,022
Trade payables	27,270	27,516	18,366
Other payables	153,020	84,611	83,106
Less: cash and cash equivalents	(32,868)	(18,376)	-
Net debt	149,749	95,256	103,494
Total equity	295,527	319,562	309,961
Gearing ratio	0.51	0.30	

42 Information about reportable segments

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, Managing Drector of the company have been identified as the Chief Operating Decision Maker (CODM). The Company is primarily engaged in software product development, licensing and related customisation and royalty. The risks and returns of the Company are predominantly determined by its principal product and the Company's current activities fall within a single segment. Accordingly, no further disclosures other than those already included in the financial statements are required under Indian Accounting Standard 108 - Operating Segments.

(i) Geographical information

The geographic information analyses the group's revenue by the Group's country of domicile and other countries. In presenting the geographic information, segment revenue has been based on the geographic location of customers.

Rs in thousands

a. Revenue from operations and Other Income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
India	399,461	360,762
US	349,371	346,141
Middle East	194,355	183,286
Total	943,187	890,189

Assets and liabilities used in the Companies business are not identified to any of the reportable segments, as these are used interchangeably between segments. The management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since meaningful segregation of the available data is onerous.

(ii) Information about major customers

Revenue from one customer amounted to more than 10% of the total revenue amounting to Rs 116,238 thousand and Rs 128,448 for the year ended 31 March 2019 and 31 March 2018 respectively.

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

Sagar Lulla
Partner
Membership no: 137645

Place: Bangalore
Date: 30-04-2019

for and on behalf of the Board of Directors of
Aujas Networks Private Limited

J Ravichandran
Director
DIN 00073736

N Muralidaran
Director
DIN 06567029

Sameer Shelke
CEO

Suriyanarayana PS
Whole Time Director & CFO

Prateek Savla
Company Secretary

Place: Bangalore
Date: 30-04-2019