



Independent Auditors' Report

To the Members of CGain Analytics Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of CGain Analytics Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'Ind AS financial statements').

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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

Auditors' Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act and Companies (Audit and Auditors) Rule 2014, we report that :
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable .
 - e. on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
 - g. 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 does not have any pending litigation which would impact its financial position.
 - ii. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amount required to be transferred to the investor education and Protection fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the order.
3. The company has provided requisite disclosure in the financial statement as regards its holding and dealing in specified bank notes as defined in notification S.O. 3407 dated 08th November, 2016 of the Ministry of Finance during the period from 08th November, 2016 to 30th December, 2016. Based on audit procedure performed and representation provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the company and produced to us by the management.

For **SPMG & Company**
Chartered Accountants

Sd/-

Vinod Gupta
(Partner)

Membership No.: 090687

Place: New Delhi
Dated: May 23, 2017

Certified True Copy
For cGain Analytics Private Limited

(Ashutosh Acharya)
Director
DIN: 03145815

Annexure A to the Independent Auditors' Report

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

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of CGain Analytics Private Limited ('the Company') as of 31 March 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and

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not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SPMG & Company
Chartered Accountants

Place: New Delhi
Dated: May 23, 2017

Vinod Gupta
(Partner)
Membership No.: 090687

Certified True Copy
For cGain Analytics Private Limited

(Ashutosh Acharya)
Director
DIN: 03145815

cGain Analytics Private Limited
Balance sheet as at 31st March 2017

(Amount in Rs.)

ASSETS	Note no.	As at 31st March 2017	As at 31st March 2016	As at 31st March 2015
Non-current assets				
Property, plant and equipment	1	301,834	450,320	707,695
Other non-current assets	2	213,390	270,327	6,928,885
Current assets				
Financial assets				
- Trade and other receivables	3	5,471,220	5,115,480	1,740,480
- Cash and cash equivalents	4	6,892,608	7,952,922	1,871,996
TOTAL		12,879,053	13,789,049	11,249,056
EQUITY AND LIABILITIES				
EQUITY	Note no.	As at 31st March 2017	As at 31st March 2016	As at 31st March 2015
Equity				
Equity Share capital	5 B	24,800,000	23,100,000	100,000
Other equity #				
- Retained earnings @	5 C	(12,977,544)	(12,378,076)	(12,479,080)
Share application money pending allotment		-	1,700,000	-
Non-current liabilities				
Financial liabilities				
- Long term borrowings	6	1,000,000	1,000,000	23,500,000
Deferred tax liabilities (Net)		41,597	41,597	88,281
Current liabilities				
Other current liabilities	7	15,000	233,545	17,100
Short-term provisions	8		91,984	22,755
TOTAL		12,879,053	13,789,050	11,249,056

See accompanying notes to the financial statements

As per our report of even date attached

For SPMG & Co.
Chartered Accountants
Firm Regd. No.: 509249C

Sd/-
Vinod Gupta
Partner
M. No. 090687

Place: New Delhi
Date: May 23, 2017

For and on behalf of the Board of Directors of
cGain Analytics Private Limited

Sd/-
(Dalip Kumar)
Director
DIN:00103292

Place: Noida
Date: May 23, 2017

Sd/-
(Ashutosh Acharya)
Director
DIN:03145815

Place: Ghaziabad
Date: May 23, 2017

Certified True Copy
For cGain Analytics Private Limited

(Ashutosh Acharya)
Director
DIN:03145815

cGain Analytics Private Limited
Statement of Profit and Loss for the period ended 31st Dec 2017

	Note no.	For the year ended 31 March 2017	For the year ended 31 March 2016
Revenue from operations	9	363,000	3,375,000
Other income	10	-	641,970
Total revenue		363,000	4,016,970
Expenses			
Employee benefit expense	11	334,586	1,343,090
Finance cost	12	-	2,163,700
Depreciation and amortisation expense	1	148,486	257,375
Other Operating expense	13	479,396	106,501
Total expenses		962,468	3,870,666
Profit/ (loss) before exceptional items and tax		(599,468)	146,304
Exceptional items		-	
Profit/ (loss) before tax		(599,468)	146,304
Tax expense			
a) Current tax		-	91,984
b) Deferred tax		-	(46,684)
Profit/ (loss) for the period from continuing operations		(599,468)	101,004
Profit/ (loss) for the period		(599,468)	101,004
<u>Other comprehensive income</u>			
- Items that will be reclassified to profit or loss			
Exchange differences on translation on Foreign operations			
Income Tax Effect on Items that to be reclassified to profit or loss			
Net Other Comprehensive Income to be reclassified to Profit & Loss A/c in Subsequent periods		-	-
- Items that will not be reclassified to profit or loss			
1 Remeasurement of defined employee benefits plan			
2 Changes in Fair Values of Investment in Equities carried at Fair Value through Other Comprehensive Income		-	-
3 An item of Income not recognised in profit or loss account			
4 An item of Expense not recognised in profit or loss account			
Income Tax Effect on Items that will not be reclassified to profit or loss			
Net Other Comprehensive Income not to be reclassified to Profit & Loss A/c in Subsequent periods		-	-
Total comprehensive income for the period		(599,468)	101,004
<i>(Profit/ loss + other comprehensive income)</i>			

Earnings per equity share (for continuing operations)	xx		
a) Basic		(11.99)	2.02
b) Diluted		(11.99)	2.02

See accompanying notes to the financial statements **xx**

As per our report of even date attached

For SPMG & Co.
Chartered Accountants
Firm Regd. No.: 509249C

For and on behalf of the Board of Directors of
cGain Analytcs Private Limited

Sd/-
Vinod Gupta
Partner
M. No. 090687

Sd/-
(Dalip Kumar)
Director
DIN:00103292

Sd/-
(Ashutosh Acharya)
Director
DIN:03145815

Place: New Delhi
Date: May 23, 2017

Place: Noida
Date: May 23, 2017

Place: Ghaziabad
Date: May 23, 2017

Certified True Copy
For cGain Analytics Private Limited

(Ashutosh Acharya)
Director
DIN:03145815

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	As at March 31, 2017 (Amount in Rs.)	As at March 31, 2016 (Amount in Rs.)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit After Tax	(599,468)	101,004
Adjustments For :		
Deferred Tax Provision	-	(46,684)
Provision for income tax	-	91,984
Depreciation and Amortization	148,486	257,375
GDR/Defferred Business Development Expenses W/o Finance Charges	-	-
Cash from Operations before Working Capital Changes	(450,982)	403,679
Adjustments for changes in Working Capital:		
(Increase)/Decrease in Work-in-Process	-	-
(Increase)/Decrease in Trade Receivables	(355,740)	(3,375,000)
(Increase)/Decrease in Loans and Advances	-	6,658,558
(Increase)/Decrease in Other Current Assets	56,937	-
Increase/(Decrease) in Trade Payables	-	-
Increase/(Decrease) in Current Liabilities	(218,545)	216,445
Increase/(Decrease) in Provisions	(91,984)	-
NET CASH GENERATED BY OPERATING ACTIVITIES (1)	(1,060,314)	3,903,682
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets and change in Capital Work-In-Progress	-	-
NET CASH FROM IN INVESTING ACTIVITIES (2)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from Issue of Share Capital	-	23,000,000.00
Proceed from share application money (pending allotment)	-	1,700,000.00
Income Tax Paid	-	(22,756)
Proceeds from long term borrowings	-	(22,500,000)
Finance Charges	-	-
NET CASH USED IN FINANCING ACTIVITIES (3)	-	2,177,244.00
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS (1+2+3)	(1,060,314)	6,080,926
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	7,952,922	1,871,995
CLOSING BALANCE OF CASH EQUIVALENTS	6,892,608	7,952,922

Notes :

- The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard-3.
- Cash and cash equivalents consist of cash in hand and balances with scheduled/non scheduled banks
- The previous year's figures have been recast/restated, wherever necessary, to confirm to current year's

This is the cash flow statement referred to in our report of even date

For SPMG & COMPANY
Firm Registration Number: 509249C
Chartered Accountants

Sd/-
Vinod Gupta
Partner
M. No. 090687

Place : New Delhi
Date : May 23, 2017

For and on behalf of the board of directors
cGain Analytics Pvt. Ltd

Sd/-
(Dalip Kumar)
Director
DIN:00103292

Place: Noida
Date: May 23, 2017

Sd/-
(Ashutosh Acharya)
Director
DIN:03145815

Place: Noida
Date: May 23, 2017

Certified True Copy
For cGain Analytics Private Limited

(Ashutosh Acharya)
Director
DIN:03145815

cGain Analytics Private Limited

Statement of changes in equity for the period ended 31st March 2017

Equity share capital

	Opening balance as at 1 Apr 2016	Changes in equity share capital during the year	Closing balance as at 31 March 2017
Equity shares of Rs.10 each	23,100,000	1,700,000	24,800,000
	23,100,000	1,700,000	24,800,000

	Opening balance as at 1 Apr 2015	Changes in equity share capital during the year	Closing balance as at 31 March 2016
Equity shares of Rs.10 each	100,000	23,000,000	23,100,000
	100,000	23,000,000	23,100,000

	Opening balance as at 1 Apr 2014	Changes in equity share capital during the year	Closing balance as at 31 March 2015
Equity shares of Rs.10 each	100,000	-	100,000
	100,000	-	100,000

Other Equity

For the year ended 31 March, 2017

	Retained earnings	General reserve	Total Equity
As at 1 April 2016	(12,378,076)	-	(12,378,076)
Profit for the period	(599,468)	-	(599,468)
Other comprehensive income			-
TOTAL	(12,977,544)	-	(12,977,544)

For the year ended 31 March, 2016

	Retained earnings	General reserve	Total Equity
As at 1 April 2015	(12,479,080)	-	(12,479,080)
Profit for the period	101,004	-	101,004
Other comprehensive income			-
TOTAL	(12,378,076)	-	(12,378,076)

For the year ended 31 March, 2016

	Retained earnings	General reserve	Total Equity
As at 1 April 2015	(12,476,672)	-	(12,476,672)
Profit for the period	11,169	-	11,169
Other comprehensive income			-
TOTAL	(12,465,503)	-	(12,465,503)

Any part of the reserves presented under Equity Instruments through other comprehensive income which is realised in cash shall be disclosed separately.

@ - Debit balance of Statement of Profit and loss shall be shown as a negative figure under the head 'Retained Earnings'.

**Certified True Copy
For cGain Analytics Private Limited**

(Ashutosh Acharya)
Director
DIN:03145815

1 PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment consist of the following for the year ended March 31, 2017:

Particulars	Land	Building	Office Equipment	Computer equipment	Furniture & fixtures	Vehicles	Total
Gross carrying value as of April 1, 2016:	-	-	88,799	2,914,585	487,630	-	3,491,014
Additions	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2017 :	-	-	88,799	2,914,585	487,630	-	3,491,014
Accumulated depreciation as of April 1, 2016:	-	-	84,359	2,575,316	381,019	-	3,040,694
Depreciation	-	-	-	120,806	27,680	-	148,486
Accumulated depreciation on deletions	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2017:	-	-	84,359	2,696,122	408,699	-	3,189,180
Carrying value as of March 31, 2017 :	-	-	4,440	218,463	78,931	-	301,834

PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment consist of the following for the year ended March 31, 2016:

Particulars	Land	Building	Office Equipment	Computer equipment	Furniture & fixtures	Vehicles	Total
Gross carrying value as of April 1, 2015:	-	-	88,799	2,914,585	487,630	-	3,491,014
Additions	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2016 :	-	-	88,799	2,914,585	487,630	-	3,491,014
Accumulated depreciation as of April 1, 2015:	-	-	83,887	2,355,658	343,774	-	2,783,319
Depreciation	-	-	472.00	219,658	37,245	-	257,375
Accumulated depreciation on deletions	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2016:	-	-	84,359	2,575,316	381,019	-	3,040,694
Carrying value as of March 31, 2016 :	-	-	4,440	339,269	106,611	-	450,320

INTANGIBLE ASSETS:

Intangible assets consist of the following for the year ended March 31, 2015:

Particulars	Land	Building	Office Equipment	Computer equipment	Furniture & fixtures	Vehicles	Total
Cost as at April 1, 2014 :	-	-	88,799	2,914,585	487,630	-	3,491,014
Additions	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-
Cost as at March 31, 2015 :	-	-	88,799	2,914,585	487,630	-	3,491,014
Accumulated amortization as of April 1, 2014:	-	-	82,349	1,993,779	293,518	-	2,369,646
Amortization expense	-	-	1,538	361,879	50,256	-	413,673
Deletion	-	-	-	-	-	-	-
Accumulated amortization as of March 31, 2015:	-	-	83,887	2,355,658	343,774	-	2,783,319
Carrying Amount as of March 31, 2015 :	-	-	4,912	558,927	143,856	-	707,695

Certified True Copy

For cGain Analytics Private Limited

(Ashutosh Acharya)

Director

DIN:03145815

	<u>As at</u> <u>31-Mar-17</u>	<u>As at</u> <u>31-Mar-16</u>	<u>As at</u> <u>31-Mar-16</u>
2 OTHER ASSETS			
Other assets consist of the following:			
(i) Other non-current assets			
Considered good			
(f) Others (IT Refunds &TDS)	213,390	270,327	228,885
Considered doubtful			
(a) Capital advances			6,700,000
	213,390	270,327	6,928,885
3 TRADE RECEIVABLES			
Trade receivables (Unsecured) consist of the following:			
Unsecured			
(a) Considered good	5,471,220	5,115,480	1,740,480
(b) Considered doubtful			
Less : Provision for doubtful receivables			
	5,471,220	5,115,480	1,740,480
4 CASH AND CASH EQUIVALENTS			
Cash and cash equivalents consist of the following:			
(i) Balances with banks			
In current accounts	6,090,426	7,197,240	506,369
In deposit accounts			
(ii) Cheques on hand			
(iii) Cash on hand	802,182	755,682	1,365,627
(iv) Remittances in transit			
	6,892,608	7,952,922	1,871,996

Certified True Copy

For cGain Analytics Private Limited

(Ashutosh Acharya)

Director

DIN:03145815

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31.03.2017	As at 31.03.2016	As at 31.03.2016
5. Share capital			
A. Authorised Capital			
25,00,000 Equity Shares of Re. 10/- each fully paid up with voting rights	25,000,000	25,000,000	100,000
B. Issued, Subscribed And Fully Paid Up			
23,10,000 EQUITY SHARES OF Re. 10/- EACH fully paid up with voting rights	23,100,000	23,100,000	100,000
1,70,000 EQUITY SHARES OF Re. 10/- EACH fully paid up with voting rights (allotted on 25/04/2016)	1,700,000	-	-
	24,800,000	23,100,000	100,000
C. Other Equity			
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2016
Other equity consist of the following:			
Retained earnings			
(i) Opening balance	(12,378,076)	(12,479,080)	(12,476,672)
(ii) Add: Realised gain on equity shares carried at fair value through OCI			
(iii) Add: Transfer from Special Economic Zone re-investment reserve on utilisation			
(iv) Add: Remeasurement of defined employee benefit plans transferred to statement of profit and loss			
(ii) Add: Profit for the period	(599,468)	101,004	11,169
	(12,977,544)	(12,378,076)	(12,465,503)
Less : Appropriations			
(a) Dividend on equity shares			
(b) Tax on dividend			
(c) Transferred to Special Economic Zone re-investment reserve			
(c) Transferred to General reserve			
(d) Adjustments(Increase)/Decrease	-	-	(13,577)
	(12,977,544)	(12,378,076)	(12,479,080)
	(12,977,544)	(12,378,076)	(12,479,080)

Certified True Copy

For cGain Analytics Private Limited

(Ashutosh Acharya)

Director

DIN:03145815

6 BORROWINGS

Borrowings consist of the following:

(i) Long-term borrowings**(b) Unsecured loans**

Borrowings from entity other than banks

As at 31-Mar-17	As at 31-Mar-16	As at 31-Mar-16
1,000,000	1,000,000	23,500,000
1,000,000	1,000,000	23,500,000

7 PROVISIONS

Provisions consist of the following:

Current

Income Tax Provision

Provision for Leave Encashment

As at 31-Mar-17	As at 31-Mar-16	As at 31-Mar-16
-	91,984	22,755
-	-	-
-	91,984	22,755

8 OTHER LIABILITIES

Other liabilities consist of the following:

Current liabilities

(a) Indirect tax payable and other statutory liabilities

(b) Others (Payables)

As at 31-Mar-17	As at 31-Mar-16	As at 31-Mar-16
-	216,370	-
15,000	17,175	17,100
15,000	233,545	17,100

Certified True Copy**For cGain Analytics Private Limited****(Ashutosh Acharya)**

Director

DIN:03145815

9 REVENUE FROM OPERATIONS	As at 31-Mar-17	As at 31-Mar-16
(b) Export of Services	-	3,375,000
(c) Domestic Services	363,000	-
	363,000	3,375,000

10 OTHER INCOME (NET)

Other income (net) consist of the following:

	As at 31-Mar-17	As at 31-Mar-16
Miscellaneous income		641,970.00
	-	641,970.00

11 EMPLOYEE COSTS

Employee costs consist of the following:

	As at 31-Mar-17	As at 31-Mar-16
(a) Salaries, incentives and allowances	334,586	1,330,550
(b) Contributions to provident and other funds	-	-
(c) Staff welfare expenses		12,540
	334,586	1,343,090

12 FINANCE COSTS (at effective interest rate method)

Finance costs consist of the following:

	As at 31-Mar-17	As at 31-Mar-16
Interest expenses	-	2,163,700
	-	2,163,700

13 OTHER OPERATING EXPENSES

Other operating expenses consist of the following:

(a) Fees to external consultants	388,842	10,350
(b) Communication expenses	3,564	15,428
(c) Conveyance	6,254	18,564
(d) Audit Fee	15,000	17,175
(e) Other expenses	65,736	44,984
	479,396	106,501

Certified True Copy

For cGain Analytics Private Limited

(Ashutosh Acharya)

Director

DIN:03145815

NOTES TO FINANCIAL STATEMENTS

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Company Overview:

CGain Analytics Private Limited ('the company') was incorporated on 21st May, 2008 in India. The company is engaged to develop market, disrupt process, Technological tools and solutions economical cost factors for trading companies, to provide training program in financial market verticals, to provide product development, 24X7 trading system helpdesk in US time zone and to provide onsite and off shore contractual and permanent staffing in similar fields.

1.2 Basis of preparation of financial statements

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised standards on an ongoing basis. All Income and expenditure having a material bearing on the financial statements are recognized on the accrual basis.

1.3 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities and reported amounts of revenues and expenses during the period. Examples of such estimates include estimates of expected contract costs to be incurred to complete contracts, future obligations under employee retirement benefit plans. Accounting estimates could change from period to period. Actual results could differ from those estimates.

1.4 Revenue recognition

Revenue/ Income is generally accounted on accrual basis as they are earned or incurred.

1.5 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation and impairment loss, if any. All direct costs are capitalized till the assets are ready to be put to use. Fixed assets under construction, advances paid towards acquisition of fixed assets and cost of assets not put to use before the period/year end, are

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disclosed as capital work in progress. The company depreciates property, plant and equipment over their estimated useful lives using the written down value method. The estimated useful lives of assets are as follows:

<u>Fixed Assets</u>	<u>Useful lives of Assets</u>
Furniture and fixtures ⁽¹⁾	10 Years
Office equipment	5 Years
Computer Equipments	3 Years

*(1) The useful lives for these assets are same as useful lives prescribed under Part C of Schedule II of the Companies Act, 2013.

1.6 Impairment

Management periodically assesses using external and internal sources where there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceed the present value of future cash flow expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of carrying amount over the higher of the assets net sales price or present value as determined above. The management is of the view that impairment does not apply to the Company, hence not recognized.

1.7 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation.

1.8 Earnings per equity share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year in conformity with the Ind-AS-33. Diluted earnings per share is computed using the weighted average number of equity and diluted equity equivalent shares outstanding during the year-end, except where the results would be anti-dilutive.

1.9 Taxation

Income tax expense comprises current and deferred income tax. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements as prescribed in Ind-AS-12. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company does not offsets current tax assets and current tax liabilities on net basis, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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1.10 Employee benefits

The Company does not provide any employee Benefits (Like; Gratuity, Provided fund, Compensated absences and any other related benefits). Thus, no policies in this regard have been adopted by the company.

1.11 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.12 Other income

Other income is comprised primarily of interest income. Interest income is recognized in statement of profit and loss on accrual basis. However, the company has no such income during the year.

1.13 Investment

Investments are classified into long-term and current investments based on the intent of management at the time of acquisition. Long-term investments including investment in subsidiaries are stated at cost.

1.14 Related Party Transactions:

Transactions with Related party are disclosed as follows, if any:-.

a. Details of related Parties with whom transactions have taken place:

Entities where Control/significant Influence of KMP exists

Insync Business Solutions Limited

Transactions with the Related Parties:

Party Name	Nature of Transaction	31/03/2017	31/03/2016
Insync Business Solutions Pvt. Ltd.	Services Provided	363,000/-	Nil

1.15 Expenditure in Foreign Currency

	31/03/2017	31/03/2016
Expenditure incurred	NIL	NIL

1.16 Earning in Foreign Exchange

	31/03/2017	31/03/2016
Income Earned	Nil	Nil

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- 1.17** During the year the company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated 30th March, 2017 or the details of specified bank notes (SBN) hold and transacted during the period from 08th November, 2016 to 30th December, 2016. The denomination wise SBNs and other denomination notes as per the notification is given below:

(Amount in Rs.)

Particulars	SBNs	Other Denomination notes	Total
Closing cash in hand on 08.11.2016	323,500.00	102,182.00	425,682.00
+ permitted receipts	-	150,000.00	150,000.00
- Permitted payments	-	-	-
- Amount deposited in banks	323,500.00	-	323,500.00
Closing cash in hand as on 30.12.2016	-	252,182.00	252,182.00

- 1.18** Previous year figures have been re-grouped/re-classified wherever necessary to correspond with the current year's classification/disclosures.

AUDITOR'S REPORT

As per our separate report of even date.

For **SPMG & Company**
Chartered Accountants

Sd/-

(Vinod Gupta)
Partner
M. No. 090687

On behalf of the Board of Directors
for **CGain Analytics Private Limited**

Sd/-

Sd/-

Dalip Kumar
(Director)
DIN: 00103292

Ashutosh Acharya
(Director)
DIN: 03145815

Place: New Delhi

Date: May 23, 2017

Certified True Copy
For cGain Analytics Private Limited

(Ashutosh Acharya)
Director
DIN:03145815