



INDEPENDENT AUDITOR'S REPORT

To the members of IDEASPACE SOLUTIONS PRIVATE LIMITED,

Report on the Financial Statements

We have audited the accompanying financial statements of IDEASPACE SOLUTIONS PRIVATE LIMITED, ("the Company"), which comprises the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 there under.

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 financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its loss and its cash flows for the year ended on that date.


Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A , a statement on the matters specified in Para 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- (e) On the basis of the written representations received from the directors as on 31st March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations regarding its financial position.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there is no provision required for 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.
 - iv. The company had provided requisite disclosures in note no.9.1 of financial statements as to the holdings as well as dealings in Specified Bank Notes during the period from 8th November to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

Place : New Delhi
Date : 10th August, 2017

B. PURUSHOTTAM & CO.
Chartered Accountants
Reg No. 002808S

K.V.N.S. KISHORE
Partner
M. No. 206734



Annexure "A" to our Report of Even Date to the members of Ideaspac Solutions Private Limited for the year ended 31st March, 2017:

With reference to the Annexure A referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of the Independent Auditor's report to the members of **Ideaspac Solutions Private Limited**, on the financial statements for the year ended 31st March 2017, we report that:

(i) In Respect of Fixed Assets:

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

(b) Fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed during such verification.

(c) The title deeds of the immovable property are held in the name of the company.

(ii) In Respect of Inventories:

The Company does not have any inventory during the year and hence reporting under this clause does not arise.

(iii) The company has not granted any loans to Companies, firms or other parties covered in the register maintained under Sec 189 of Companies Act 2013, hence reporting under this clause doesn't arise.

(iv) In respect of loans, investments, guarantees, and security, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

(v) The Company has not accepted any deposits within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Hence, reporting under clause 3(v) of the Order does not arise.

(vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.



- (vii) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- (viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not availed any loan from financial institution, bank or debenture holders, hence reporting under this clause doesn't arise.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material 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 Company is a private company and so the limits for payment of managerial remuneration specified in Sec 197 and Schedule V are not applicable. Hence, we have no comments to offer.
- (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, transactions with the related parties are in compliance with sections 177 and 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.
- (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.



- (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 required to be registered under section 45 IA of the Reserve Bank of India Act 1934, as their Financial assets and Financial income exceeds 50% of the total assets and Gross income. The Company explained to us that loan granted is temporary in nature and hence not registered as NBFC.*

For B. PURUSHOTTAM & CO.,
Chartered Accountants
Reg No. 002808S


K.V.N.S. KISHORE
Partner
M. No. 206734

Place: New Delhi

Date: 10th August, 2017



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Ideaspace Solutions Private Limited** ("the Company") as of **31st March 2017** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

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 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 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 31st 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.

Place: New Delhi

Date: 10th August, 2017



For B. PURUSHOTTAM & CO.
Chartered Accountants
Reg No. 002808S

K.V.N.S.
K.V.N.S. KISHORE
Partner
M. No. 206734

IDEASPACE SOLUTIONS PRIVATE LIMITED (Erstwhile known as IDEASPACE SOLUTION LIMITED)
CIN : U72200KA1993PTC030645
Skip House, 25/1, Museum Road
Bengaluru-560025
Balance Sheet as on 31st March, 2017

(Amount in Rs)

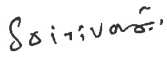
Particulars	Notes	31-Mar-17	31-Mar-16
Equity and Liabilities			
Shareholders' funds			
Share Capital	2	58,003,980	58,003,980
Reserves and Surplus	3	(31,076,349)	(13,973,027)
		26,927,631	44,030,953
Current Liabilities			
Short Term Borrowings	4	9,250,000	9,250,000
Other Current Liabilities	5	2,517,518	923,537
		11,767,518	10,173,537
Total		38,695,149	54,204,490
Assets			
Non-current assets			
Fixed assets			
Tangible assets	6	898,851	922,098
Non-current Investments	7	1,011,120	1,151,110
Long term loans and advances	8	16,161,379	32,322,758
		18,071,350	34,395,966
Current Assets			
Cash and cash equivalents	9	1,420,853	773,576
Short term loans and advances	8	19,034,946	19,034,946
Other Current Assets	10	168,000	-
		20,623,799	19,808,522
Total		38,695,149	54,204,488
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date
for **B. Purushottam & Co**
Chartered Accountants
Firm Regn No. 002808S


for and on behalf of the Board of Directors of
IDEASPACE SOLUTIONS PRIVATE LIMITED
(Erstwhile Known As Ideaspac Solution Limited)


K.V.N.S.KISHORE
Partner
Membership No. 206734


M.V.Srinivas
Director
DIN:02477894


Ch. Srinivasa Rao
Director
DIN .03497034

Place : New Delhi
Date : 10th August'207


Lohith K N
Company Secretary



IDEASPACE SOLUTIONS PRIVATE LIMITED (Erstwhile known as IDEASPACE SOLUTION LIMITED)
CIN : U72200KA1993PTC030645
Skip House, 25/1, Museum Road
Bengaluru-560025

Statement of profit and loss for the year ended 31st March, 2017

		<i>(Amount in Rs)</i>	
Particulars	Notes	31-Mar-17	31-Mar-16
Continuing operations			
Income			
Other Income	11	54,090	19,177
Total Revenue (i)		54,090	19,177
Expenses			
Other expenses	12	16,255,414	16,341,386
Total (ii)		16,255,414	16,341,386
Earnings before interest, tax, depreciation and amortization (EBITDA) [(i) - (ii)]		(16,201,324)	(16,322,209)
Depreciation and amortization expense	13	23,248	23,248
Finance costs	14	878,750	905,875
Profit / (Loss) before tax		(17,103,322)	(17,251,332)
Tax expenses			
Earlier year tax		-	370
Current tax		-	-
Total tax expense		-	370
Profit/(loss) for the year		(17,103,322)	(17,251,702)
Earnings per equity share at par value of Rs.10/- each [31 March 2015: Rs. 10]			
Basic			
Computed on the basis of total profit for the year	15	(2.95)	(2.97)
Diluted			
Computed on the basis of total profit for the year		(2.95)	(2.97)
Summary of significant accounting policies	1		


The accompanying notes are an integral part of the financial statements

As per our report of even date
for B. Purushottam & Co
Chartered Accountants
Firm Regn No. 002808S


for and on behalf of the Board of Directors of
IDEASPACE SOLUTIONS PRIVATE LIMITED
(Erstwhile Known As Ideaspac Solution Limited)


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Partner
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M.V.Srinivas
Director
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Director
DIN .03497034

Place : New Delhi
Date : 10th August'2017


Lohith K N
Company Secretary



IDEASPACE SOLUTIONS PRIVATE LIMITED (Erstwhile known as IDEASPACE SOLUTION LIMITED)

CIN : U72200KA1993PTC030645

Skip House, 25/1, Museum Road

Bengaluru-560025

Cash Flow Statement for the Period Ended March 31, 2017

(Amount in Rs)

Particulars	31-Mar-17	31-Mar-16
A Cash Flow from Operating Activities		
Profit/ (Loss) before Extra-ordinary item and Tax	(17,103,322)	(17,251,332)
Adjustments for non-cash items:		
Depreciation	23,248	23,248
Interest Expense	878,750	905,875
Operating Profit before Working Capital Changes	(16,201,324)	(16,322,209)
Adjustments for:		
Decrease/(Increase) in Current Assets	(168,000)	164,745
Decrease/(Increase) in Short Term Loans and Advances	(0)	(5,649)
Decrease/(Increase) in Long Term Loans and Advances	16,161,380	16,261,380
(Decrease)/Increase in Current Liabilities	1,593,981	(270,962)
Cash Generated from Operations	1,386,036	(172,695)
(Direct Tax Paid) / Income Tax Refund	-	(370)
Cash flows before Extraordinary Items	1,386,036	(173,065)
Extraordinary Items-Income tax excess provision written back	-	-
Net Cash from/(used in) Operating Activities	1,386,036	(173,065)
B Cash Flow from Investing Activities		
Profit on sale of Investment	139,990	-
Net Cash from/(used in) Investing Activities	139,990	-
C Cash Flow from Financing Activities		
Short Term Borrowings	-	(3,802,241)
Interest Paid	(878,750)	(905,875)
Net Cash from/(used in) Financing Activities	(878,750)	(4,708,116)
Net Increase/(Decrease) in Cash and Cash Equivalents	647,276	(4,881,181)
Opening Cash and Cash Equivalents	773,576	5,654,757
Closing Cash and Cash Equivalents	1,420,853	773,576

The accompanying notes are an integral part of the financial statements

As per our report of even date

for **B. Purushottam & Co**

Chartered Accountants

Firm Regn No. 002808S

for and on behalf of the Board of Directors of
IDEASPACE SOLUTIONS PRIVATE LIMITED
(Erstwhile Known As Ideaspac Solution Limited)

K.V.N.S.KISHORE

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Partner

Membership No. 206734

Srinivas

M.V.Srinivas

Director

DIN:02477894

Ch. Srinivasa Rao

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Director

DIN .03497034

Lohith K.N

Lohith K N

Company Secretary

Place: New Delhi

Date : 10th August'2017



IDEASPACE SOLUTIONS PRIVATE LIMITED (Erstwhile known as IDEASPACE SOLUTION LIMITED)
CIN : U72200KA1993PTC030645

Notes to Financial Statements as at 31st March 2017

Note 1:

1.1 Statement of Significant Accounting Policies and Notes to Accounts

I Basis of Preparation of Financial Statements

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The Company is a Non-Small and Medium size Company ("Non-SMC") as defined in the General Instructions of the Rules in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the Company has complied with the accounting standards as applicable to a Non-small and medium sized Company. All amounts are stated in Indian Rupees, except as otherwise specified.

II Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets & liabilities and the disclosures of contingent liabilities, at the end of reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustments to the carrying amounts of assets or liabilities in future periods.

III Tangible and Intangible Fixed Assets

Fixed assets are stated at cost of acquisition (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises of purchase price and freight, duties, levies and all other incidentals attributable to bringing the asset to its working condition for its intended use.

IV Depreciation

Fixed assets are capitalized at cost of acquisition, inclusive of all attributable direct cost.

Assets are depreciated over the useful life of assets as specified in Part C of Schedule II of companies act 2013 under Straight Line Method. Depreciable amount is the cost of asset, or other amount substituted for cost less its residual value. Residual value being 5% of original cost of asset. Additions during the year are depreciated on pro rata basis from the date of additions.

The useful life of asset as specified in Part C of Schedule II of Companies Act,2013

Asset Classification	Useful life of asset
Building (Other than Factory Building)	60 Years

V Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures its 'value in use' on the basis of undiscounted cash flows of next five years projections estimated based on current prices.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.



VI Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as Short term investments. All other investments are classified as long term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchasing price and directly attributable acquisition charges such as brokerage, fees and duties.

If an investment is acquired or partly acquired by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in the value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

VII Revenue Recognition

Interest income is recognised on accrual basis and dividend income is recognised when the right to receive is established. Provisions are made for all known losses and liabilities that may affect the profit on fixed-price software development contracts.

VIII Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

IX Leases

Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor, are recognized as operating leases.

X Employee Benefits

Since there are no employees existing on the rolls of the Company, provision for retirement benefit for the year is not applicable.

XI Earnings per Share

Basic Earnings per Share

The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

Diluted Earnings per Share

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, which could have been issued on the conversion of all dilutive potential equity shares.

XII Taxes on Income

Tax expense comprises current tax and deferred tax

Current Tax

Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.



Deferred Tax

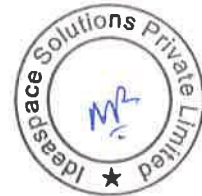
The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period, based on prevailing enacted or substantively enacted regulations. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. As there is virtual uncertainty, deferred tax is not recognised.

XIII Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.



2 Share Capital	Particulars	(Amount in Rs)	
		31-Mar-17	31-Mar-16
Authorized: 10,000,000 (March 2016 - 10,000,000) Equity Shares of Rs. 10/- each		100,000,000	100,000,000
		100,000,000	100,000,000
Issued, Subscribed & fully Paid up shares 5,800,398 (March 2016 - 5,800,398) Equity Shares of Rs. 10/- each		58,003,980	58,003,980
		58,003,980	58,003,980
Total issued, subscribed and fully paid up share capital			

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	Number	31-Mar-17	Number	31-Mar-16
At the beginning of the year	5,800,398	58,003,980	5,800,398	58,003,980
Issued during the year- Bonus issue	-	-	-	-
Outstanding at the end of the year	5,800,398	58,003,980	5,800,398	58,003,980

b. Rights , preferences and restrictions attaching to each class of shares

Equity Shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31 March 2017, the company has not declared dividend to equity share holders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by each shareholder holding more than 5% shares

	31-Mar-17		31-Mar-16	
	No. of Shares	% Shares	No. of Shares	% Shares
Equity shares of Rs.10 each fully paid GMR Enterprises Pvt Ltd (along with its nominees)	5,800,398	100%	5,800,398	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

3 Reserves and Surplus

Particulars	(Amount in Rs)	
	31-Mar-17	31-Mar-16
Capital redemption reserve		
Balance as per last financial statements	1,584,670	1,584,670
Closing Balance	1,584,670	1,584,670
General Reserve		
Balance as per last financial statements	2,351,078	2,351,078
Closing balance	2,351,078	2,351,078
Profit & Loss Statement		
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	(17,908,775)	(657,073)
Profit/(Loss) for the year	(17,103,322)	(17,251,702)
Net Surplus in the statement of Profit and Loss	(35,012,097)	(17,908,775)
Total	(31,076,349)	(13,973,027)

4 Short Term Borrowings

Particulars	(Amount in Rs)	
	31-Mar-17	31-Mar-16
Loan from related parties(Unsecured)(Refer Note 17)	9,250,000	9,250,000
Total	9,250,000	9,250,000

The above amount includes

Secured borrowings	-	-
Unsecured borrowings	9,250,000	9,250,000

Loan from related party carries an interest @ 9.50% . The loan is repayable in the month of April 2017.

5 Other Current Liabilities

Particulars	(Amount in Rs)	
	31-Mar-17	31-Mar-16
Interest accrued but not due on borrowings	1,591,143	800,268
Sundry Creditors	804,000	-
Payable for expenses	31,500	31,350
Statutory dues	90,875	91,919
Total	2,517,518	923,537



		(Amount in Rs)	
7 Non Current Investments		31-Mar-17	31-Mar-16
Particulars			
Non Trade Investments(Valued at cost unless stated otherwise)			
Unquoted equity instruments			
Investment in subsidiaries			
910,000(31 March 2016: 910,000) equity shares of Rs.10 each fully paid in Corporate Infrastructure Services Private Limited		11,830,000	11,830,000
Less: Provision for diminution in value of investment		(11,830,000)	(11,830,000)
Others			
a) 1 (31 March 2016: 01) equity share of Rs.10 fully paid in GMR Energy Trading Limited		10	10
b) 100(31 March 2016: 100) equity shares of Rs.10 each fully paid in Kirthi Timbers Private Limited		100	100
c) 100(31 March 2016: 100) equity shares of Rs.10 each fully paid in Rajam Enterprises Private Limited		1,000	1,000
d) 1,01,000(31 March 2016: 1,15,000) equity shares of Rs.10 each fully paid in Seethamahalakshmi Poultry & Farms Pvt Ltd		1,010,000	1,150,000
e) Rs.10/- (31 March 2016: Nil) Invested in GMR Business & Consultancy LLP		10	-
Aggregate amount of Unquoted investment (Cost)		1,011,120	1,151,110

		(Amount in Rs)			
8 Loans and advances		Non-current		Current	
Particulars		31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Advances recoverable in cash or kind					
Secured, considered good		-	-	-	-
Unsecured, considered good		16,161,379	32,322,758	19,022,100	19,022,100
Doubtful		1,740,532	1,740,532		
		17,901,911	34,063,290	19,022,100	19,022,100
Less: Provision for doubtful advances		1,740,532	1,740,532		
(A)		16,161,379	32,322,758	19,022,100	19,022,100
Other loans & advances					
Advance income tax (Net of Provision for tax)		-	-	12,846	12,846
(B)		-	-	12,846	12,846
Total(A+B)		16,161,379	32,322,758	19,034,946	19,034,946



IDEASPACE SOLUTIONS PRIVATE LIMITED (Erstwhile known as IDEASPACE SOLUTION LIMITED)

CIN : U72200KA1993PTC030645

Notes to Financial Statements as at 31st March 2017

9 Cash and bank balances

(Amount in Rs)

Particulars	Non-current		Current	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Cash and cash equivalents				
Cash In Hand			-	
Balances with banks:				
On current accounts	-	-	1,420,853	773,576
Total	-	-	1,420,853	773,576

9.1 Cash Balance as on 30.12.2016

	SBN's	Others
Closing cash in hand as on 08.11.2016		
(+) Permitted Receipts	-	-
(-) Permitted Payments	-	-
(+) Amount deposited in banks	-	-
Closing cash in hand as on 30.12.2016	-	-

10 Other Assets

(Amount in Rs)

Particulars	Non-current		Current	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Other Receivables	-	-	168,000	-
Total	-	-	168,000	-

11 Other income

(Amount in Rs)

Particulars	31-Mar-17	31-Mar-16
Interest income on		
Bank Deposits	-	18,533
Dividend Income	1,890	-
Profit On Sale of Investments	28,000	-
Interest Received on IT Refund	24,200	644
Total	54,090	19,177

12 Other expenses

(Amount in Rs)

Particulars	31-Mar-17	31-Mar-16
Advance no longer recoverable written off	16,161,380	16,187,925
Legal and Professional Charges	650	492
Property Tax	39,533	67,006
Payment to auditors (Refer note no.18)	34,500	34,350
ROC Fees	11,385	33,465
Bank charges	1,793	2,525
Rates and Taxes	144	424
Demat Charges	3,438	3,320
Printing & Stationary	-	2,285
Certification Charges	2,591	9,594
Total	16,255,414	16,341,386



IDEASPACE SOLUTIONS PRIVATE LIMITED (Erstwhile known as IDEASPACE SOLUTION LIMITED)

CIN : U72200KA1993PTC030645

Notes to Financial Statements as at 31st March 2017

13 Depreciation and amortization expense

(Amount in Rs)

Particulars	31-Mar-17	31-Mar-16
Depreciation of tangible assets	23,248	23,248
Total	23,248	23,248

14 Finance Costs

(Amount in Rs)

Particulars	31-Mar-17	31-Mar-16
Interest on Bank Overdraft	-	-
Interest Expenses	878,750	905,875
Total	878,750	905,875

15 Earnings per Share (EPS)

(Amount in Rs)

Particulars	31-Mar-17	31-Mar-16
Total Operations for the year		
Profit / Loss after Tax	(17,103,322)	(17,251,702)
Net Profit / (Loss) for Calculation of Basic EPS	(17,103,322)	(17,251,702)
Net Profit as above	(17,103,322)	(17,251,702)
No of Equity Shares	5,800,398	5,800,398
Basic Earnings Per Share	(2.95)	(2.97)
Net Profit As above	(17,103,322)	(17,251,702)
Net Profit / (Loss) for Calculation of Diluted EPS	(17,103,322)	(17,251,702)
No of Equity Shares	5,800,398	5,800,398
No of dilutive Shares	-	-
Total No of Dilutive Shares	5,800,398	5,800,398
Diluted Earnings Per Share	(2.95)	(2.97)

16 Contingent Liabilities

The Company has offered its property as security for availing a Loan of Rs. 50 Crores from SREI Infrastructure Finance Company by a Group Company. However the Group Company has repaid the entire loan during the current financial year and the said property was released on 2nd May'2017

17 Related Party Disclosures

a) Names of related parties and related party relationship:

Related Party where control exists

Holding Company

GMR Enterprises Private Limited (GEPL)

Subsidiary Company

Corporate Infrastructure Services Private Limited

Step Subsidiary Company

Kirithi Timbers Private Limited

Enterprises where key management personnel along with their relatives exercise significant influence

GMR Enterprises Private Limited

Key Management Personnel and their relatives

Mr. Govindarajulu Tata - Director
Mr. Chakka Srinivas Rao - Director
Mr. M.V.Srinivas - Director
Mr. Ravi Majeti - Director



IDEASPACE SOLUTIONS PRIVATE LIMITED (Erstwhile known as IDEASPACE SOLUTION LIMITED)

CIN : U72200KA1993PTC030645

Notes to Financial Statements as at 31st March 2017

Related parties with whom transactions have taken place during the year

Related Party Transactions:

a) Loans taken and repayment thereof (Amount in Rs)

Name of the Company Year ended	Opening	Loan Taken during the year	Repayment	Closing
Corporate Infrastructure Services Pvt Ltd - Subsidiary Company				
31-Mar-17	9,250,000	-	-	9,250,000
31-Mar-16	10,700,000	150,000	1,600,000	9,250,000

b) Interest Payable to Related Parties (Amount in Rs)

Name of the Company Year ended	Opening payable	Paid During the year	Current Year Interest (Net of TDS)	Balance Payable
Corporate Infrastructure Services Pvt Ltd - Associate Company				
31-Mar-17	800,268	-	790,875	1,591,143
31-Mar-16	491,894	491,894	800,268	800,268

18. Remuneration to Auditors

Particulars	March'2017	March'2016
Audit fees (including Service Tax)	34,500	34,350
Total	34,500	34,350

19 Dues to Micro, Small and Medium Enterprises

As per the information available with the Company and as certified by the management, there are no dues outstanding including interest as on 31st Mar, 2017 to Small and Micro enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

20. Conversion from Public Company to Private Limited Company

The company has converted from Public company to Private limited company during the previous year. The company had applied for conversion under the Companies Act, 2013 and received assent for conversion on 10th April 2015 from Central Government.

21 Previous year figures

The company has reclassified previous year figures to conform to this year's classification.

for **B.Purushottam & Co.,**
Chartered Accountants
Firm Regn No. 0028085

for and on behalf of the Board of Directors of
IDEASPACE SOLUTIONS PRIVATE LIMITED
(Erstwhile Known As Ideaspac Solution Limited)


K.V.N.S.KISHORE
Partner
Membership No. 206734


M.V.Srinivas
Director
DIN:02477894


Ch.Srinivasa Rao
Director
DIN .03497034

LOHITH K.N

Lohith K N
Company Secretary

Place: New Delhi
Date : 10th August'2017

