

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF USC HOLOGRAMS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of **USC Holograms Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2019, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements including a summary of 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.



Responsibility of Management for Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matters

Corresponding figures for the year ended March 31, 2018 have been audited by another auditor who expressed an unmodified opinion dated May 21, 2018 on the financial statements of the Company for the year ended March 31, 2018.

Our opinion on the financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure-A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS 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 March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses and;
 - iii. According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For KAAP & ASSOCIATES,
Chartered Accountants
ICAI Firm's Regn. No.:019416N



K. Vohra

CA. Kulbhusan Vohra
Partner
Membership No. 519587

Place: Noida
Date: May 18, 2019

ANNEXURE-A TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" Section of our report to the members of USC Holograms Private Ltd. ("the Company"), of even date)

1. In respect of Fixed Assets (Property, Plant and Equipment) of the Company:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b) The Fixed Assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such physical verification;
 - c) According to the information and explanation given to us, the Company is not having any immovable property and therefore the provision of Paragraph 3(i) (c) of the Order is not applicable to the Company.
2. According to the information and explanation given to us, the Company is not having inventory at the year end and therefore the provision of Paragraph 3(ii) of the Order is not applicable to the Company.
3. During the year, the Company has granted, interest bearing unsecured loans from time to time, to its Holding Company, covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act"). In respect to these loans:
 - a) In our opinion and according to the information given to us, the terms and conditions of the loans given by the Company are prima facie, not prejudicial to the interest of the Company;
 - b) The terms for repayment of principal and payment of interest have been stipulated; and re-payments have been made, as per stipulated terms and the same has been squared-off during the year;
 - c) There is no overdue amount, in respect of both principal and interest, as the loan granted was squared off during the year.
4. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made and guarantees given.
5. According to the information and explanation given to us, the Company has not accepted any deposits, under the provisions of Sections 73 to 76 or any other relevant provisions of the Act, and the rules framed there under during the year under report.
6. The Company is not required to maintain cost records under section 148(1) of the Act and therefore the provision of Paragraph 3 (vi) of the Order is not applicable to the Company.
7. In respect of Statutory dues:
 - a) The Company is generally regular in depositing undisputed statutory dues to the appropriate authority as applicable to it. Further, according to the information and explanation given to us, the Company does not come under the ambit of Employee's State Insurance, and Custom Duty.
 - b) According to the information and explanation given to us, there are no disputed amounts payable in respect of statutory dues to the extent applicable to the Company.

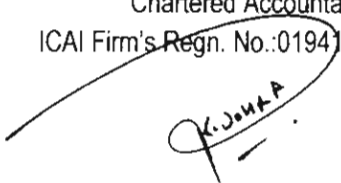


8. Based on the audit procedure and according to the information and explanation given to us, we are of the opinion that the Company does not have any loan or borrowing from any bank, financial institution, government and has not issued any debentures during the year. Accordingly, the provision of Paragraph 3 (viii) of the Order is not applicable to the Company.
9. 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, the provision of Paragraph 3 (ix) of the Order is not applicable to the Company.
10. According to the information and explanation 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.
11. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not paid /provided any managerial remuneration during the year. Accordingly, the provision of Paragraph 3 (xi) of the Order is not applicable to the Company.
12. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company; therefore, provision of Paragraph 3 (xii) of the Order is not applicable to the Company.
13. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Ind AS. Since, the Company is a private company; therefore, the provision of paragraph 3(xiii) of the Order in compliance with Sec 177 is not applicable to the Company.
14. According to the information and explanation given 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. Accordingly, the provision of Paragraph 3 (xiv) of the Order is not applicable to the Company.
15. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provision of Paragraph 3 (xv) of the Order is not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Place: Noida
Date: May 18, 2019



For **KAAP & ASSOCIATES**,
Chartered Accountants
ICAI Firm's Regn. No.:019416N


CA. Kulbhusan Vohra
Partner
Membership No. 519587

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of USC Holograms Private Limited ("the Company") of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 USC Holograms Private Limited ("the Company") as of March 31, 2019, 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" (the 'Guidance Note'), 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were 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 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 the Ind AS and other accounting principles generally accepted in India. 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 the Ind AS and other accounting principles generally accepted in India 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For KAAP & ASSOCIATES,
Chartered Accountants
ICAI Firm's Regn. No.:019416N



Place: Noida
Date: May 18, 2019

CA. Kulbhusan Vohra
Partner
Membership No. 519587

USC HOLOGRAMS PRIVATE LIMITED
CIN U74140TG2013PTC086996
BALANCE SHEET AS AT 31ST MARCH, 2019


(Rs. in Lacs)


Particulars	Note No.	As At 31st March 2019	As At 31st March 2018
I. ASSETS			
Non Current Assets			
a) Properly, Plant and Equipment	2	0.63	0.94
b) Financial Assets			
Loans	3	5.00	5.00
c) Other Non-Current Assets	4	15.70	-
Total Non-Current Assets		<u>21.33</u>	<u>5.94</u>
Current Assets			
a) Financial Assets			
i) Trade Receivables	5	6,896.57	7,525.41
ii) Cash and cash equivalents	6	244.94	532.80
iii) Other Financial Assets	7	0.40	0.29
b) Other Current Assets	8	29.45	-
Total Current Assets		<u>7,171.36</u>	<u>8,058.50</u>
Total Assets		<u>7,192.69</u>	<u>8,064.44</u>
II. EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	9	6.00	6.00
b) Other Equity	10	1,957.48	1,526.53
Total Equity		<u>1,963.48</u>	<u>1,532.53</u>
Liabilities			
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	11	0.15	0.34
Total Non Current Liabilities		<u>0.15</u>	<u>0.34</u>
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	12	1,251.00	1,125.00
ii) Trade Payables	13		
Total outstanding dues from micro enterprise and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,922.94	5,205.62
iii) Other Financial Liabilities	14	0.68	0.27
b) Other Current Liabilities	15	54.44	57.97
c) Current Tax Liabilities (Net)	16	-	142.71
Total Current Liabilities		<u>5,229.06</u>	<u>6,531.57</u>
Total Equity and Liabilities		<u>7,192.69</u>	<u>8,064.44</u>

The accompanying Notes from S.No 1 to 30 form an integral part of the financial statements.

For & On Behalf of the Board of Directors

This is the Balance Sheet referred to in our report of even date attached



[Rakesh Malhotra]
Director
DIN : 01155513


[G.K. Bhat]
Director
DIN : 06463529

Place: Noida
Date : May 18, 2019



For KAAP & Associates
Chartered Accountants
Firm's Registration No. 019416N


CA. Kulbhushan Vohra
Partner
M. No. 519587

USC HOLOGRAMS PRIVATE LIMITED
CIN U74140TG2013PTC086996
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs. in Lacs)

Particulars	Note No.	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
INCOME:			
Revenue from Operations	17	6,430.26	5,928.02
Other Income	18	43.85	45.64
Total Income		6,474.11	5,973.66
EXPENSES:			
a) Cost of Materials & Services	19	5,871.46	5,344.93
b) Finance Costs	20	46.43	13.14
c) Depreciation and amortization expense	2	0.31	0.31
d) Other Expenses	21	8.40	7.07
Total Expenses		5,926.60	5,365.45
Profit before tax		547.51	608.21
Less/ (Add) : Tax Expense:			
- Current Tax		152.38	205.37
- Deferred Tax		(0.19)	0.04
- (Excess) Provision of Income Tax for earlier years		(35.63)	-
Profit for the year		430.95	402.80
Other comprehensive income		-	-
Total comprehensive income for the year		430.95	402.80
Earning per equity share			
(i) Basic (Rs.)		718.26	671.32
(i) Diluted (Rs.)		718.26	671.32

The accompanying Notes from S. No. 1 to 30 form an integral part of the financial statements.

For & On Behalf of the Board of Directors

This is the Statement of Profit & Loss referred to in our report of even date


[Rakesh Malhotra]

Director

DIN : 01155513


[G.K. Bhat]

Director

DIN : 06463529

For KAAP & Associates

Chartered Accountants

Firm's Registration No.: 019416N




CA. Kulbhushan Vohra

Partner

M. No. 519587

Place: Noida

Date : May 18, 2019

USC HOLOGRAM PRIVATE LIMITED
CIN U74140TG2013PTC086996
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	(Rs. in Lacs)	
	For the Year Ended	For the Year Ended 31st March 2018
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	547.51	608.21
Adjustment for:		
Finance Costs	46.43	13.14
Interest received from Banks / others	(31.32)	(45.64)
Gain on Sale of Units of Mutual Funds	(12.53)	-
Depreciation and amortization expenses	0.31	0.31
Operating Profit before Working Capital Changes	550.40	576.02
Adjustment for:		
Trade receivables	628.84	(4,680.66)
Other Financial Assets	(0.11)	0.62
Other Current Assets	(29.45)	0.19
Other Non- Current Assets (Income tax Refund)	(15.70)	-
Trade payables	(1,282.68)	2,913.49
Other Financial liabilities	0.41	0.28
Other Current Liabilities	(3.53)	12.01
Current Tax Liabilities (Net)	(142.71)	41.71
Cash used in Operations	(294.53)	(1,136.34)
Income Tax	(116.75)	(205.37)
Net Cash used in Operating Activities (A)	(411.28)	(1,341.71)
B CASH FLOW FROM INVESTING ACTIVITIES		
Interest received from Banks / others	31.32	45.64
Gain on Sale of Units of Mutual Funds	12.53	-
Net Cash generated from Investing Activities (B)	43.85	45.64
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings (Net)	126.00	1125.00
Interest Paid	(46.43)	(13.14)
Net Cash generated from Financing Activities (C)	79.57	1111.86
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)	(287.86)	(184.21)
Opening Cash and Cash equivalents	532.80	717.01
Closing Cash and Cash equivalents	244.94	532.80

For & On Behalf of the Board of Directors

This is the Statement of Cash Flows referred to in our report of even date attached

[Rakesh Malhotra]
Director
DIN : 01155513

[G.K.Bhat]
Director
DIN : 06463529

Place: Noida
Date : May 18, 2019



For KAAP & Associates
Chartered Accountants
Firm's Registration No. 019416N

CA. Kulbhushan Vohra
Partner
M. No. 519587

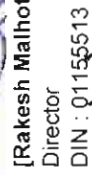
USC HOLOGRAMS PRIVATE LIMITED
CIN U74140TG2013PTC086996

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	(Rs. in Lacs)			
	Equity Issued and paid-up Capital	Other Equity Retained Earnings	Other Comprehensive Income	Total
Balance as at 1st April 2017	6.00	1,123.73	-	1,129.73
Net profit for the year	-	402.80	-	402.80
Balance as at 31st March 2018	6.00	1,526.53	-	1,532.53
Net profit for the year	-	430.95	-	430.95
Balance as at 31st March 2019	6.00	1,957.48	-	1,963.48

For & On Behalf of the Board of Directors


[Rakesh Malhotra]
Director
DIN : 01155513



[G.K. Bhat]
Director
DIN : 06463529

Place: Noida
Date : May 18, 2019

This is the Statement of Changes in Equity referred to
in our report of even date attached

For KAAP & Associates
Chartered Accountants
Firm's Registration No. : 019416N




CA. Kulbhusan Vohra
Partner
M. No. 519587

USC HOLOGRAMS PRIVATE LIMITED

CIN U74140TG2013PTC086996

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

A. COMPANY OVERVIEW

The Company is a Private Limited Company, domiciled in India and registered with the ROC, Andhra Pradesh under the Corporate Identification number (CIN) U74140AP2013PTC086996 dated 15th April, 2013. Subsequently the Corporate Identification number (CIN) was changed to U74140TG2013PTC086996 with the state of Telangana due to splitting of state of Andhra Pradesh.

The Registered office of the Company is situated at Survey No. 50/2, Bandlaguda Jagir, A.P. Excise Academy, Rajendra Nagar Mandal, Hyderabad, Telangana-500008.

The Company is a "Special Purpose Company" formed in Joint Collaboration among Uflex Limited (Holding 68% of the share capital), Sristek Clinical Research Solutions Limited (holding 19% of the share capital up to 28.09.18 and after that transfer of shareholding to C-Tel Infosystems Private Limited) and C-Tel Infosystems Private Limited (initially held 13% of the share capital and additional 19% w.e.f. 29.09.18, totaling to 32% of the share capital), to undertake project awarded by Government of Andhra Pradesh (Govt. of A.P.), involving Manufacturing, Printing, Marking, Numbering & Supply of High Security Holograms with expertise of Uflex Limited and maintaining Track and Trace system with expertise of C-Tel Infosystems Private Limited, for liquor sales on boot basis.

B. SIGNIFICANT ACCOUNTING POLICIES

a. BASIS OF PREPERATION OF FINANCIAL STATEMENTS

The financial statements of the company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015, the provisions of Companies Act, 2013. 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. Financial statements of the company are prepared under the historical cost convention except for the certain financial assets and liabilities which have been measured at fair value as mentioned in applicable accounting policies.

The financial statements are presented in Indian Rupees. Amount has been rounded off to nearest lacs.

b. USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements is in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are readily apparent from other sources. Actual results may differ from these estimates.



USC HOLOGRAMS PRIVATE LIMITED

CIN U74140TG2013PTC086996

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

The estimates and underlying assumptions are reviewed on a going concern basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, in the period of the revision and future periods if the revision affects both current and future.

c. CLASSIFICATION OF EXPENDITURE / INCOME

Except otherwise indicated:

- i) All expenditure and income are accounted for under the natural heads of account.
- ii) All expenditure and income are accounted for on accrual basis.

d. VALUATION

Property, Plant and Equipment (PPE)

PPE are initially recognized at cost after deducting refundable purchase taxes and including the cost directly attributable to bring the asset to the location and conditions necessary for it to be capable of operating in the manner intended by the management, borrowing cost in accordance with the established accounting policy, cost of restoring and dismantling, if any, initially estimated by the management. After the initial recognition the PPE are carried at cost less accumulated depreciation and impairment losses, if any.

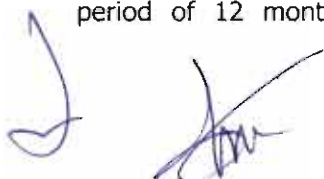
Any gain or loss on disposal of an item of PPE is recognized in the statement of profit and loss.

The company has opted for an exemption provided by the Indian Accounting Standard (Ind As)-101. Accordingly, the carrying value for all Property, plant and Equipment and intangibles as recognized in the financial statements, as at the date of transition to Ind As, measured as per previous GAAP are used as deemed cost as at the date of transition.

The carrying amount of the all PPE are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit and loss.

e. DEPRECIATION

- i) Depreciation on all property, plant & equipment are provided for, from the date of put to use on straight line method at the useful lives prescribed in Schedule-II to the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.
- ii) Depreciation/ amortization on additions / deletions to assets are provided on *pro-rata* basis from / to the date of additions / deletions.
- iii) In case the financial year consists of the period less / more than the normal period of 12 months, depreciation/amortization on assets existing at the



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beginning of the financial year as well as those acquired during the said period are provided for the period covered on *pro-rata* basis.

f. REVENUE

Revenues from Supply of Goods & Services

- i) Revenues from Supply of Goods in the course of ordinary activities is measured at the value of the consideration received or receivable, net of returns, trade discounts and rebates. Revenue is recognized when the significant risks and rewards of the ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

Further revenues are recognized at gross value of consideration of goods and Services excluding Goods & Service Tax (GST).

- ii) Revenue from the service contract is recognized when the related services are performed and revenue from the services at the end of the reporting period is recognized based on stage of completion method. When there is uncertainty as to the ultimate collection of the revenue, recognition is postponed until such uncertainty is resolved. Revenues from service contracts are measured based on the services performed to date as a percentage of total services to be performed.
- iii) Interest income is recognized on time apportionment basis. Effective interest method is used to compute the interest income on long terms loans and advances.

g. COST OF MATERIALS & SERVICES

- i) Cost of Materials/Services is net of CENVAT/ GST input tax credit.
- ii) Material returns / rebates are adjusted from the Cost of Material of the year in which the returns take place / rebates allowed.

h. CLAIMS BY / AGAINST THE COMPANY

Claims by / against the Company arising on any account are provided in the accounts on receipts / acceptances.

i. BORROWING COST

Borrowing cost attributable to the acquisition or construction of qualifying /eligible assets, intended for commercial production are capitalised as part of the cost of such assets. All other borrowing costs are recognized as an expense and are charged to revenue in the year in which they are incurred.

j. EARNING PER SHARE

In accordance with the Indian Accounting Standard – 33 (Ind AS -33) "Earnings Per Share" issued by the Institute of Chartered Accountants of India, Basic Earnings Per Share (BEPS) is computed by dividing the net profit attributable to the equity



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shareholders of the Company to the weighted average number of Shares outstanding during the period & Diluted Earnings per share (DEPS) is computed by dividing the net profit attributable to the equity shareholders of the Company after adjusting the effect of all dilutive potential equity shares that were outstanding during the period.

k. TAXATION

CURRENT TAX

Current tax is expected tax payable on the taxable income for the year, using the tax rate enacted at the reporting date, and any adjustment to the tax payable in respect of the earlier periods.

Current tax assets and liabilities are offset where the company has legal enforceable right to offset and intends either to settle on net basis, or to realize the assets and settle the liability simultaneously.

DEFERRED TAX ASSETS / LIABILITIES

Deferred tax is measured for all taxable temporary differences and is calculated based on the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences to the extent it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Such deferred tax assets & other unrecognized deferred tax assets are re-assessed at each Balance sheet date and the carrying value of the same are adjusted recognizing the change in the value of each such deferred tax assets.

CURRENT AND DEFERRED TAX FOR THE YEAR

Current and deferred tax are recognised in the statement of profit & loss, except when they relates to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax and deferred tax is recognized directly in other comprehensive income or equity respectively.

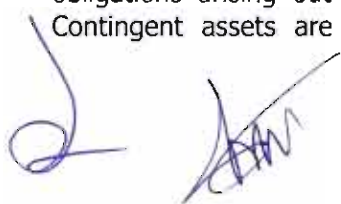
l. IMPAIRMENT

Management periodically assesses using external and internal sources whether there is an indication that assets of concerned cash generating unit may be impaired. Impairment loss, if any, is provided as per Indian Accounting Standard (Ind AS-36) on Impairment of Assets.

m. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

In accordance with the Indian Accounting Standard (Ind AS) – 37:- a) provisions are made for the present legal or constructive obligations where amount can be reasonably estimated and it is probable that an outflow of economic benefits will be required to settle the obligation and b) contingent liabilities are disclosed for possible obligations arising out of uncertain events not wholly in control of the company.

Contingent assets are not recognised in the financial statements. However due



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disclosures are made in the financial statements for the contingent assets, where economic benefits are probable, and amount can be estimated reliably.

n. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognized when a company becomes a party to the contractual provisions of the contract.

Financial assets and financial liabilities are initially measured at fair value. Transaction cost directly related to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities through profit & loss account) are added to or deducted from the cost of financial assets or financial liabilities. Transaction cost directly attributed to the acquisition of financial assets or financial liabilities at fair value through profit & loss account are recognized immediately in the statement of profit & loss.

o. TRADE RECEIVABLES

Trade receivables represents amount billed to customers as credit sales and are net off; a) any amount billed but for which revenues are reversed under the relevant Ind AS and b) Impairment for trade receivables, which is estimated for amounts not expected to be collected in full.

p. LOANS AND ADVANCES

Loans and advances are non derivative financial assets with fixed and determinable payments. This category includes the loans, other financial assets and other current assets.

Subsequent to initial measurement, loans and receivables are carried at amortized cost based on effective interest rate method less appropriate allowance for doubtful receivables, if any.

Loans and advances are further classified as current and non-current depending whether they will realized within 12 months from the balance sheet date or beyond.

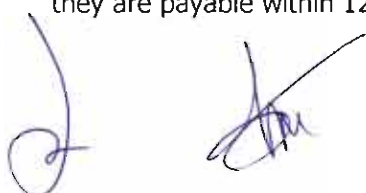
q. FINANCIAL LIABILITIES

Financial liabilities are initially recognized at the fair value of the consideration received less directly attributable transaction cost.

Subsequent to initial measurement, financial liabilities viz borrowings are measured at amortised cost. The difference in the initial carrying amount of the financial liabilities and their redemption value is recognized in the statement of profit & loss over the contractual term using the effective interest rate method. This category includes the following class of liabilities; trade payables, borrowings; and other financial liabilities.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Financial liabilities are further classified as current and non-current depending whether they are payable within 12 months from the balance date or beyond.



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Financial liabilities are derecognized when the company is discharged from its obligation; they expire, are cancelled or replaced by a new liability with substantial modified terms.

r. STANDARDS ADOPTED DURING THE YEAR

Effective 1st April 2018, the company has adopted Ind AS 115 "Revenue from Contracts with Customers". This has been replaced for an existing Ind AS 18 "Revenues" earlier adopted by the Company. The adoption of the same will not result into any material change in the principle of reorganization of revenue by the company except that under the earlier Ind AS the amount of commission paid is adjusted against the revenues whereas now the same has been considered as part of the cost and revenue is recognized with Gross Amount. This is done based on the main concept laid down by Ind AS 115 for reorganizing the revenue at consideration which the entity expect to receive in exchange of the promised goods and services.

Further during the year, the company has adopted all other Indian Accounting Standards (Ind AS) that are notified by the Ministry of Corporate Affairs and are relevant to its operations and effective for the financial year beginning on or after 1st April 2018.

s. STANDARDS ISSUED BUT NOT YET EFFECTIVE

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying amendments in the various Indian Accounting Standards which are effective for the financial periods beginning on or after 1st April 2019. The standards which might have impact on the financials of the Company are listed as under:

- Ind AS 103 - Business Combination
- Ind AS 107 – Financial Instruments: Disclosures
- Ind AS 109 - Financial Instruments
- Ind AS 113 - Fair Value Measurement
- Ind AS 1 - Presentation of Financial Statements
- Ind AS 7 - Statement of Cash Flows
- Ind AS 12 - Income Taxes
- Ind AS 16 - Property, Plant and Equipment
- Ind AS 23 - Borrowing Costs
- Ind AS 32 - Financial Instruments Presentation
- Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets
- Ind AS 40 - Investment Property

The Company is in the process of assessing the changes required/ possible impact of these Ind AS's on the financial statements in the period of initial application and accordingly will adopt these changes by suitably amending its accounting policies as well the presentations and disclosures in the financial Statements.



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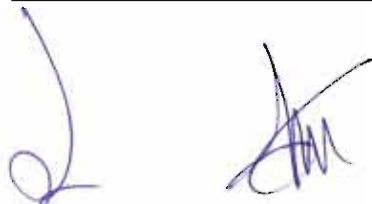
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NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

2 Property, Plant and Equipment

(Rs. in Lacs)

COMPUTERS	TOTAL
GROSS CARRYING VALUE	
As At 1st April, 2017	1.87
Additions / (Deductions) during the year	-
As At 31st March, 2018	1.87
Additions / (Deductions) during the year	-
As At 31st March, 2019	1.87
DEPRECIATION/AMORTISATION	
As At 1st April, 2017	0.62
Provided for the year	0.31
As At 31st March, 2018	0.93
Provided for the year	0.31
As At 31st March, 2019	1.24
NET CARRYING VALUE	
As At 31st March, 2018	0.94
As At 31st March, 2019	0.63



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NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs. in Lacs)

	As At 31st March 2019	As At 31st March 2018
3 Loans		
(Unsecured, considered good)		
Security Deposits with Electricity Department	5.00	5.00
Total	<u>5.00</u>	<u>5.00</u>
4 Other Non-Current Assets		
Balance with Income tax Authorities	15.70	-
(Tax Deducted at Source net of provision for Income Tax)		
Total	<u>15.70</u>	<u>-</u>
5 Trade Receivables		
(Current- Unsecured)		
Considered Good	6,896.57	7,525.41
Having significant increase in credit risk	-	-
Credit impaired	-	-
Total	<u>6,896.57</u>	<u>7,525.41</u>
6 Cash & Cash Equivalents		
a) Cash on hand	1.00	1.00
b) Balances with Banks		
- In Current Accounts	83.94	531.80
- In Fixed Deposit Account (For a period less than 12 months)	160.00	-
Total	<u>244.94</u>	<u>532.80</u>
7 Other Financial Assets		
a) Interest Receivable on Security deposit	0.29	0.29
b) Interest Receivable on Fixed deposit	0.11	-
Total	<u>0.40</u>	<u>0.29</u>
8 Other Current Assets		
Balance with GST Authorities	29.36	-
Advance Recoverable	0.01	-
Prepaid Expenses	0.08	-
Total	<u>29.45</u>	<u>-</u>



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(Rs. in Lacs)

	As At 31st March 2019	As At 31st March 2018
9 SHARE CAPITAL		
A Authorized Capital		
2,50,000 Equity Shares of Rs.10/- each	25.00	25.00
Total	25.00	25.00
B Issued, Subscribed & paid Up Capital		
60,000 Equity Shares of Rs.10/- each fully paid	6.00	6.00
Total	6.00	6.00

Details of shares held by its holding company or ultimate holding company including shares held by subsidiaries or associates of the holding company or ultimate holding company at the beginning and at the end of the period are as below:

Name of Shareholder	Description	As at March 31, 2019		As at March 31, 2018	
		Nos.	%	Nos.	%
Holding Company Uflex Limited*	Equity	40,800	68%	40,800	68%

Disclosures of Shareholders holding more than 5% of Equity Share Capital of the Company

Name of Shareholders	As At 31st March 2019		As At 31st March 2018	
	% of Shares	No. of Shares	% of Shares	No. of Shares
Uflex Limited*	68%	40,800	68%	40,800
Sristek Clinical Research Solutions Ltd#	-	-	19%	11,410
C-Tel Infosystems Pvt.Ltd.#	32%	19,200	13%	7,790
Total	100%	60,000	100%	60,000

* Out of 40800 Shares, 4 shares are held by nominees as the subscribers of Memorandum on behalf of Uflex Limited

Sristek Clinical Research Solutions Ltd has transferred its entire shareholding in the company to C-Tel Infosystems Pvt Ltd. and consequently company has become Associate of C-Tel Infosystems Pvt Ltd w.e.f. 29th Sep, 2018.

Rights, Preference and restrictions attached to Equity Shares:-

The Company has only one class of equity shares. Each shareholder is eligible for one vote per share held. Each share is entitled to dividend, if declared by the shareholders in their General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2019 and March 31, 2018 is set out below:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount (Rs. in Lacs)	No. of Shares	Amount (Rs. in Lacs)
Number of shares at the beginning of the year	60000	6.00	60,000	6.00
Number of shares at the end of the year	60000	6.00	60,000	6.00



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NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	(Rs. in Lacs)	
	As At 31st March 2019	As At 31st March 2018
10 Other Equity		
Retained Earnings		
Opening Balance	1,526.53	1,123.73
Amount transferred from Statement of Profit and Loss	430.95	402.80
Total	<u>1,957.48</u>	<u>1,526.53</u>
11 Deferred Tax Liabilities (Net)		
Excess of Book WDV of Fixed Assets over Tax WDV of Fixed Assets		
Opening Balance	0.34	0.30
Current year Charge / (Credit)	(0.19)	0.04
Total	<u>0.15</u>	<u>0.34</u>
12 Borrowings		
Unsecured		
From Related Party	1,251.00	1,125.00
Total	<u>1,251.00</u>	<u>1,125.00</u>
13 Trade payables		
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	1,921.25
Due to Related Party	3,922.94	3,284.37
Total	<u>3,922.94</u>	<u>5,205.62</u>
<p>Note:- The Company has not made any transaction during the current & previous year with the parties, covered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and no amount is outstanding at year end or previous year end.</p>		
14 Other Financial liabilities		
Interest accrued but not due on borrowings -From Related Party	0.68	0.27
Total	<u>0.68</u>	<u>0.27</u>
15 Other Current liabilities		
a) Statutory Dues	40.27	38.26
b) Others Payable	14.17	19.71
Total	<u>54.44</u>	<u>57.97</u>
16 Current Tax liabilities (Net)		
Current Income tax (Net)	-	142.71
Total	<u>-</u>	<u>142.71</u>



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NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	(Rs. in Lacs)	
	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
17 Revenue from Operations		
Revenue from Supply of Holograms with Track and Trace System	6,430.26	5,928.02
Total	<u>6,430.26</u>	<u>5,928.02</u>
18 Other Income		
Gain on Sale of Units of Mutual Funds	12.53	-
Interest :		
- From Banks	3.17	6.07
- From Others	28.15	39.57
Total	<u>43.85</u>	<u>45.64</u>
19 Cost of Materials & Services		
Cost of Holograms	4,056.38	3,704.82
Services availed for maintenance of track & trace system	1,815.08	1,640.11
Total	<u>5,871.46</u>	<u>5,344.93</u>
20 Finance Costs		
Interest		
- On Loans	46.41	0.31
- On Others	0.01	0.15
- On Shortfall in payment of Advance Tax	-	12.67
Discounting & Financial Charges	0.01	0.01
Total	<u>46.43</u>	<u>13.14</u>
21 Other Expenses		
Administrative, Selling & Other Expenses		
Rent	1.20	2.40
Printing & Stationery	0.02	-
Legal & Professional Charges	7.16	4.66
General Expenses	0.01	0.01
Service Tax Paid for earlier years	0.01	-
Total	<u>8.40</u>	<u>7.07</u>



		(Rs. in Lacs)	
		As At 31st March 2019	As At 31st March 2018
22	a) Contingent Liabilities not provided for :	Nil	Nil
	b) Capital Commitments	Nil	NIL
23	Auditors Remuneration, as included in "Legal & Professional Charges" under Note No. "21", is as under:-		
		<u>Current Year</u>	<u>Previous Year</u>
	a) Audit Fees	0.40	0.22
	b) Taxation Matters	0.20	0.05
	Total	<u>0.60</u>	<u>0.27</u>

24 Earning Per Share

The following Disclosure is made, as required by Indian Accounting Standard (Ind AS-33) on "Earning Per Share", issued by The Institute of Chartered Accountants of India:-

	<u>Current Year</u>	<u>Previous Year</u>
A Profit for the year	430.95	402.80
B (i) Weighted Average Number of Equity Shares for Basic Earning Per Share (viz. denominator)	60,000	60,000
(ii) Weighted Average Number of Equity Shares for Diluted Earning Per Share (viz. denominator)	60,000	60,000
C Nominal Value Per Share	Rs. 10/-	Rs. 10/-
D Earning Per Share		
a Basic [A / B(i)] (Rs.)	718.26	671.32
b Diluted [A/B(ii)] (Rs.)	718.26	671.32

25 Information u/s 186(4) of the Companies Act,2013 in respect of Loans given, Investment made or Guarantees given or Security provided:-

S.No.	Name of the Company	Amount (Rs. in Lacs)	Purpose of Loan
A	Loans Given		
	Uflex Limited - Holding Co	530.00	General Corporate Purposes
B	Investment Made	-	
C	Guarantees Given	-	
D	Securitles Provided	-	



26 Financial Risk Management

In the course of business, the company is exposed to number of financial risk; credit risk, liquidity risk, market risk (including the interest rate risk, foreign currency risk and equity price risk).

Financial risk management is the integral part of the way the company is managed. The Board of Directors reviews the financial control principles as well as principles of planning and organizes, manages and monitors all financial risks, including assets and liability matters.

a) Market Risk

The company is not exposed to the risk in movements from the interest rates, foreign currency exchange rates and equity price risk that affects its assets, liabilities and future transactions.

i) Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Company does not have any marked linked financial instruments both on the Assets or Liability side, hence no interest rate

ii) Foreign Currency Risk

Foreign Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company is not exposed to the foreign currency risk from transactions and translation.

iii) Equity Price Risk

Market risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The company is not exposed to the equity price risk on its investments.

b) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company may carry this risk on trade and other receivables, liquid assets & some of the other non-current financial assets.

The Company is a Special Purpose Vehicle which supplies materials with service to Government customers.

The Total receivables are from these customers. Since both of them are managed and controlled by State Government therefore company does not envisaged any risk to its financial position due to concentration of receivables.

The credit risk on cash & cash equivalent, investment in fixed deposit, liquid funds and other deposits are insignificant as counterparties are banks with high credit ratings assigned by the credit rating agencies of international repute.

c) Liquidity Risk

Liquidity risk arises when the company is facing difficulties in meeting out its obligations associated with financial liabilities that are to be settled by delivering cash or any other financial assets as and when they fall due.

The company is managing its liquidity risk by continuously monitoring projected and actual cash flows, and by matching maturity profiles of the financial assets with the due date of financial liabilities. Company also maintains sufficient liquid balances to meet out any contingencies of mismatch in realization of financial assets to discharge the liability arising from financial liability.

Contractual maturities of financial assets and financial liabilities are given as under:

	Amount (Rs. in lacs)		
	As at 31st March,2019	Due within 12 months from the Balance Sheet date	Due beyond 12 months from the Balance Sheet date
Financial Assets			
Loans (Security Deposit)	5.00	-	5.00
Trade receivables	6,896.57	6,896.57	-
Other Financial Assets	0.40	0.40	-
Financial Liabilities			
Borrowings	1,251.00	1,251.00	-
Trade Payables	3,922.94	3,922.94	-
Other Financial Liabilities	0.68	0.68	-



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NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

27 Financial Instruments

The carrying value of instruments by categories are as follows:

Particulars		(Rs. in Lacs)			
		Amortized Cost	Financial assets / liabilities at fair value through Profit or Loss	Financial assets / liabilities at fair value through OCI	Total Carrying Value
Assets					
Cash and cash equivalent	CY	244.94	-	-	244.94
	PY	532.80	-	-	532.80
Trade Receivables	CY	6,896.57	-	-	6,896.57
	PY	7,525.41	-	-	7,525.41
Loans (Security Deposit)	CY	5.00	-	-	5.00
	PY	5.00	-	-	5.00
Other Financial Assets	CY	0.40	-	-	0.40
	PY	0.29	-	-	0.29
Total	CY	7,146.91	-	-	7,146.91
	PY	8,063.50	-	-	8,063.50
Liabilities					
Borrowings	CY	1,251.00	-	-	1,251.00
	PY	1,125.00	-	-	1,125.00
Trade payables	CY	3,922.94	-	-	3,922.94
	PY	5,205.62	-	-	5,205.62
Other financial liabilities	CY	0.68	-	-	0.68
	PY	0.27	-	-	0.27
Total	CY	5,174.62	-	-	5,174.62
	PY	6,330.89	-	-	6,330.89

Fair Value hierarchy disclosures:

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

Level 2: Input other than quoted price included within Level 1 that are observable for the assets or liability; either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

Particulars	Total	Level 1	Level 2	Level 3
Investment in equity instruments				
	CY	-	-	-
	PY	-	-	-



28 Following disclosures are made, as per Indian Accounting Standard (Ind AS-24), regarding "Related Party Disclosures":-

- a List of Related Parties
- i) Holding Company: Uflex Ltd
- ii) Entity for which Reporting entity is an Associate: C-Tel Infosystems Pvt. Ltd. (w.e.f. 29th Sep 2018)
- iii) Individual (along with relatives) having significant Influence: Mr. Ashok Chaturvedi, Ashok Chaturvedi (HUF), Mrs. Rashmi Chaturvedi, Mr. Anant Shree Chaturvedi, Mr. Apoorva Shree Chaturvedi, Ms Anshika Chaturvedi.
- iv) Companies/Enterprises in which persons mentioned above along with their relatives exercise significant Influence: Flex Middle East FZE., UAE, Flex Americas S.A.De C.V., Mexico, Flex P. Films Egypt S.A.E., Egypt, Flex Films Europa Sp Z.O.O. Poland, Flex Films (USA) Inc., Uflex Europe Ltd., U.K., Uflex Packaging Inc. USA, Upet Holdings Ltd. Mauritius, Upet (Singapore) Pte. Ltd., Singapore, U-Tech Developers Ltd., SD Buildwell Pvt. Ltd., Flex Films Africa Pvt. Ltd. (Nigeria) (w.e.f. 11/05/2018), Flex Films Europa Kortatolt Felolusag Tarsasag (Hungary) (w.e.f. 02/08/2018), Flex Films RusLLC (Russia) (w.e.f. 23/11/2018), Flex Chemicals Pvt. Ltd., Russia (w.e.f. 11/12/2018), Flex Foods Ltd., Digicyl Pte. Ltd. (Singapore), A.R. Leasing Pvt.Ltd., Anshika Investment Pvt Ltd., Apoorva Extrusion Pvt. Ltd., Anant Overseas Pvt. Ltd., Cinflex Infotech Pvt. Ltd., AC Infrastructures Pvt. Ltd., Anshika Consultants Pvt. Ltd., Flex International Pvt.Ltd., Ultimate Infotech Pvt. Ltd., AKC Retailers Pvt. Ltd., A.R. Infrastructure & Projects Pvt. Ltd., Modern Info Technology Pvt. Ltd., Magic Consultants Pvt. Ltd., AR Airways Pvt. Ltd., Clubone Airways Pvt. Ltd., A-One Catering Services LLP, Kaya Kalpa Medical Services Pvt. Ltd., Saga Realtors Pvt. Ltd., Nksar Finvest Pvt. Ltd., Virgin Infrastructures Pvt. Ltd., Sungrace Products (India) Pvt. Ltd., Ganadhipati Infrastructure & Projects Pvt.Ltd., Nirman Overseas Pvt. Ltd., Ganadhipati Infraproject Pvt. Ltd., Flex Industries Pvt. Ltd., Gangotri Management Pvt. Ltd., Manpasand Marketing Pvt. Ltd., A L Consultants Pvt. Ltd., First Flexipack Corp., Ultra America Inc., Refex Energy (Rajasthan) Pvt. Ltd., Bundelkhand Projects Pvt. Ltd., Afflatus Gravures Pvt.Ltd., Afflatus Graphics Pvt.Ltd., RCMT Clothings Pvt.Ltd., Manushree Creations Pvt.Ltd. (upto 18/05/2018), Mansarovar Hotels Pvt. Ltd. (w.e.f. 03.10.2018), Sigma Resorts & Hospitality Pvt. Ltd. (w.e.f. 24/01/2019), Digicyl Ltd (Israel) (w.e.f. 18/07/2018), Gadaadharah Sales Pvt. Ltd., Primesoft Vincom Pvt. Ltd., Angan Commerce Pvt. Ltd., Saamag MDDA Reality Pvt. Ltd.

b The Company has entered into transactions with certain parties listed above during the year under considerations. Details of these transactions are as follows:

Transactions	Holding Co. (referred in 'a' (i) above)	Entity for which Reporting entity is an associate (referred in 'a' (ii) above)	(Rs. in Lacs)
			Total
Trade Transactions			
Cost of Materials	4,056.38		4,056.38
	3,704.82		3,704.82
Services Availed for Track & Trace System		1,059.80	1,059.80
			-
Interest Paid on Loans	46.44	-	46.44
	0.31	-	0.31
Interest Received on Loans	27.84	-	27.84
	39.25	-	39.25
Non Trade Transactions			
Loan Taken	1,251.00	-	1,251.00
	1,125.00	-	1,125.00
Repayment of Loan Taken	1,125.00	-	1,125.00
	-	-	-
Loan Given	530.00	-	530.00
	400.00	-	400.00
Recovery of Loan Given	530.00	-	530.00
	400.00	-	400.00
Balance as on 31.03.2019			
Debit	-	-	-
	-	-	-
Credit	3,462.37	1,712.25	5,174.62
	4,409.37	-	4,409.37

Previous Year figures have been given in Italic.

29 Balances of some of the parties are subject to reconciliation & confirmations.

30 The Previous year's figures have been recasted/regrouped/reclassified, wherever considered necessary.

Signatories to Notes 1 to 30

For & On Behalf of the Board of Directors

[Rakesh Malhotra,
 Director
 DIN : 01135513

[O.K.Bhat]
 Director
 DIN 06463529

For KAAP & Associates
 Chartered Accountants
 Firm's Registration No. 019416N

CA. Kulnushan Vohra
 Partner
 M No 519527



Place: Noida
 Date : May 18, 2019