

**CE Info Systems Private Limited**  
**Statutory audit of standalone financials**  
**for the year ended 31 March 2019**

# B S R & Co. LLP

Chartered Accountants

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## INDEPENDENT AUDITORS' REPORT

To the Members of CE Info Systems Private Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of CE Info Systems Private Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, the standalone statement of profit and loss, and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit 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 SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

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

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

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

### **Management's Responsibility for the Standalone Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss 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. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 standalone 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 auditors' 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 standalone financial statements, including the disclosures, and whether the standalone 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.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The standalone balance sheet, the standalone statement of profit and loss, and standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".



(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company 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.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The disclosures regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2019. (Refer note 20 of financial statements).


(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

The Company is a private limited company and accordingly the requirements as stipulated by the provisions of section 197(16) of the Act are not applicable to the Company.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm registration number: 101248W/W-100022



Rajiv Goyal  
Partner

Membership number: 094549


Place: Gurugram  
Date: 10-July-2019

UDIN: 19094549 AAAA CG7217

**Annexure A referred to in our Independent Auditor's Report to the members of CE Info Systems Private Limited on the financial statements for the year ended 31 March 2019, we report that:**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified every year. In our opinion, this periodicity of physical verification by management is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification during the current year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of the immovable property is held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. As informed to us, the discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3 (iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not given any loan, or provided any guarantee or security as specified under section 185 and 186 of the Companies Act, 2013. Moreover, in respect of the investments made by the Company, requirements of section 186 of the Companies Act, 2013 have been complied with.
- (v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and services tax (GST), cess, equalization levy and other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there have been slight delays in few cases pertaining to GST, provident fund, employees' state insurance and equalization levy.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, duty of customs, GST, cess, equalization levy and other statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.





**B S R & Co. LLP**

- (b) According to the information and explanations given to us, there are no dues of provident fund, employees' state insurance, income tax, duty of customs, cess, equalization levy and other statutory dues which have not been deposited by the Company with the appropriate authorities on account of any dispute as at 31 March 2019.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institutions, banks or government. Further, the Company did not have any outstanding debentures during the year.
- (ix) According to the information and explanations given to us, the Company did not raise money by way of initial offer or further public offer (including debt instruments) and the term loans taken by the Company have been applied for the purpose for which they were raised.
- (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 limited company and accordingly the requirements as stipulated by the provisions of section 197 read with Schedule V to the Act are not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) 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) The Company is a private limited company and accordingly, the requirements as stipulated by the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company. According to the information and explanations given to us, transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

*For B S R & Co. LLP*

*Chartered Accountants*

ICAI Firm Registration Number: 101248W/W-100022



**Rajiv Goyal**

*Partner*

Membership No.: 094549

Place: Gurugram

Date: 10-July-2019

UDIN: 19694549 AAAA CG7217



**Annexure B to the Independent Auditors' report on the standalone financial statements of CE Info Systems Private Limited for the year ended 31 March 2019.**

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

**Opinion**

We have audited the internal financial controls with reference to financial statements of CE Info Systems Private Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 with Reference to Financial Statements

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

For B S R & Co. LLP

Chartered Accountants

ICAI Firm registration number: 101248W/W-100022



**Rajiv Goyal**

Partner

Membership No. 094549

Place: Gurugram

Date: 10-July-2019

UDN: 19094549AAAACG7217

CE Info Systems Private Limited  
Standalone Balance Sheet as at 31 March 2019

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

	Note	As at 31 March 2019	As at 31 March 2018
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3.1	1,327,964,712	1,327,964,712
Reserves and surplus	3.2	1,496,819,458	1,077,608,177
		<u>2,824,784,170</u>	<u>2,405,572,889</u>
<b>Non-current liabilities</b>			
Long-term borrowings	3.3	-	43,052
Long-term provisions	3.5	15,576,642	3,685,784
		<u>15,576,642</u>	<u>3,728,836</u>
<b>Current liabilities</b>			
Trade payables	3.6	49,637,594	46,555,133
Other current liabilities	3.7	224,687,167	298,212,162
Short-term provisions	3.5	1,093,058	10,299,888
		<u>275,417,819</u>	<u>355,067,183</u>
<b>TOTAL</b>		<u><u>3,115,778,631</u></u>	<u><u>2,764,368,908</u></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Property, plant and equipment	3.8	137,717,648	126,672,385
Intangible assets	3.8	62,704,580	92,939,345
Non-current investments	3.9	853,115,160	235,180,553
Deferred tax asset (net)	3.4	30,524,619	15,693,806
Long-term loans and advances	3.10	72,362,972	40,747,032
Other non-current assets	3.11	246,150,629	264,667,498
		<u>1,402,575,608</u>	<u>775,900,619</u>
<b>Current assets</b>			
Current investments	3.12	1,114,118,772	1,448,950,386
Inventories	3.13	34,872,789	68,329,024
Trade receivables	3.14	253,760,739	294,009,983
Cash and bank balances	3.15	208,624,252	92,713,908
Short-term loans and advances	3.10	22,322,796	43,572,609
Other current assets	3.16	79,503,675	40,892,379
		<u>1,713,203,023</u>	<u>1,988,468,289</u>
<b>TOTAL</b>		<u><u>3,115,778,631</u></u>	<u><u>2,764,368,908</u></u>

Significant accounting policies

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

As per our report of even date attached

For B S R & Co. LLP  
Chartered Accountants  
Firm Registration No.: 101248W/W-100022

*Rajiv Goyal*  
Rajiv Goyal  
Partner  
Membership No.: 094549



Place: Gurgaon  
Date: 10-July-2019

UDIN: 19094549 AAAA CG 7217

For and on behalf of the Board of Directors of  
CE Info Systems Private Limited

*Rakesh Verma*  
Rakesh Verma  
Managing Director  
DIN: 01542842

*Rohan Verma*  
Rohan Verma  
CEO and Whole Time Director  
DIN: 01797489

Place: New Delhi  
Date: 10-July-2019

*Anuj Kumar Jain*  
Anuj Kumar Jain  
Chief Financial Officer and Company Secretary

Place: New Delhi  
Date: 10-July-2019



**CE Info Systems Private Limited**

**Statement of standalone profit and loss for the year ended 31 March 2019**

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Revenue</b>			
Revenue from operations			
Sale of products (gross)		353,242,988	303,107,742
Less: Excise duty		-	8,668,799
Sale of products (net)		353,242,988	294,438,943
Sale of services (net)		995,538,184	1,198,873,486
Revenue from operations	3.17	1,348,781,172	1,493,312,429
Other income	3.18	277,298,233	118,747,583
<b>Total revenue</b>		<b>1,626,079,405</b>	<b>1,612,060,012</b>
<b>Expenses</b>			
Cost of material consumed	3.19	172,020,575	167,745,729
Purchase of stock in trade	3.20	10,709,168	48,072,481
Changes in inventory	3.21	15,677,739	(13,203,025)
Employee benefits	3.22	506,478,690	451,982,076
Finance costs	3.23	1,854,471	1,678,144
Depreciation and amortisation	3.24	51,751,085	57,343,102
Other expenses	3.25	368,761,257	368,160,170
<b>Total expenses</b>		<b>1,127,252,985</b>	<b>1,081,778,677</b>
<b>Profit before tax</b>		<b>498,826,420</b>	<b>530,281,335</b>
Tax expense:			
- Current tax		126,767,449	175,384,633
- Deferred tax (credit) / charge		(14,830,813)	813,508
<b>Profit for the year</b>		<b>386,889,784</b>	<b>354,083,194</b>
<b>Earnings per equity share</b>			
[Nominal value per share: Rs. 10 (previous year Rs. 10)]			
- Basic	5	100.94	92.38
- Diluted	5	47.53	43.53

**Significant accounting policies**

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

For B S R & Co. LLP

Chartered Accountants

Firm Registration No.: 101248W/W-100022

Rajiv Goyal

Partner

Membership No.: 094549

UDIN: 19094549AAAAAG7217



For and on behalf of the Board of Directors of  
CE Info Systems Private Limited

Rakesh Verma  
Managing Director  
DIN: 01542842

Place: New Delhi  
Date: 10-July-2019

Rohan Verma  
CEO and Whole Time Director  
DIN: 01797489

Place: New Delhi  
Date: 10-July-2019

Anuj Kumar Jain  
Chief Financial Officer and Company Secretary

Place: New Delhi  
Date: 10-July-2019

Place: Gurgaon  
Date: 10-July-2019

CE Info Systems Private Limited  
Standalone Cash Flow Statement for the year ended 31 March 2019  
(All amounts are in Indian Rupees, except for share data and if otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
<b>A. Cash flows from operating activities</b>		
Net profit before tax	498,826,420	530,281,335
<b>Adjustments for:</b>		
Depreciation and amortisation	51,751,085	57,343,102
Employee stock option expense	32,321,496	19,953,431
Provision for doubtful receivables and advances	28,547,838	14,973,181
Provision for pending C form	-	2,652,946
Provision against Raw material and Finished goods	6,167,879	6,063,738
Provision for security deposits	4,761,393	-
Gain on sale of current investments	(194,731,150)	(17,285,073)
Gain on sale of non-current investments	(435,194)	(44,925,560)
Dividend income from investments	(26,241,056)	(21,684,447)
Interest income on fixed deposits	(24,315,462)	(18,187,957)
Interest income on bonds	(7,330,653)	-
Interest income on non-current investment	-	(276,805)
Interest expense	937,302	368,358
Provision against Raw material and Finished goods written back	-	(6,978,971)
Recovery of doubtful trade receivables written off in earlier years	(1,379,478)	(24,619)
Liabilities written back	(8,476,313)	(633,647)
Unrealized foreign exchange fluctuation (gain)/ loss (net)	585,614	75,072
Provision for diminution in value of investments	23,685,561	17,500,102
Loss on sale of fixed assets	-	5,157,733
	<u>384,675,282</u>	<u>544,371,921</u>
<b>Adjustments for working capital changes</b>		
(Increase) / decrease in inventories	27,288,356	(3,017,964)
(Increase) / decrease in trade receivables	13,072,252	(53,497,204)
(Increase) / decrease in loans and advances and other assets	21,693,294	(266,564,401)
Increase in trade payables	2,488,889	21,114,324
(Decrease) / increase in other liabilities and provisions	(55,480,442)	197,939,294
Cash flows generated from operations	<u>393,737,633</u>	<u>440,345,966</u>
Less: Income tax paid	<u>(162,466,504)</u>	<u>(181,066,499)</u>
<b>Net cash flows generated from operating activities</b>	<u><u>231,271,128</u></u>	<u><u>259,279,467</u></u>
<b>B. Cash flows from investing activities</b>		
Sale of investments	2,870,568,869	996,851,419
Purchase of investments	(2,982,191,081)	(1,451,244,448)
Interest received on bank deposits	3,551,142	17,807,378
Dividend received	26,241,056	21,684,447
Purchase of property, plant and equipment (including capital advances)	(32,561,584)	(90,082,435)
Sale of Property, plant and equipment	-	142,315
Deposit due to mature within 12 months of the reporting date included under 'Other bank balances'	(83,630,428)	243,145,658
<b>Net cash flows used in investing activities</b>	<u><u>(198,022,026)</u></u>	<u><u>(261,695,666)</u></u>
<b>C. Cash flows from financing activities</b>		
Repayment of borrowings	(43,052)	(2,209,468)
Interest paid	(937,302)	(368,359)
<b>Net cash flows used in financing activities</b>	<u><u>(980,354)</u></u>	<u><u>(2,577,827)</u></u>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<u><u>32,268,748</u></u>	<u><u>(4,994,026)</u></u>
<b>Effect of exchange rate changes on cash &amp; cash equivalent</b>	<u><u>11,171</u></u>	<u><u>(16,953)</u></u>
	<u><u>32,279,919</u></u>	<u><u>(5,010,979)</u></u>
Cash and cash equivalents opening balance (refer note 3.15)	45,025,682	50,036,661
Less: Cash and cash equivalents closing balance (refer note 3.15)	77,305,598	45,025,682
	<u><u>32,279,916</u></u>	<u><u>(5,010,979)</u></u>



**Notes:**

- 1 The standalone cash flow statement has been prepared in accordance with 'Indirect method' as set out in the Accounting Standard 3 on 'Cash Flow Statement', specified under section 133 of the Companies Act, 2013, as applicable.

2 Cash and cash equivalents	31 March 2019	31 March 2018
- Cash on hand	613,218	464,238
- Balances with banks		
On current accounts	76,692,380	44,561,444
On deposit accounts (with original maturity of 3 months or less)		-
	<u>77,305,598</u>	<u>45,025,682</u>

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

As per our report of even date attached

For **BSR & Co. LLP**  
Chartered Accountants

ICAI Firm Registration Number : 101248W/W-100022

**Rajiv Goyal**  
Partner  
Membership No.: 094549

UDIN: 19094549AAAA CG7217

For and on behalf of the Board of Directors of  
**CE Info Systems Private Limited**

**Rakesh Verma**  
Managing Director  
DIN: 01542842

Place: New Delhi  
Date: 10-July-2019

**Rohan Verma**  
CEO and Whole Time Director  
DIN: 01797489

Place: New Delhi  
Date: 10-July-2019

**Anuj Kumar Jain**  
Chief Financial Officer and Company Secretary  
PAN: AGRPJ2753L

Place: New Delhi  
Date: 10-July-2019

Place: Gurugram  
Date: 10-July-2019





## **CE Info Systems Private Limited**

### **Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

#### **1. Company overview**

CE Info Systems Private Limited ("the Company") is a private limited company, popularly known as *MapmyIndia*, incorporated under the Companies Act, 1956 on 17 February 1995, domiciled and headquartered in New Delhi, India. It provides digital map data, GPS navigation and location-based services, and is in the business of licensing, selling and customizing its products to dealers and enterprises.

#### **2. Significant accounting policies**

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

##### **(i) Basis of preparation of financial statements**

These financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of Companies (Accounts) Rules, 2014, the relevant provisions of the Act and other accounting pronouncements of the Institute of Chartered Accountants of India. The accounting policies have been consistently applied by the Company. The financial statements are presented in Indian rupees and rounded off to the nearest rupee.

##### **(ii) Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

##### **(iii) Current-non-current classification**

All assets and liabilities are classified into current and non-current.

###### **Assets**

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.



**E Info Systems Private Limited**  
**Notes to standalone financial statements for the year ended 31 March 2019**  
(All amounts in Indian Rupees)

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

**Operating cycle**

Operating cycle is the time between the acquisition of assets for processing/servicing and their realisation in cash or cash equivalents.

**(iv) Property, plant and equipment and depreciation/ amortisation**

**Property plant and equipment**

Property, plant & equipment is carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant & equipment comprises its purchase price, including import duties and other non-refundable taxes or levies, if any, and any directly attributable cost of bringing the asset to its working condition for its intended use; trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Property, plant & equipment under construction are disclosed as capital work-in-progress.

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets taken on finance lease are initially capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.





**E Info Systems Private Limited****Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

Depreciation on fixed assets has been provided pro-rata to the period of use, on the straight line method, using rates determined based on management's assessment of useful economic lives of the asset. Depreciation is provided at the rates equal to or higher than those prescribed in Part C of Schedule II to the Companies Act, 2013.

Following are the estimated useful life of various category of assets used:

Asset Class	Life of the asset (in years)
Computers (End user devices)	3
Computers (Servers and networks)	6
Research and development equipment	15
Furniture and fixtures	10
Electrical installation/ equipments	10
Vehicles	8
Buildings	60
Map survey vehicles #	3

# Based on internal technical assessment, the estimated useful life of these property, plant and equipment is lower as compared to the useful life as prescribed under Part C of Schedule II of the Companies Act, 2013, which management believes is the representative of useful lives of these fixed assets.

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

A property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

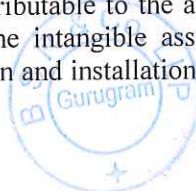
Losses arising from retirement or gains or losses arising from disposal of property, plant & equipment which are carried at cost are recognised in the Statement of Profit and Loss.

**Intangible assets**

The Company has a policy of capitalising direct and indirect costs of intangible assets comprising self-generated map database based on management estimate of the costs attributable to the creation of the asset. The indirect costs include general and administrative expenses which can be directly attributable to making of the asset for its intended use.

The capitalized "self generated map database" is stated at cost less accumulated amortisation and impairment losses, if any. The capitalized "self generated map database" is amortized over a period of five years based on management's estimate of its useful life from the date they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis. The company evaluates the valuation of intangible fixed assets on a periodic basis. Such intangible assets and intangible assets that are not yet available for use are tested annually for impairment.

Other intangible assets comprising computer software are recognised only if acquired and it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated





## **E Info Systems Private Limited**

### **Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

amortisation and impairment losses, if any. These intangible assets are amortised on a straight-line basis over a period of six years based on the estimated useful life as determined by the management. If the management's estimate of the useful life of an asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, amortisation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life.

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

An intangible asset is derecognized on disposal or when no future economic benefit is expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognized in the Statement of Profit and Loss.

#### **(v) Impairment**

The carrying values of assets are reviewed at each reporting date to determine if there is indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

#### **(vi) Operating leases**

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit. Initial direct costs incurred specifically for an operating lease are deferred and charged to the Statement of Profit and Loss over the lease term.

#### **(vii) Investments**

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under current assets as "current portion of long term investments" in consonance with the current/non-current classification scheme of Schedule III to the Act.



**E Info Systems Private Limited**

**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

Long-term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments i.e., equity shares, preference shares, convertible debentures etc.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

Profit or loss on sale of investments is determined on the basis of weighted average carrying amount of investments disposed of.

**(viii) Inventories**

Inventories which comprise raw material, finished goods, stock-in-trade, stores and spares and project work-in-progress are carried at the lower of cost and net realisable value (NRV).

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, FIFO (First in First Out) method is used.

Project work-in-progress represents cost incurred on projects/portion of projects when revenue is yet to be recognized. Such costs include field survey expenses and salary costs for technical team working on these projects.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

**(ix) Employee benefits**

*Short-term employee benefits*

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus, etc. are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

*Post employment benefits*

*(a) Defined contribution plan*

The employee's provident fund scheme is a defined contribution plan. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.





**E Info Systems Private Limited**

**otes to standalone financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

*(b) Defined benefit plan*

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plan is determined annually based on an actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of current and past service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plan is based on the market yields on Government securities as at the valuation date having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

The Company has taken a policy from an Insurance Company to cover its liabilities towards employees' gratuity. Liability with respect to the Gratuity plan determined as above and any differential between the fund amount as per the Insurance Company and the liability as per the actuarial valuation is recognized as an asset or liability.

*Other long term benefits*

Benefits under compensated absences constitute other long-term employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation done by an independent actuary at the year-end using the Projected Unit Credit Method. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

**(x) Revenue recognition**

*Sale of products*

Revenue from sale of products in the course of ordinary activities is recognised when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the products and regarding its collection. The amount recognised as revenue is net of goods and service tax and is net of returns and trade discounts.

*Sale of services*

Revenue from map related services is recognised under the proportionate completion method provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection of the consideration. Revenue from annual maintenance service contracts is recognised on straight line basis over the period of contracts. Revenue from other services is recognised in accordance with the terms of the contract. The amount recognised as revenue is net of service tax and credit notes, if any.





**E Info Systems Private Limited**

**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

***Interest***

Interest is recognised using the time-proportion method, based on interest rates implicit in the transaction.

***Dividend***

Dividend is recognised when the right to receive is established.

**(xi) Foreign exchange transactions**

Foreign exchange transactions are recorded using the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the exchange rates on that date; the resultant exchange differences are recognised in the Statement of Profit and Loss.

**(xii) Provisions, contingent liabilities and contingent assets**

A provision is created 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. When 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. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

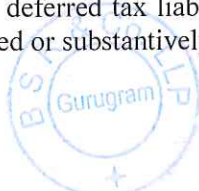
**(xiii) Warranties**

Warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods.

**(xiv) Income taxes**

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in Statement of profit and loss.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.



**E Info Systems Private Limited**

**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

**(xv) Cash and cash equivalents**

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with original maturity of three months or less and that are readily convertible to known amount of cash to be cash equivalents.

**(xvi) Employee stock option scheme**

As prescribed by the Guidance Note on Accounting for Employee Share-based Payments issued by Institute of Chartered Accountants of India (ICAI) and related interpretations, the Company applies the fair value based method of accounting to account for stock options granted by the Company to its employees. The fair market values of such instruments are recognized as an expense over the period over which the related services are received and non-market vesting condition are met, with a corresponding credit to the employee stock option reserve.

**(xvii) Earnings per share**

The Company reports basic and diluted earnings per equity share in accordance with AS-20, 'Earnings per share'. Basic earnings per equity share is computed by dividing net profit / loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding at the year end, except where the results are anti-dilutive.

**(xviii)** Share issue expenses are charged to statement of profit and loss account on accrual basis.





**CE Info Systems Private Limited**

**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

**3.1 Share capital**

	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised</b>				
Equity Shares of Rs. 10 each	4,500,000	45,000,000	4,500,000	45,000,000
Non-cumulative participating convertible Preference shares:				
- Series A preference shares of Rs. 81 each	1,229,630	99,600,000	1,229,629.63	99,600,000
- Series B preference shares of Rs. 114 each	1,000,000	114,000,000	1,000,000	114,000,000
- Series C preference shares of Rs. 290 each	1,218,007	353,222,030	1,218,007	353,222,030
- Series D preference shares of Rs. 630 each	1,149,206	723,999,780	1,149,206	723,999,780
- Series E preference shares of Rs. 1000 each	180,000	180,000,000	180,000	180,000,000
	<b>9,276,843</b>	<b>1,515,821,810</b>	<b>9,276,843</b>	<b>1,515,821,810</b>
<b>Issued, subscribed and paid up:</b>				
<b>Equity shares:</b>				
Equity shares of Rs. 10 each (fully paid up)	3,832,831	38,328,310	3,832,831	38,328,310
<b>Non-cumulative participating convertible Preference shares:</b>				
- Series A preference shares of Rs. 81 each (fully paid up)	700,748	56,760,588	700,748	56,760,588
- Series B preference shares of Rs. 114 each (fully paid up)	938,326	106,969,164	938,326	106,969,164
- Series C preference shares of Rs. 290 each (fully paid up)	1,218,003	353,220,870	1,218,003	353,220,870
- Series D preference shares of Rs. 630 each (fully paid up)	1,149,206	723,999,780	1,149,206	723,999,780
- Series E preference shares of Rs. 1000 each (fully paid up)	48,686	48,686,000	48,686	48,686,000
	<b>7,887,800</b>	<b>1,327,964,712</b>	<b>7,887,800</b>	<b>1,327,964,712</b>

**Reconciliation of shares outstanding at the beginning and at the end of the year**

	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount
<b>Equity Shares</b>				
At the beginning and at the end of the year	3,832,831	38,328,310	3,832,831	38,328,310
<b>Non-cumulative participating convertible Preference shares:</b>				
<b>Series A preference shares</b>				
At the beginning and at the end of the year	700,748	56,760,588	700,748	56,760,588
<b>Series B preference shares</b>				
At the beginning and at the end of the year	938,326	106,969,164	938,326	106,969,164
<b>Series C preference shares</b>				
At the beginning and at the end of the year	1,218,003	353,220,870	1,218,003	353,220,870
<b>Series D preference shares</b>				
At the beginning and at the end of the year	1,149,206	723,999,780	1,149,206	723,999,780
<b>Series E preference shares</b>				
Balance as at the beginning of the year	48,686	48,686,000	-	-
Issued during the year	-	-	48,686	48,686,000
Balance as at the end of the year	<b>48,686</b>	<b>48,686,000</b>	<b>48,686</b>	<b>48,686,000</b>





**CE Info Systems Private Limited**

**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

**Rights, preferences and restrictions attached to equity shares**

The company has a single class of equity shares. Accordingly all equity shares rank equally with regard to dividends and shares in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

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

**Rights, preferences and restrictions attached to Series A preference shares**

700,748 non-cumulative participating convertible Series A Preference Shares of Rs. 81 each fully paid up were privately placed with Sherpalo Mauritius LLC and Murugan Capital on 1 August 2006. During the year 2014-15, these shares transferred to Lightbox Ventures I and during the current year these shares have been transferred to Flipkart Ltd. These shares shall be convertible into equity shares in the ratio of 1:1 at the option of the holder by the end of twenty years from their date of allotment.

**Rights, preferences and restrictions attached to Series B preference shares**

938,326 non-cumulative participating convertible Series B Preference Shares of Rs. 114 each fully paid up were privately placed with Nexus India Ventures I Investments on 15 June 2007. During the current year these shares have been transferred to Flipkart Ltd. These shares shall be compulsorily convertible into equity shares in the ratio of 1:1 on the fifteenth anniversary of their issuance.

**Rights, preferences and restrictions attached to Series C preference shares**

1,218,003 non-cumulative participating convertible Series C Preference Shares of Rs.290 each fully paid up were privately placed with Sherpalo Mauritius LLC, Murugan Capital, Nexus India Ventures I Investments and Qualcomm Asia Pacific Private Limited on 5 December 2008. During the year 2014-15, Sherpalo Mauritius LLC and Murugan Capital transferred their holding to Lightbox Ventures I and during the current year these shares have been transferred to Flipkart Ltd. These shares shall be compulsorily convertible into equity shares in the ratio of 1:1 with liquidation preference, upon the earlier of the following events:

- I. the end of nineteen years and eleven months from the date of their issuance; and
- II. offer for sale by way of an IPO.

At any time prior to the Series C compulsory conversion date, each holder of Series C Preference Shares shall be entitled to convert any of its Series C Preference Shares into Series C Conversion Shares.

**Rights, preferences and restrictions attached to Series D preference shares**

1,149,206 non-cumulative participating convertible Series D Preference Shares of Rs. 630 each fully paid up were privately placed with Zenrin Co. Ltd. on 1 August 2011. These shares shall be compulsorily convertible into equity shares in the ratio of 1:1 with liquidation preference, upon the earlier of the following events:

- I. the end of nineteen years and eleven months from the date of their issuance; and
- II. offer for sale by way of an IPO.

The Preference Shares carry a right of liquidation preference till such time as the Company makes an Initial Public Offer (IPO). The terms, preference, rights and privileges of the holders of Series D Preference Shares are superior to all other shares in the Company, except Series D Preference Shares. The terms, preference, rights and privileges of the holders of the Series B Preference Shares are superior to all other shares in the Company, except Series D Preference Shares and Series C Preference Shares. The terms, preference, rights and privileges of the holders of the Series A Preference Share are superior to all shares in the Company, except the Series D Preference Shares, Series C Preference Shares and Series B Preference Shares.

**Rights, preferences and restrictions attached to Series E preference shares**

48,686 non-cumulative participating convertible Series E Preference Shares of Rs. 1000 each fully paid up were privately placed with Flipkart Limited on 2 November 2015. These shares shall be compulsorily convertible into equity shares in the ratio of 1:1 with liquidation preference, upon the earlier of the following events:

- I. the end of nineteen years and eleven months from the date of their issuance; and
- II. offer for sale by way of an IPO.

The Preference shares may at any time before the conversion date, at the sole discretion of Flipkart Limited, be converted into equity shares. The Series E Preference Shares shall rank pari passu to Series A Preference Shares, Series B Preference Shares, Series C Preference Shares and Series D Preference Shares but shall be superior to all other series of shares in the Company.

**Employee stock options**

Terms attached to stock options granted to employees are described in note 6 regarding employee share based payments.



**CE Info Systems Private Limited**

**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

**Particulars of shareholders holding more than 5% shares of a class of shares**

	As at 31 March 2019		As at 31 March 2018	
	Number of shares	% holding in the shares	Number of shares	% holding in the shares
<b>Equity shares</b>				
Mrs. Rashmi Verma	1,410,695	36.81	1,410,695	36.81
Mr. Rakesh Kumar Verma	1,126,491	29.39	1,126,491	29.39
Zenrin Co. Ltd.	273,722	7.14	273,722	7.14
Flipkart Limited	655,244	17.10	655,244	17.10
Mr. Nayan Arun Jagjivan	297,545	7.76	297,545	7.76
	<b>3,763,697</b>	<b>98.20</b>	<b>3,763,697</b>	<b>98.20</b>
<b>Series A Preference shares</b>				
Flipkart Limited	700,748	100.00	700,748	100.00
<b>Series B Preference Shares</b>				
Flipkart Limited	938,326	100.00	938,326	100.00
<b>Series C Preference Shares</b>				
Flipkart Limited	540,972	44.41	540,972	44.41
Qualcomm Asia Pacific Private Limited	677,031	55.59	677,031	55.59
	<b>1,218,003</b>	<b>100.00</b>	<b>1,218,003</b>	<b>100.00</b>
<b>Series D Preference Shares</b>				
Zenrin Co. Ltd.	1,149,206	100.00	1,149,206	100.00
<b>Series E Preference Shares</b>				
Flipkart Limited	48,686	100.00	48,686	100.00

**3.2 Reserves and surplus**

	As at 31 March 2019	As at 31 March 2018
<b>Capital redemption reserve</b>		
At the beginning and at the end of the year	1,343,050	1,343,050
<b>Securities premium account</b>		
At the beginning and at the end of the year	78,413,311	78,413,311
<b>Employee stock option reserve</b>		
At the beginning of the year	112,527,275	96,678,152
Employee compensation expense for the year	32,321,496	19,953,431
Transfer to general reserve on forfeiture of stock options	10,774,940	4,104,308
At the end of the year	<b>134,073,831</b>	<b>112,527,275</b>
<b>General reserve</b>		
At the beginning of the year	8,455,086	4,350,778
Transfer from employee stock option reserve on forfeiture of stock options	10,774,940	4,104,308
At the end of the year	<b>19,230,026</b>	<b>8,455,086</b>
<b>Surplus (Profit and loss balance)</b>		
At the beginning of the year	876,869,455	522,786,261
Profit for the year	386,889,784	354,083,194
At the end of the year	<b>1,263,759,239</b>	<b>876,869,455</b>
<b>Total</b>	<b>1,496,819,458</b>	<b>1,077,608,177</b>



**CE Info Systems Private Limited**

**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

**3.3 Long-term borrowings**

	Non-current portion		Current portion*	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Vehicle loans from banks (secured)#	-	43,052	-	1,819,817
<b>Total</b>	<b>-</b>	<b>43,052</b>	<b>-</b>	<b>1,819,817</b>

\*Amount disclosed under "other current liabilities", refer to note 3.7

#Vehicle loans are secured by way of hypothecation of respective vehicles. The loans carry interest rates in the range of 9% to 11% per annum repayable in 60 equal monthly instalments beginning from the month subsequent to the commencement of loans.

**3.4 Deferred tax (assets) (net)**

	As at 31 March 2019	As at 31 March 2018
<b>Deferred tax liabilities</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	1,840,501	2,277,914
<b>Deferred tax assets</b>		
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	4,637,425	1,236,300
Provision for doubtful trade receivables and advances	13,607,781	5,317,802
Diminution in value of investments	6,897,235	5,096,030
Provision against Raw material and Finished goods	3,541,676	1,765,760
	<b>30,524,619</b>	<b>15,693,806</b>
<b>Deferred tax (asset) (net)</b>	<b>(30,524,619)</b>	<b>(15,693,806)</b>
Net deferred tax (assets) recognised in the books of account	(30,524,619)	(15,693,806)

**3.5 Provisions**

	Long-term		Short-term	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
<b>Provision for employee benefits</b>				
Gratuity (refer note 6)	10,560,519	1,296,073	-	-
Compensated absences	5,016,123	2,389,711	348,582	559,752
	<b>15,576,642</b>	<b>3,685,784</b>	<b>348,582</b>	<b>559,752</b>
<b>Other provisions</b>				
Provision for current tax	-	-	-	6,887,190
Provision for warranties	-	-	200,000	200,000
Provision for pending C Form	-	-	544,476	2,652,946
	<b>-</b>	<b>-</b>	<b>744,476</b>	<b>9,740,136</b>
<b>Total</b>	<b>15,576,642</b>	<b>3,685,784</b>	<b>1,093,058</b>	<b>10,299,888</b>

*Provision for warranties:* A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of technical evaluation and past experience regarding failure trends of products and costs of rectifications or replacement. It is expected that most of this cost will be incurred over the next 6 months as per terms.

*Additional disclosure relating to warranty provision (as per AS 29)*

	As at 31 March 2019	As at 31 March 2018
At the commencement of the year	200,000	200,000
Provision made during the year	200,000	-
Provision utilised during the year	200,000	-
At the end of the year	<b>200,000</b>	<b>200,000</b>





# CE Info Systems Private Limited

## Notes to standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

### 3.6 Trade payables

	As at 31 March 2019	As at 31 March 2018
Trade payables (other than related parties)		
- Dues to micro and small enterprises*	-	-
- Others	49,637,594	46,555,133
<b>Total</b>	<b>49,637,594</b>	<b>46,555,133</b>

\* The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, there are no overdues outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act.

### 3.7 Other current liabilities

	As at 31 March 2019	As at 31 March 2018
Current maturities of long-term borrowings*	-	1,819,817
Deferred amount payable to Vidteq's shareholders	5,500,000	5,500,000
Deferred revenue	70,960,361	100,784,133
Advance from customers	6,924,418	8,560,410
Security deposits received from customers	3,410,069	2,608,069
Employee related payables	122,791,013	144,422,765
Other expenses payable	-	1,367,655
Non-compete fees payable	4,500,000	4,500,000
Statutory liabilities		
- TDS payable	6,092,311	6,814,293
- VAT/Sales tax payable	-	188,057
- PF and ESI payable	904,700	816,055
- GST payable	3,604,296	20,830,908
<b>Total</b>	<b>224,687,167</b>	<b>298,212,162</b>

\* For details, refer note 3.3

### 3.9 Non-current investments

	As at 31 March 2019	As at 31 March 2018
<b>Investment in preference shares</b>		
50,000 Series A Preference shares of Rs. 140/- each (including a premium of Rs. 130/- each) of Visit Internet Services Private Limited,	7,000,000	7,000,000
2,97,000 Equity shares of Rs. 10/- each of Digital Order Technology Private Limited, fully paid-up (diminution up to Fair Market Value Rs. 20,40,300)	2,970,000	
Less: Provision for diminution in the value of investment of Rs. 20,40,300	-	2,049,300
		920,700
748,657 Equity shares of Rs. 21.92/- each (including a premium of Rs. 20.92/- each) of Vidteq India Private Limited, fully paid-up	16,410,561	16,410,561
2,19,950 Preference shares of Rs. 46.33/- each (after discount of Rs. 53.67/- each) of Vidteq (India) Private Limited, fully paid-up	10,190,400	10,190,400
10 Equity shares of Rs. 331.39 each of Sree Sai Aerotech Innovations Private Limited	3,314	-
55,967 compulsory convertible debentures of Rs. 100 each of Sree Sai Aerotech Innovations Private Limited	5,596,700	-
22,500,000 Equity shares of USD 0.01 each of CE Info Systems International INC	15,423,750	-
31746 Preference shares of Rs. 630/- each (after discount of Rs. 620/- each) of Briskworld Ventures Pvt Ltd, fully paid-up	19,999,980	-



**CE Info Systems Private Limited**
**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

**Long-term investments (Non trade - unquoted and at cost)**

India REIT Domestic Real Estate Fund IV	1,241,124	1,241,168
Aditya Birla Sun Life FTP - Series PM - Regular G.	20,000,000	20,000,000
DSP Black Rock High Conviction Fund*	9,961,240	3,400,000
IIFL Blended Fund - A*	15,000,000	5,000,000
IIFL Special Opportunities Fund- Series 7*	6,000,000	3,500,000
HDFC FMP 1208 days March 2018(1) Growth	15,000,000	15,000,000
HDFC FMP 1302D	20,000,000	20,000,000
HDFC FMP-Series-36	40,000,000	40,000,000
Kotak FMP Series 220	20,000,000	20,000,000
Kotak FMP Series 242 - 1152 Days	20,000,000	-
L&T FMP Series 14 - Scheme A (1233Days) - Growth	30,017,724	30,017,724
Reliance Fixed Horizon Fund - XXX - Series 11 - Growth Plan - YNGP	20,000,000	20,000,000
Reliance Fixed Horizon Fund XXXVI - Series 8	20,000,000	20,000,000
Reliance Fixed Horizon Fund XXXIX - Series 15	25,000,000	-
Axis New Opportunities AIF - I*	4,860,217	2,500,000
Invesco India Fixed Maturity Plan - Series 32 - Plan B (1100 days)	25,000,000	-
Invesco India Fixed Maturity Plan - Series 33 - Plan B (1311 days)	20,000,000	-

**386,705,010**
**235,180,553**
**Investments in Bonds (Non trade - Quoted)**

	Fair value	Units	Amount	Units	Amount
8.65% Bank of Baroda	1,000,000	50.00	48,286,350	-	-
9.56% State Bank of India	1,000,000	50.00	50,367,500	-	-
9.37% State Bank of India	1,000,000	50.00	49,683,000	-	-
8.50% Bank of Baroda	1,000,000	50.00	48,260,000	-	-
8.85% HDFC Bank	1,000,000	50.00	49,180,000	-	-
9.48% Bank of Baroda	1,000,000	11.00	10,947,200	-	-
9.11% Housing Development Finance Corporation	1,000,000	50.00	50,271,200	-	-
9.11% LIC Housing Finance Limited	1,000,000	50.00	50,403,750	-	-
Tata Capital Financial Services Limited	1,000,000	50.00	50,011,150	-	-
Citicorp Finance India Limited	1,000,000	10.00	10,000,000	-	-
9.25% Edelweiss	100,000	500.00	49,000,000	-	-
			<b>466,410,150</b>		<b>-</b>

**Total**
**853,115,160**
**235,180,553**

The investment mentioned above also represents long-term investment within the meaning of Accounting Standard 13 "Accounting for investments" as specified in the Companies (Accounting Standard) Rules, 2006.

\*The company has outstanding commitments in the following funds.

	As at 31 March 2019	As at 31 March 2018
DSP Black Rock High Conviction Fund	6,500,000	6,500,000
IIFL Blended Fund - A	15,000,000	15,000,000
IIFL Special Opportunities Fund- Series 7	6,500,000	6,500,000
Axis New Opportunities AIF - I	7,500,000	7,500,000
	<b>35,500,000</b>	<b>35,500,000</b>



**CE Info Systems Private Limited**
**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

**3.10 Long-term loans and advances**

(Unsecured, considered good unless otherwise stated)

	Non-current portion		Current portion	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
<b>To parties other than related parties</b>				
Capital advances (unsecured)	-	-	-	-
Considered good	-	-	-	-
Considered doubtful	1,974,480	1,974,480	-	-
Less: Provision for doubtful advances	-	(1,974,480)	-	-
Less: Doubtful advances written off	(1,974,480)	-	-	-
	-	-	-	-
Security deposits	14,800,569	11,996,493	3,515,698	9,833,783
	<b>14,800,569</b>	<b>11,996,493</b>	<b>3,515,698</b>	<b>9,833,783</b>
<b>Other loans and advances</b>				
- Advance income-tax	57,562,404	28,750,539	-	-
- Advance to suppliers	-	-	10,462,108	7,877,749
- Advance to employees	-	-	676,976	1,292,882
- Prepaid expenses	-	-	5,971,463	3,919,370
- VAT receivable	-	-	16,875	24,069
- Custom duty receivable	-	-	-	288,706
- GST receivable	-	-	1,679,676	20,336,050
	<b>57,562,404</b>	<b>28,750,539</b>	<b>18,807,098</b>	<b>33,738,826</b>
<b>Total</b>	<b>72,362,972</b>	<b>40,747,032</b>	<b>22,322,796</b>	<b>43,572,609</b>

**3.11 Other non-current assets**

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
Bank deposits due to mature after 12 months from the reporting date	244,689,567	261,566,232
Interests accrued on fixed deposits	1,461,062	3,101,266
<b>Total</b>	<b>246,150,629</b>	<b>264,667,498</b>

**3.12 Current investments (non-trade)**

(Valued at lower of cost and fair value)

Investments in Mutual Funds (Non trade - Unquoted)

	As at 31 March 2019		As at 31 March 2018	
	Units	Amount	Units	Amount
Aditya Birla Sun Life Cash Plus - Growth	237,901	70,000,000	185,463	51,382,062
Aditya Birla Sun Life Top 100 Fund	264,318	14,507,048	264,318	14,507,048
Ambit Alpha Fund Scheme-I	25,000	25,007,816	-	-
Axis Enhance Arbitrage Fund	-	-	3,839,214	50,000,000
Aditya Birla Money Limited	1	14,100,000	-	-
Axis Liquid Fund Direct Growth- EA- DG	4,605,007	63,390,690	-	-
Baroda Pioneer Treasury Advantage Fund	-	-	10,565	10,878,747
Birla Sun Life Equity Fund	-	-	1,689,189	20,000,000
Birla Sun Life Medium Term Plan	-	-	3,942,348	70,000,000
Birla Sun Life Short Term Opportunities Fund - Growth - Regular Plan	-	-	1,399,837	30,000,000
BOI AXA Corporate Credit Spectrum Fund	776,916	10,000,000	2,685,896	30,000,000
BOI AXA Mid Cap Equity & Debt Fund - Regular Plan - Growth	744,048	9,642,857	744,048	10,000,000
BOI AXA Mid Cap Tax Fund - Series 1 Direct Plan - Growth	1,000,000	8,700,000	1,000,000	9,770,000
BOI AXA Short Term Income Fund	-	-	631,657	10,852,872
DHFL Low Duration Fund	-	-	1,279,470	30,000,000
DHFL PRAMERICA FIXED DURATION FUND SERIES AR	15,000	15,000,000	15,000	15,000,000
DSP BlackRock Balanced Fund - Regular Plan - Growth	-	-	154,309	20,000,000
DSP BlackRock Income Opportunities Fund - Regular - Growth	-	-	383,587	10,000,000
Edelweiss Arbitrage Fund	5,010,630	70,000,000	1,992,865	20,832,061





**CE Info Systems Private Limited**
**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

EISAF Onshore fund	1	12,869,136	-	
Franklin India Short Term Income Plan - Motilal	-	-	2,810	10,000,000
Franklin Templeton India Short Term Income Plan - Retail Plan - Growth	-	-	15,042	38,057,433
HDFC Balanced Fund - Regular Plan - Growth	-	-	291,091	39,886,793
HDFC Corporate Debt Opportunities Fund	-	-	6,917,129	80,000,000
HDFC Equity Savings Fund - Regular Plan - Growth	391,432	20,059,330	437,803	15,000,000
HDFC Liquid Fund- Post IPO Colln Account	29,289	103,562,179	-	-
ICICI Flexible Income - Daily Dividend	-	-	108	11,375
ICICI Pru Short Term Plan	-	-	828,162	10,203,287
ICICI Prudential Balanced Advantage Fund - Growth	925,355	30,000,000	1,689,249	52,901,563
ICICI Prudential Balanced Fund - Growth	-	-	177,888	20,000,000
ICICI Prudential Corporate Bond Fund - Growth	-	-	3,193,822	75,000,000
ICICI Prudential Equity Arbitrage Fund	-	-	1,524,912	20,798,276
ICICI Prudential Regular Income Fund	-	-	3,886,477	55,000,000
ICICI Prudential Regular Saving Fund	-	-	2,011,425	30,000,000
Invesco India Short Term Plan A Daily Dividend	-	-	17,623	18,209,992
JM EQUITY FUND-COLLECTION A/C	-	-	1,430,752	17,109,643
JM Large Cap Fund Regular Plan- Annual dividend payout	1,807,664	27,931,670	-	-
Kotak Equity Savings Fund - Growth - Regular Plan	-	-	1,146,491	15,000,000
Kotak Income Opportunities Fund	-	-	1,914,694	30,000,000
Kotak Medium Term Fund - Growth	-	-	1,577,310	20,000,000
Kotak Select Focus Fund - Growth	292,150	9,779,719	643,755	19,779,719
L&T India Prudence Fund - Motilal	-	-	1,565,313	40,000,000
L&T Resurgent India Corporate Bond Fund - Growth	798,773	10,000,000	2,861,888	35,000,000
Mirae Asset Prudence Fund- Regular Plan Growth	-	-	2,230,317	29,277,377
Motilal Oswal Most Focused Multicap -35 Fund - Regular - Growth	1,154,406	29,988,456	1,154,406	30,000,000
Reliance Arbitrage Advantage Fund	-	-	1,849,812	20,086,920
Reliance Corporate Bond Fund - Growth Plan - CBGP	-	-	2,336,151	30,000,000
Reliance Nivesh Lakshay Fund	7,024,465	70,000,000	-	-
Reliance Pharma Fund	-	-	40,012	5,000,000
Reliance Junior Bees FOF - DG plan	5,882,395	58,823,952	-	-
Reliance Regular Savings Fund - Debt Plan - Growth Plan Growth	-	-	3,375,546	65,679,352
SBI Blue Chip Fund	393,960	14,884,504	263,874	9,822,070
SBI Magnum Balanced Fund - Regular Plan - Growth	-	-	186,321	20,000,000
SBI Pharma Fund	-	-	41,524	4,878,501
Tata Liquid Fund	17,029	50,000,000	-	-
UTI Medium Term Plan	1,558,531	20,000,000	-	-
UTI Liquid Fund-Cash Plan-Inst	-	-	39,545	40,313,640
UTI ST Income Fund-Inst	-	-	975,674	10,150,622
		<b>758,247,357</b>		<b>1,310,389,353</b>

**Other Investments through Portfolio Management Services/ Asset Management Companies**

Aditya Birla - Core and satellite equity portfolio	52,297,881		49,949,672
Alder Capital	11,140,432		10,026,758
Avendus Absolute Return Fund	30,000,000		10,000,000
Avendus - CAT III Alternate Investment Fund - Motilal	20,000,000		20,000,000
IndiaNivesh Investment managers private limited	9,107,874		4,047,526
India Bulls High Yield Fund	19,890,043		19,890,043
ASK Emerging Opportunities	13,561,574		9,969,949
ASK Emerging Growth	15,022,270		10,009,917
Motilal Oswal - India opportunities portfolio strategy	2,231,770		2,266,305
Motilal Oswal - Next trillion dollar opportunity strategy	22,373,113		2,400,863
	<b>195,624,955</b>		<b>138,561,033</b>

**Total**

Total book value of unquoted current investments  
 Aggregate write-down due to valuation of current investments at fair  
 Aggregate net assets value (fair value) of unquoted investments



<b>953,872,312</b>	<b>1,448,950,386</b>
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953,872,312	1,448,950,386
23,685,561	15,450,802
977,557,873	1,464,401,188

**CE Info Systems Private Limited**

**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

**Investments in Bonds (Non trade - Quoted)**

	Fair value	Units	Amount	Units	Amount
Home Credit India Finance Private Limited	1,000,000	10	10,408,660	-	-
9.73% Aditya Birla Finance Ltd.	1,000,000	50	50,308,350	-	-
7.32% M&M Finance Services Limited	1,000,000	50	49,667,850	-	-
7.76% Kotak Mahindra	1,000,000	50	49,861,600	-	-
			<u>160,246,460</u>		<u>-</u>

**Aggregate amount of unquoted investments:**

	As at 31 March 2019	As at 31 March 2018
Book value of unquoted investments	1,806,987,472	1,684,130,939
Book value of quoted investments	160,246,460	-
	<u>1,967,233,932</u>	<u>1,684,130,939</u>

Aggregate amount of current and long-term investments within the meaning of Accounting Standard 13 "Accounting for investments" as specified in the

	As at 31 March 2019	As at 31 March 2018
Book value of current investments	1,114,118,772	1,448,950,386
Book value of non-current investments (refer note 3.9)	853,115,160	235,180,553
<b>Total</b>	<u>1,967,233,932</u>	<u>1,684,130,939</u>

**3.13 Inventories**

	As at 31 March 2019	As at 31 March 2018
(Valued at lower of cost and net realisable value)		
Raw material	16,171,190	23,703,091
Finished goods	16,083,758	26,652,386
Stock-in-trade	11,246,981	20,450,160
Stores and spares	3,533,209	8,298,714
<b>Total</b>	<u>47,035,138</u>	<u>79,104,351</u>
Less: Provision against Raw material	(799,669)	(704,973)
Less: Provision against Finished goods	(11,190,318)	(5,289,496)
Less: Provision against Spares and Accessories	(172,362)	-
Less: Finished goods inventory written off	-	(4,094,067)
Less: Raw material inventory written off	-	(686,791)
	<u>34,872,789</u>	<u>68,329,024</u>

**Movement in provision for inventory**

Particulars	As at 31 March 2019	As at 31 March 2018
Opening provision	5,994,470	11,690,561
Less: Reversals on account of sales	-	6,978,971
Less: Reversals on account of finished goods and raw material inventory written off	-	4,780,858
Add: Provision created during the year	6,167,879	6,063,738
<b>Closing balance</b>	<u>12,162,349</u>	<u>5,994,470</u>



**CE Info Systems Private Limited**

**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

**3.14 Trade Receivables**

	As at 31 March 2019	As at 31 March 2018
Receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	68,419,819	68,206,580
Considered doubtful	41,424,149	16,287,200
Less : Provision for doubtful receivables*	41,424,149	(16,287,200)
	<u>68,419,819</u>	<u>68,206,580</u>
Other receivables		
Unsecured, considered good	185,340,920	225,803,403
	<u>253,760,739</u>	<u>294,009,983</u>

**\*Movement in provision for doubtful receivables**

Particulars	As at 31 March 2019	As at 31 March 2018
Opening balance	16,287,200	26,389,413
Less: Bad debts written off during the year	(3,430,973)	(25,075,394)
Add: Provision created during the year	27,188,444	14,948,562
Add: Bad debts recovered	1,379,478	24,619
Closing balance	<u>41,424,149</u>	<u>16,287,200</u>

**3.15 Cash and bank balances**

	As at 31 March 2019	As at 31 March 2018
<b>Cash and cash equivalents</b>		
- Cash on hand	613,218	464,238
- Balances with banks		
On current accounts	76,692,380	44,561,444
	<u>77,305,598</u>	<u>45,025,682</u>
<b>Other bank balances</b>	131,318,654	47,688,226
	<u>131,318,654</u>	<u>47,688,226</u>
<b>Total</b>	<u>208,624,252</u>	<u>92,713,908</u>
<b>Detail of bank balances/deposits</b>		
Deposit due to mature within 12 months of the reporting date included under 'Other bank balances'*	131,318,654	47,688,226
Deposit due to mature after 12 months of the reporting date included under 'Other non-current assets'*	244,689,567	261,566,232
<b>Total</b>	<u>376,008,221</u>	<u>309,254,458</u>

\* Fixed deposits under lien amounting to Rs. 112,361,069 (previous year Rs. 110,581,833) for performance bank guarantees. (Refer note 18).

**3.16 Other current assets**

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
Interest accrued on fixed deposits	30,650,084	914,908
Unbilled revenue	48,853,591	39,977,471
<b>Total</b>	<u>79,503,675</u>	<u>40,892,379</u>





**CE Info Systems Private Limited**

**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

**3.17 Revenue from operations**

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Sale of products</b>		
Finished goods (gross)	340,671,226	270,562,819
Less: Excise duty	-	8,668,799
	<u>340,671,226</u>	<u>261,894,020</u>
 Traded goods	 12,571,762	 32,544,923
<b>Sale of Products*</b>	<b>353,242,988</b>	<b>294,438,943</b>
 <b>Sale of services</b>	 995,538,184	 1,198,873,486
 <b>Total revenue from sale of goods and services</b>	 <b>1,348,781,172</b>	 <b>1,493,312,429</b>
 <b>Break-up of revenue from sale of products #</b>		
<b>Finished goods</b>		
Map licensing software	158,301,981	92,394,875
Devices (including DVD player, Navigator and tracking products)	180,631,695	173,833,062
Others*	14,309,312	28,211,006
	<u>353,242,988</u>	<u>294,438,943</u>

\* As the individual items within others account for less than 10% of the total value of sales turnover, these have not been classified separately.

# As certified by the management

**3.18 Other income**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest income from banks	24,315,462	18,187,957
Interest income from investment in bonds	7,330,653	-
Dividend income from current investments (other than trade)	26,241,056	21,684,447
Interest income from non-current investments (other than trade)	-	276,805
Net gain on sale of current investments (other than trade)	194,731,150	17,285,073
Net gain on sale of non-current investments (other than trade)	435,194	44,925,560
Liability no longer required written back	8,476,313	-
Bad debts recovered written off in earlier years	1,379,478	24,619
Foreign exchange fluctuation (net)	3,246,913	4,278,535
Rental income	7,842,736	4,226,152
Employee related payables written back	-	633,647
Provision for Inventory written back	-	6,978,971
Other non operating income	3,299,278	245,817
<b>Total</b>	<u><b>277,298,233</b></u>	<u><b>118,747,583</b></u>



**CE Info Systems Private Limited**

**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

**3.19 Cost of material consumed**

	For the year ended 31 March 2019	For the period ended 31 March 2018
Opening inventory	23,703,091	38,609,769
Add: Purchases#	165,175,465	152,839,051
Less: Stock of raw material written off	686,791	-
Less: Closing inventory*	16,171,190	23,703,091
	<b>172,020,575</b>	<b>167,745,729</b>

\* Closing value of Inventory includes provision against raw material amounting to Rs. 799,669 ( previous year Rs. 704,973). Refer note no. 3.13

	For the year ended 31 March 2019	For the period ended 31 March 2018
<b>Break-up of cost of materials consumed #</b>		
<b>Raw material</b>		
DVD player	6,302,350	30,180,958
Packaged software	61,443,761	42,991,894
Vehicle tracking	50,951,685	60,614,912
Navigator	-	18,819,396
OBD cable	-	231,891
SD cards	46,477,670	-
	<b>165,175,466</b>	<b>152,839,051</b>

\*# As certified by the management

**3.20 Purchase of stock-in-trade**

	For the year ended 31 March 2019	For the period ended 31 March 2018
Purchase of stock-in-trade	10,709,168	48,072,481
	<b>10,709,168</b>	<b>48,072,481</b>

**3.21 Change in inventory**

	For the year ended 31 March 2019	For the period ended 31 March 2018
<b>Opening inventories</b>		
Finished goods	26,652,386	19,725,888
Less: Stock of finished goods written off	(4,094,067)	-
Stock-in-trade	20,450,160	14,173,633
	<b>43,008,479</b>	<b>33,899,521</b>
<b>Closing inventories</b>		
Finished goods*	16,083,758	26,652,386
Stock-in-trade	11,246,981	20,450,160
	<b>27,330,739</b>	<b>47,102,546</b>
<b>Net (Increase) / Decrease in inventory</b>	<b>15,677,740</b>	<b>(13,203,025)</b>

\* Closing value of Inventory includes provision against raw material amounting to Rs. 11,190,318 ( previous year Rs. 5,289,496). Refer note no.



**CE Info Systems Private Limited****Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

**3.22 Employee benefits**

	<b>For the year ended 31 March 2019</b>	<b>For the period ended 31 March 2018</b>
Salaries, incentives and bonus*	449,480,329	417,177,469
Employee stock option expense	32,321,496	19,953,431
Contributions to provident and other funds	5,376,629	5,061,519
Gratuity	14,364,771	4,407,388
Staff welfare expenses*	4,935,465	5,382,269
<b>Total</b>	<b>506,478,690</b>	<b>451,982,076</b>

\* Net of expenses capitalized on account of development of internally generated MAP database. Refer note 17.

**3.23 Finance costs**

	<b>For the year ended 31 March 2019</b>	<b>For the period ended 31 March 2018</b>
Bank charges	917,169	1,309,786
Interest expense	937,302	368,358
<b>Total</b>	<b>1,854,471</b>	<b>1,678,144</b>

**3.24 Depreciation and amortisation**

	<b>For the year ended 31 March 2019</b>	<b>For the period ended 31 March 2018</b>
Depreciation on property, plant and equipment	14,061,562	11,085,978
Amortisation on intangible assets	38,047,824	46,579,734
	<b>52,109,386</b>	<b>57,665,712</b>
Less: Transferred to cost of development of Internally generated map database (refer note 17)	358,301	322,610
	<b>51,751,085</b>	<b>57,343,102</b>





**CE Info Systems Private Limited**

**Notes to standalone financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees, except for share data and if otherwise stated)

**3.25 Other expenses**

	For the year ended 31 March 2019	For the period ended 31 March 2018
Excise duty related to increase/ decrease in inventory of finished goods	-	(1,428,848)
Consumption of stores and spares parts	9,247,806	2,695,450
Rent*	42,028,780	38,994,250
Electricity and water*	14,212,126	13,466,718
Advertisement	29,631,861	29,449,750
Commission	429,177	2,663,309
Travelling	30,918,422	35,080,878
Legal and professional*#	20,538,407	15,185,185
ROC fees & stamping	305,150	85,542
Field survey expenses	50,994,206	98,579,489
Communication expenses*	36,804,722	15,400,719
Repair and maintenance - Others*	18,380,424	15,953,791
Provision against Raw material and Finished goods	6,167,879	6,063,738
Raw material and Finished goods inventory written off	3,410,889	4,780,858
Less: Provision against Raw material and Finished goods	(3,410,889)	(4,780,858)
Provision for uncollected C Form	-	2,652,946
Provision for doubtful receivables	28,547,838	14,973,181
Bad debts written off	3,430,973	25,075,394
Less: Provision for doubtful receivables	(3,430,973)	(25,075,394)
Doubtful advances written off	1,974,480	-
Less: Provision for doubtful advances written off	(1,974,480)	-
Provision for diminution in value of investments	23,685,561	17,500,102
Freight outward	1,989,033	2,666,544
Loss on sale of fixed assets	-	5,157,733
Provision for security deposits	4,761,393	-
Insurance	2,675,703	2,259,265
Technical expenses	22,266,303	28,388,425
Corporate social responsibility	102,031	299,165
Miscellaneous expenses*	25,074,435	22,072,838
<b>Total</b>	<b>368,761,257</b>	<b>368,160,170</b>

\* Net of expenses capitalized on account of development of internally generated MAP database. Refer note 17

**#Note : Payments to auditors**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Statutory audit	1,500,000	1,500,000
Tax audit	200,000	200,000
Certification	40,000	185,605
Out of pocket expenses	200,000	200,000
<b>Total</b>	<b>1,940,000</b>	<b>2,085,605</b>



3.8 Fixed Assets

Fixed assets as at 31 March 2019

Particulars	Gross block			Depreciation			Net block as at 31 March 2019
	As at 1 April 2018	additions	disposal	As at 31 March 2019	for the year	disposal/ adjustments	As at 31 March 2019
<b>Tangible assets</b>							
Computer Server	4,507,954	8,965,001	-	13,472,955	1,501,956	-	10,222,117
Computers	25,965,195	5,831,346	-	31,796,541	6,415,661	-	11,712,844
Research and Development Equipments	1,959,698	99,732	-	2,059,430	100,463	-	1,857,262
Furniture and Fixtures	226,520	119,008	-	345,528	21,339	-	209,980
Electrical Installation/Equipments	21,224,819	6,575,268	-	27,800,087	2,776,223	-	22,907,257
Vehicles	11,322,800	3,398,673	-	14,721,473	1,371,757	-	6,844,099
Building	85,541,858	-	-	85,541,858	1,354,413	-	81,578,061
Map Survey Vehicles	6,694,380	117,796	-	6,812,176	1,179,367	-	2,386,026
<b>Total tangible assets</b>	<b>157,443,224</b>	<b>25,106,824</b>	<b>-</b>	<b>182,550,048</b>	<b>14,061,562</b>	<b>-</b>	<b>137,717,648</b>
<b>Intangible assets</b>							
Computer Software	61,158,863	36,000	-	61,194,863	8,006,888	-	16,852,798
Internally Generated Map Database	515,602,523	7,777,059	-	523,379,582	27,790,936	-	45,101,782
Right to Non compete*	4,500,000	-	-	4,500,000	2,250,000	-	750,000
<b>Total intangible assets</b>	<b>581,261,386</b>	<b>7,813,059</b>	<b>-</b>	<b>589,074,445</b>	<b>38,047,824</b>	<b>-</b>	<b>62,704,580</b>
	<b>738,704,610</b>	<b>32,919,883</b>	<b>-</b>	<b>771,624,493</b>	<b>52,109,385</b>	<b>-</b>	<b>200,422,228</b>

\* Depreciation figure may be changed after auditors final view.

Fixed assets as at 31 March 2018

Particulars	Gross block			Depreciation			Net block as at 31 March 2018
	As at 1 April 2017	additions	disposal	As at 31 March 2018	for the year	disposal/ adjustments	As at 31 March 2018
<b>Tangible assets</b>							
Computer Server	7,446,753	-	2,938,799	4,507,954	699,984	2,760,827	1,748,882
Computers	19,901,867	8,772,641	2,709,313	25,965,195	5,173,162	2,548,614	12,297,159
Research and Development Equipments	2,944,412	1,574,249	2,558,963	1,959,698	118,816	1,794,742	1,857,993
Furniture and Fixtures	3,726,369	-	3,499,849	226,520	174,081	2,542,622	112,311
Electrical Installation/Equipments	16,047,267	11,743,693	6,566,141	21,224,819	1,646,738	3,621,321	18,448,596
Vehicles	12,069,800	-	747,000	11,322,800	1,482,704	451,891	4,817,184
Building	32,891,588	52,650,270	-	85,541,858	1,020,961	-	82,932,473
Map Survey Vehicles	2,970,064	3,724,316	-	6,694,380	769,531	-	3,447,597
<b>Total tangible assets</b>	<b>97,998,120</b>	<b>78,465,169</b>	<b>19,020,065</b>	<b>157,443,224</b>	<b>11,085,978</b>	<b>13,720,017</b>	<b>126,672,385</b>
<b>Intangible assets</b>							
Computer Software	61,158,863	-	-	61,158,863	8,562,496	-	24,823,685
Internally Generated Map Database	503,662,647	11,939,876	-	515,602,523	36,517,238	-	65,115,660
Right to Non compete	4,500,000	-	-	4,500,000	1,500,000	-	3,000,000
<b>Total intangible assets</b>	<b>569,321,510</b>	<b>16,439,876</b>	<b>-</b>	<b>581,261,386</b>	<b>46,579,734</b>	<b>-</b>	<b>92,939,345</b>
	<b>667,819,630</b>	<b>94,905,045</b>	<b>19,020,065</b>	<b>738,704,610</b>	<b>57,665,711</b>	<b>13,720,017</b>	<b>219,611,730</b>



**CE Info Systems Private Limited****Notes to financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

**4. Earnings per share (EPS)****Basic earnings per share**

The calculation of basic earnings per share for the year ended 31 March 2019 was based on the profit attributable to equity shareholders of Rs. 386,889,784 (previous year Rs. 354,083,194) and weighted average number of 3,832,831 (previous year 3,832,831) outstanding equity shares.

**Diluted earnings per share**

The calculation of diluted earnings per share for the year ended 31 March 2019 was based on the profit attributable to equity shareholders of Rs. 386,889,784 (previous year Rs. 354,083,194) and weighted average number of equity shares outstanding after adjustment for the effects of all dilutive potential equity shares of 8,139,893 (previous year 8,134,468).

	31 March 2019	31 March 2018
Profit attributable to equity shareholders (A)	386,925,474	354,083,194
Weighted average number of equity shares outstanding during the period for calculation of basic earnings per share (B)	3,832,831	3,832,831
Effect of dilutive potential equity shares		
- Employee stock options	43,192	246,668
- Preference shares	4,054,969	4,054,969
Weighted average number of equity shares outstanding during the period for calculation of diluted earnings per share (C)	8,139,893	8,134,468
Nominal value of an equity share	10	10
Basic earnings per equity share (A/B)	100.95	92.38
Diluted earnings per equity share (A/C)	47.53	43.53

**5. Employee benefits****Defined contribution plans**

The Company makes contribution, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund for the year aggregates to Rs. 5,357,695 (previous year Rs. 5,000,123).

**Defined benefit plans**

The Company has a defined benefit plan of gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service. The gratuity plan of the Company are funded through Kotak life Insurance. The compensated absences policy of the Company entitles an employee to encash actual earned leaves subject to maximum 18 days at the time of retirement/exit from the Company.





**CE Info Systems Private Limited****Notes to financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

The following tables set out the status of gratuity plan as required under Accounting Standard 15:

**a. Change in present value of defined benefit obligation**

	31 March 2019	31 March 2018
Present value of obligation as at the beginning of the period	29,073,741	23,738,765
Interest cost	2,267,752	1,744,799
Past service cost	--	--
Current service cost	4,142,421	3,003,198
Benefits paid	(2,581,479)	(292,615)
Actuarial (gain)/loss on obligation	10,393,919	879,594
Present value of obligation as at the end of period	43,296,354	29,073,741

**b. Change in fair value of plan assets:**

	31 March 2019	31 March 2018
Fair value of plan assets at the beginning of the period	27,777,668	21,265,294
Actual return on plan assets	2,439,321	1,304,989
Previous year interest	--	--
Employer contributions	5,000,000	5,500,000
Fund taken back by the company	--	--
Actuarial gain/(loss) on plan assets	--	--
Fair value of plan assets at the end of the period	32,735,835	27,777,668
Funded status	(10,560,519)	(1,296,073)
Excess of actual over estimated return on plan assets	272,663	(396,235)

**c. Amounts to be recognized in Balance Sheet**

	31 March 2019	31 March 2018
Present value of obligation as at the end of the period*	43,296,354	29,073,741
Fair value of plan assets as at the end of the period	32,735,835	27,777,668
Funded status / Difference	(10,560,519)	(1,296,073)
Excess of actual over estimated	272,663	(396,235)
Unrecognized actuarial (gains)/losses	--	--
Net asset/(liability) recognized in balance sheet	(1,05,60,519)	(1,296,073)



**CE Info Systems Private Limited****Notes to financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

**d. Expense recognized in the Statement of Profit and Loss**

	<b>31 March 2019</b>	<b>31 March 2018</b>
Current service cost	4,142,421	3,003,198
Past service cost	--	--
Interest cost	2,267,752	1,744,799
Expected return on plan assets	2,166,658	1,701,224
Curtailment cost / (Credit)	--	--
Settlement cost / (credit)	--	--
Net actuarial (gain)/ loss recognized in the period	10,121,256	1,275,829
Expenses recognized in the statement of profit & losses	14,364,771	4,322,602

**Actuarial assumptions****Economic assumptions:**

	<b>31 March 2019</b>	<b>31 March 2018</b>
i) Discount rate %	7.65	7.80
ii) Future salary increase %	12.00	7.50
iii) Expected rate of return on plan assets	7.65	7.80

The estimate of future salary increases considered in the actuarial valuation takes account of price inflation, promotional increases and regular increments.

**Demographic assumptions**

	<b>31 March 2019</b>	<b>31 March 2018</b>
i) Retirement Age (Years)	60	60
ii) Mortality Table	IALM (2006 - 08)	
iii) Ages	<b>Withdrawal Rate (%)</b>	<b>Withdrawal Rate (%)</b>
Up to 30 Years	25.00	18.00
From 31 to 44 years	12.00	6.00
Above 44 years	10.00	9.00



**CE Info Systems Private Limited****Notes to financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

**e. Experience adjustments**

	31 March 2015	31 March 2016	31 March 2017	31 March 2018	31 March 2019
Defined benefit obligation	13,704,783	15,625,922	23,738,765	29,073,741	43,296,354
Plan Assets	-	15,000,000	21,265,294	27,777,668	32,735,835
Net Assets/(Liability)	(13,704,783)	(625,922)	(2,473,471)	(1,296,073)	(10,560,519)
Experience adjustments on Plan Liabilities	1,005,268	733,355	(4,388,386)	1,569,611	3,981,801
Experience adjustments on Plan Assets	-	-	1,369,621	(396,235)	272,663

**f. Classification into current and non-current**

	Non-current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Gratuity	39,570,157	26,833,432	3,726,197	2,240,279

**6. Employee share-based payments**

CE Info Systems Private Limited has a share based employee benefit program that allows employees to acquire shares of the Company. A share option scheme for employees was approved in December 2008 by the shareholders of the Company under which the employees of the Company were granted stock options that vest in a graded manner over a period of four years. An exercise price of Rs. 81 was fixed for this purpose.

During the year ended 31 March 2011, the Company had adopted Guidance Note on "Accounting for Employee Share-based Payments" issued by the Institute of Chartered Accountants of India. The Guidance Note is applicable for all employee share-based payment plans, the grant date in respect of which falls on or after 1 April 2005.

Accordingly, the Company has accounted for the compensation cost in respect of stock options granted to its employees by recognizing it as a compensation expense with a corresponding increase in employee stock option reserve. The fair value of the employee services received in exchange for the grant of options is measured at the grant date and the charge to the Statement of Profit and Loss is calculated using the Black-Scholes model and expensed over the vesting period of the options. This method of calculating the fair value of the options takes into account various factors including expected volatility of shares, the dividend yield and risk free interest rate. The charge for the share options is adjusted to reflect the difference between expected and actual vesting where conditions are non-market based.



**CE Info Systems Private Limited****Notes to financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

In this respect, during the current year, the Company has recognized the compensation cost aggregating Rs. 32,321,496 (previous year Rs. 19,953,431) with a corresponding credit to the employee stock option reserve.

39,000 options have been granted during the year ended 31 March 2019.

Movement in respect of stock options granted to employees of the Company, during the year and outstanding as at the year- end is set out below:

	31 March 2019		31 March 2018	
	No. of options	Weighted average exercise price (Indian rupees)	No. of options	Weighted average exercise price (Indian rupees)
Outstanding at beginning of the year	283,220	81	283,220	81
Considered for previous grants	-	-	-	-
Options granted during the year	29,000	-	3,500	-
Exercised during the year	-	-	-	-
Surrendered during the year	11,000	-	3,500	-
Forfeited during the year	-	-	-	-
Outstanding at the end of the year	301,220	81	283,220	81
Exercisable at the end of the year	29,875	-	31,250	-

**7. Segment Reporting**

Accounting Standard (AS) 17 on 'Segment Reporting' requires the Company to disclose certain information about operating segments. The Company has only one business segment, that is, dealing in map related and ancillary services. This business mainly consists of products like navigation and tracking devices, package software and map services. Single segment is based on the nature of the products/services, the risks and returns, the organisation structure and the internal financial reporting system.



**CE Info Systems Private Limited****Notes to financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

**Geographical segment**

The Company's business is organized into key geographical segments, which is based on the location of its customers. Revenues are attributable to individual geographical segments based on the location of the customers. Geographical segment is considered as secondary segment.

## a) Revenue, trade receivables and unbilled revenue as per geographical segment

Particulars	India	Outside India	Total
Segment revenue	998,646,431	350,134,741	1,348,781,172
b) T h	(982,992,097)	(510,320,333)	(1,493,312,430)
Trade receivables (Gross)	218,272,798	35,487,941	253,760,739
C	(273,908,681)	(20,101,306)	(294,009,987)
Unbilled revenue	11,031,229	37,822,362	48,853,591
m p a	(21,574,540)	(18,402,931)	(39,977,471)

Company has common fixed assets for products and services for domestic and overseas market. Hence, separate figures for fixed assets/ additions to fixed assets cannot be furnished.

**8. Operating leases**

The Company has taken certain office premises and residential premises under operating lease agreements. During the year an amount of Rs. 42,028,780 is recognised as an expense in the Statement of Profit and Loss in respect of operating leases (previous year Rs. 38,994,250).

**9. Related party disclosures**

The names of related parties of the Company and their relationship, as required to be disclosed under Accounting Standard 18, are as follows:-

## a) Related parties with whom transactions have taken place during the year

Nature of Relationship	Name of the Party
Subsidiary of the Company	Digital Order Technology Private Limited (till 27-Aug-2018)
Subsidiary of the Company	Vidteq (India) Private Limited CE Info Systems International Inc
Key managerial personnel - Managing Director - Whole time Director - Whole time Director - Whole time Director	Rakesh Kumar Verma Rashmi Verma Rohan Verma Shivalik Prasad
Company over which the key managerial personnel or their relatives have significant influence	Spinclabs Private Limited



**CE Info Systems Private Limited****Notes to financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

**b) Related party transactions for the year ended 31 March 2018 and 31 March 2019**

Name of Related Party	Nature of Transaction	Year ended 31 March 2019	Year ended 31 March 2018
Digital Order Technology Private Limited	Professional charges	-	2,034,516
Digital Order Technology Private Limited	Rent income	12,500	27,258
Vidteq (India) Private Limited	Purchase of Equity Shares	-	5,999,986
Vidteq (India) Private Limited	Technical expenses	15,000,000	18,880,800
Vidteq (India) Private Limited	Rent income	1,800,000	700,000
Spinclabs Private Limited	Rent income	120,000	109,032
Spinclabs Private Limited	Sale of services	(4,626,056)	514,747
Spinclabs Private Limited	Sale of goods	1,051,488	6,839,406
Spinclabs Private Limited	Field survey expenses	24,556,425	29,582,780
Rakesh Kumar Verma	Salary and allowances*#	38,399,988	14,119,812
Rashmi Verma	Salary and allowances*#	37,199,988	11,395,944
Rohan Verma	Salary and allowances*#	435,421	11,597,129
Shivalik Prasad	Salary and allowances*#	27,199,988	11,600,000
Rakesh Verma	Purchase of building	-	23,232,000
Rashmi Verma	Purchase of building	-	23,232,000
Rashmi Verma	Rent expense	1,230,000	940,000

\*Provision for gratuity and compensated absences is computed for the Company as a whole and hence has not been included above.

#The amount does not include provision for incentive payable to the executive directors amounting to INR 8 crores.





**CE Info Systems Private Limited****Notes to financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

Also, there is significant uncertainty as to how the liability should be calculated as it is impacted by multiple variables such as, the period of assessment, the application with respect to certain current and former employees and whether interest and penalties may be assessed. Due to such challenges and a lack of interpretive guidance, and based on management's internal assessment, it is currently impracticable to reliably estimate the timing and amount of any payments the Company may be required to make. The Company anticipates, that the Indian government will review the matter and believe there is a substantial question as to whether the Indian government will apply the Supreme Court's ruling on a retroactive basis. Accordingly, the Company plans to obtain further clarity and will evaluate the amount of a potential provision, if any.

**11. Unhedged foreign currency exposure**

Foreign currency exposures on account of trade receivables/ trade payables/ other current liabilities/ loans and advances and other assets not hedged by derivative instruments are as follows:

Particulars	Currency	As at 31 March 2019		As at 31 March 2018	
		Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency
Trade payables	USD	155,758	10,797,459	87,023	5,648,856
	EUR	-	-	-	-
Trade receivables	USD	476,415	33,026,033	308,748	20,101,306
	GBP	-	-	-	-
	EUR	31,664	2,461,908	-	-
Loans and advances, and other assets	USD	47,869	3,318,373	9,697	629,192
Other current liabilities	EUR	5,719	444,656	45	3,577
	USD	812	56,307	5,792	376,005



**CE Info Systems Private Limited**  
**Notes to financial statements for the year ended 31 March 2019**  
(All amounts in Indian Rupees)

**12. Value of imports on CIF basis**

Particulars	31 March 2019	31 March 2018
Raw material	165,175,465	91,262,348
Traded goods	10,709,168	27,533,433
Stores and spares	4,482,301	753,304
	<b>179,311,359</b>	<b>119,549,085</b>

**13. Details of imported and indigenous raw material, components and spare parts consumed during the financial year**

Particulars	31 March 2019		31 March 2018	
	Value	% of total consumption	Value	% of total consumption
<b>Raw material</b>				
Imported	105,543,689	64	91,262,348	60
Indigenous	59,631,776	36	61,576,703	30
	<b>165,175,465</b>	<b>100</b>	<b>152,839,051</b>	<b>100</b>
<b>Spare parts</b>				
Imported	6,714	1	753,304	10
Indigenous	4,475,587	99	6,663,763	90
	<b>4,482,301</b>	<b>100</b>	<b>7,417,066</b>	<b>100</b>

**14. Expenditure in foreign currency**

Particulars	31 March 2019	31 March 2018
Travelling	15,10,003	1,299,386
Membership and subscription	-	-
Advertisement	854,926	2,353,217
Legal and professional	6,598,462	6,486,091
Miscellaneous expenses	968,000	3,990,897
	<b>9,931,391</b>	<b>14,129,591</b>



**CE Info Systems Private Limited**  
**Notes to financial statements for the year ended 31 March 2019**  
(All amounts in Indian Rupees)

**15. Earnings in foreign currency**

	<b>31 March 2019</b>	<b>31 March 2018</b>
FOB value of exports	350,134,741	510,320,333

**16. Revenue from operations**

<b>Particulars</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
<b>Sale of products</b>		
Finished goods (map/ navigation products)	340,671,226	270,562,819
Less: Excise duty	-	8,668,799
Finished goods (net)	<b>340,671,226</b>	<b>261,894,020</b>
Traded goods	12,571,762	32,544,923
	<b>353,242,988</b>	<b>294,438,943</b>
<b>Sale of services</b>		
Map related services	<b>995,538,184</b>	<b>1,198,873,486</b>

The movement in revenue during the year is as follows:

<b>Particulars</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Sales during the year	1,310,081,280	1,574,297,130
Less: Opening balance of unbilled revenue	39,977,471	37,406,769
Add: Opening balance of deferred revenue	100,784,133	17,228,730
Add: Closing balance of unbilled revenue	48,853,591	39,977,471
Less: Closing balance of deferred revenue	70,960,361	100,784,133
<b>Revenue recognized during the year</b>	<b>1,348,781,172</b>	<b>1,493,312,429</b>

Movement in unbilled revenue is as follows:

<b>Particulars</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Opening balance	39,977,471	37,406,769
Less: Revenue billed during the year	39,977,471	37,406,769
Add: Revenue recognized but not yet billed	48,853,591	39,977,471
<b>Closing balance</b>	<b>48,853,591</b>	<b>39,977,471</b>





**CE Info Systems Private Limited****Notes to financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

Movement in deferred revenue is as follows:

Particulars	31 March 2019	31 March 2018
Opening balance	100,784,133	17,228,730
Less: Revenue recognized during the year	57,241,212	17,228,730
Add: Revenue deferred during the year	27,417,440	100,784,131
<b>Closing balance</b>	<b>70,960,361</b>	<b>100,784,131</b>

**17. Capitalization of expenses**

During the years ended 31 March 2019 and 31 March 2018, the Company has capitalized the following expenses as Internally Generated Map Database (intangible asset):

Expenses	31 March 2019	31 March 2018
Office expenses	225,975	229,279
Electricity and water	282,495	273,504
Personnel expenses*	4,670,400	9,058,237
Rent	836,731	820,834
Communication expenses	1,130,865	514,994
Printing and stationery expenses	59,741	72,326
Repair and maintenance – others	47,501	105,828
Staff welfare	165,050	122,204
Project expenses	-	420,060
Depreciation	358,301	322,610
<b>Total</b>	<b>7,777,059</b>	<b>11,939,876</b>

\* Provision for gratuity and compensated absences is computed for the Company as a whole and hence has not been included above.

18. Company has overdraft facility from bank carrying interest ranging between 9% to 10% p.a. computed on a monthly basis on the actual amount utilized, and is repayable on demand. This facility is secured by hypothecation of fixed deposits with the bank and the limit is Rs.47,500,000. There was no outstanding balance as at the end of current year and previous year.



**CE Info Systems Private Limited****Notes to financial statements for the year ended 31 March 2019**

(All amounts in Indian Rupees)

**19. Corporate Social Responsibility Expenditure**

Particulars			31 March 2019	31 March 2018
Gross amount required to be spent by the Company during the year			8,556,420	5,193,219
Particulars	In Cash	Yet to be paid in cash	Total	
(i) Construction/ Acquisition of any assets	-	-	-	
(ii) On purposes other than (i) above				
31 March 2019	102,031	-	102,031	
31 March 2018	299,169	-	299,169	
31 March 2017	166,107	-	166,107	

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

**As per our report of even date attached**For **BSR & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number : 101248W/W-100022

  
**Rajiv Goyal**

Partner

Membership No.: 094549

UDIN: 19094549AAAA CG 7217

For and on behalf of the Board of Directors of

**CE Info Systems Private Limited**  
**Rakesh Kumar Verma**

Managing Director

DIN:01542842

  
**Rohan Verma**

CEO and Whole time Director

DIN:01797489

**Anuj Kumar Jain**

Chief Financial Officer and

Company Secretary

Place: Gurugram

Date: 10-July-2019



Place: New Delhi

Date: 10-July-2019