

S.P. CHOPRA & CO.
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF 'INTEC CAPITAL LIMITED'
ON CONSOLIDATED FINANCIAL STATEMENTS

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of '**Intec Capital Limited**' (hereinafter referred to as "Holding Company"), and its Subsidiary '**Amulet Technologies Limited**' (the Holding Company and its Subsidiary together referred as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of Companies Act, 2013 (the "Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards ("AS") specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment, 2016.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditor in terms of their report referred to in 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, their consolidated losses and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements and other financial information, in respect of Subsidiary Company, namely Amulet Technologies Limited, whose financial statements reflect total assets of Rs. 1,262.33 lakhs as at March 31, 2018, and total revenues of Rs. Nil, loss of Rs. 14.67 lakhs and cash outflow of Rs. 0.02 lakhs for the year ended on that date, as considered in the consolidated financial statements.

These financial statements and other information have been audited by other auditor whose report has been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far it relates to the amounts and disclosures included in respect of the said Subsidiary and our report in terms of Section 143(3), in so far it relates to the said Subsidiary is based solely on the report of the said auditor.

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Our opinion on the consolidated financial statements, and our Report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and report of the other auditor.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards ("AS") specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
- e. On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2018, taken on record by their Board of Directors, and the report of the statutory auditor of the Subsidiary company not audited by us, none of the directors of the Holding Company and its Subsidiary company, is disqualified as on March 31, 2018 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 and operating effectiveness of such controls of the Holding Company, and of the Subsidiary Company, not audited by us (as reported by its auditor), refer to our separate report in Annexure-'A'; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

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- i. The Consolidated financial statements disclose the impact of pending litigations on the Consolidated financial position of the Group – Refer Note 24 to the consolidated financial statements;
- ii. The Group has not entered into any long-term contracts including derivative contracts.
- iii. There has been no amount, required to be transferred, to the Investor Education and Protection Fund by the Group.

Place : New Delhi
Dated: May 24, 2018



For S.P. CHOPRA & CO.
Chartered Accountants
Firm Regn. No. 000346N

(Pawan K. Gupta)
Partner
M. No. 092529

ANNEXURE-'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in 'paragraph - f' of the independent auditors report of even date on the consolidated financial statements of Intec Capital Limited for the year ended March 31, 2018)

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

We have audited the internal financial controls over financial reporting of **Intec Capital Limited** ("the Holding Company") and its Subsidiary (the Holding Company and its Subsidiary together referred as "the Group") for the year ended 31st March, 2018, in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its Subsidiary company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding 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.

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Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the Subsidiary namely Amulet Technologies Limited, is based on the corresponding report of the auditor of the said Company.

Our opinion is not modified in respect of above matter.

Place : New Delhi
Dated : May 24, 2018



For S.P. CHOPRA & CO.
Chartered Accountants
Firm Regn. No. 000346N

(Pawan K. Gupta)
Partner
M. No. 092529

INTEC CAPITAL LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018
(All amounts in Indian Rupees in lakhs)

| | Note No. | As at March 31, 2018 | As at March 31, 2017 |
|--------------------------------------|----------|-------------------------|-------------------------|
| <u>Equity and Liabilities</u> | | | |
| Shareholders' Funds | | | |
| Share Capital | 3 | 1,836.63 | 1,836.93 |
| Reserves and Surplus | 4 | 11,843.31 | 14,573.39 |
| | | 13,679.94 | 16,410.02 |
| Non-Current Liabilities | | | |
| Long-term Borrowings | 5 | 3,473.57 | 7,939.98 |
| Other Long-term Liabilities | 6 | 0.34 | 336.10 |
| Long-term Provisions | 7 | 603.00 | 939.50 |
| | | 4,076.91 | 9,215.58 |
| Current Liabilities | | | |
| Short-term Borrowings | 8 | 13,321.93 | 19,116.53 |
| Other Current Liabilities | 9 | 4,400.54 | 9,202.30 |
| Short-term Provisions | 10 | 3,766.78 | 2,112.17 |
| | | 21,489.25 | 30,431.00 |
| Total | | 39,246.10 | 56,056.60 |
| <u>Assets</u> | | | |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 11 | 1,357.85 | 988.96 |
| - Tangible | | 44.40 | 65.70 |
| - Intangible | | 6.81 | 76.63 |
| - Capital work in progress | | 9.14 | 9.14 |
| Non Current Investments | 12 | 1,340.81 | 1,000.62 |
| Deferred Tax Assets (net) | 13 | 13,076.42 | 27,196.10 |
| Long-term Loans and Advances | 14 | 1,468.84 | 918.16 |
| Other Non-Current Assets | 15 | 17,304.27 | 30,255.31 |
| Current Assets | | | |
| Cash and Bank Balances | 16 | 1,303.89 | 1,469.41 |
| Short-term Loans and Advances | 17 | 20,275.60 | 23,705.37 |
| Other Current Assets | 18 | 362.34 | 626.51 |
| | | 21,941.83 | 25,801.29 |
| Total | | 39,246.10 | 56,056.60 |
| Significant Accounting Policies | 1 & 2 | | |
| Other Notes | 24 to 27 | | |

As per our report of even date attached

S. P. Chopra & Co.
Chartered Accountants
Firm Registration No. 000346N

Pawan K. Gupta
Partner
Membership No.: 092529



For and on behalf of the Board of Directors of
Intec Capital Limited



Sanjeev Goel
Managing Director
DIN No. 00028702

S.K. Goel
Director
DIN No. 00963735

Puneet Sehgal
Company Secretary
M.N.: ACS: 12557

Puhup Srivastav
Chief Financial Officer

Place: New Delhi
Date: May 24, 2018

INTEC CAPITAL LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in Indian Rupees in lakhs)

| | Note No. | For period ended March 31, 2018 | For period ended March 31, 2017 |
|--|----------|------------------------------------|------------------------------------|
| Revenue | | | |
| Revenue from Operations | 19 | 5,338.13 | 9,571.91 |
| Other Income | 20 | 686.96 | 175.74 |
| Total revenue | | 6,025.09 | 9,747.65 |
| Expenses | | | |
| Employee Benefits Expense | 21 | 921.08 | 1,056.75 |
| Finance Costs | 22 | 3,431.83 | 5,460.24 |
| Depreciation and Amortisation | 11 | 65.29 | 70.26 |
| Other Expenses | 23 | 4,990.15 | 3,024.14 |
| Total expenses | | 9,408.35 | 9,611.39 |
| (Loss)/Profit before tax | | (3,383.26) | 136.26 |
| Tax expense | | | |
| - Current tax | | - | (194.48) |
| - Deferred tax credit | | 340.19 | 108.00 |
| - Earlier year/s Tax | | - | (15.05) |
| | | 340.19 | (101.53) |
| (Loss)/Profit after tax | | (3,043.07) | 34.73 |
| Earning per equity share | 27.5 | | |
| - Basic | | (16.57) | 0.19 |
| - Diluted | | (16.57) | 0.19 |
| Significant Accounting Policies | 1 & 2 | | |
| Other Notes | 24 to 27 | | |

As per our report of even date attached
S. P. Chopra & Co.
Chartered Accountants
ICAI Firm Registration No. 000346N

Pawan K. Gupta
Partner
Membership No.: 092529

Place: New Delhi
Date: May 24, 2018



For and on behalf of the Board of Directors of
Intec Capital Limited

Sanjeev Goel
Managing Director
DIN No. 00028702

Puneet Sehgal
Company Secretary
M.N.: ACS: 12557

S.K. Goel
Director
DIN No. 00963735

Puhup Srivastav
Chief Financial Officer



INTEC CAPITAL LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in Indian Rupees in lakhs)

| Particulars | Year ended March 31, 2018 | Year ended March 31, 2017 |
|--|------------------------------|------------------------------|
| Cash flow from operating activities | | |
| (Loss) / Profit before tax | (3,383.26) | 136.26 |
| Adjustments for: | | |
| Depreciation and amortisation | 65.29 | 70.26 |
| Provision for sub-standard and doubtful assets | 1,463.12 | 813.96 |
| Provision for standard assets | (135.61) | (147.28) |
| Provision for doubtful advances | 1.95 | - |
| Liabilities no longer required written back | 368.01 | - |
| Loss on sale of fixed assets (net) | 1.88 | 4.71 |
| Bad Loans written off | 2,568.26 | 912.86 |
| Other advances / recoverables written off | 15.21 | 5.58 |
| Operating profit before working capital changes | 964.85 | 1,796.35 |
| Movement in working capital: | | |
| Decrease/(Increase) in loans and advances | 14,964.05 | 15,140.39 |
| Decrease/(Increase) in current and non current assets | (23.53) | 473.85 |
| Increase/(Decrease) in current and non current liabilities | (1,602.21) | (1,289.47) |
| Decrease/(Increase) in other bank balances | (37.24) | 194.36 |
| Increase/(Decrease) in short-term and long-term provisions | (8.44) | (16.52) |
| Cash from operations | 14,257.48 | 16,298.96 |
| Taxes paid | (262.98) | (451.56) |
| Net cash from operating activities (A) | 13,994.50 | 15,847.39 |
| Cash flow from investing activities | | |
| Purchase of property, plant and equipment | (421.56) | (11.00) |
| Proceeds from sale of property, plant and equipment | 389.63 | 5.77 |
| Net cash from investing activities(B) | (31.93) | (5.23) |
| Cash flow from/ (used in) financing activities | | |
| Dividend paid (including tax thereon) | - | (55.27) |
| Repayment of commercial papers | - | (1,000.00) |
| Repayment/proceeds of cash credits facilities | (5,794.60) | (3,921.71) |
| Repayments of secured loans | (8,206.40) | (10,259.96) |
| Repayment of unsecured loans | (163.35) | (625.16) |
| Net cash from/ (used in) financing activities (C) | (14,164.35) | (15,862.10) |
| Net increase in cash and cash equivalents (A+B+C) | (201.78) | (19.94) |
| Cash and cash equivalents at the beginning of the year | 297.60 | 317.54 |
| Cash and cash equivalents at the end of the year | 95.82 | 297.60 |

Notes:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS) - 3 'Cash Flow Statements' notified under Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014, as amended.

Cash and cash equivalents in the balance sheet comprises of Cash in hand and Cash at bank.

| | | |
|---------------------------|--------------|---------------|
| - Cash on hand | 15.79 | 40.21 |
| - Cheques, drafts on hand | - | 10.00 |
| - In current accounts | 80.03 | 247.39 |
| | 95.82 | 297.60 |

Significant Accounting Policies

Other Notes

As per our report of even date attached

S. P. Chopra & Co.

Chartered Accountants

ICAI Firm Registration No. 000346N

Pawan K. Gupta

Partner

Membership No.: 092529



For and on behalf of the Board of Directors of
Intec Capital Limited



Sanjeev Goel
Managing Director
DIN:00028702

S.K. Goel
Director
DIN:00963735

Puneet Sehgal
Company Secretary
M.N.: ACS: 12557

Punup Srivastav
Chief Financial Officer

Place: New Delhi

Date: May 24, 2018

Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

1 GENERAL INFORMATION

Intec Capital Limited ('the Holding Company') incorporated in India on February 15, 1994, was registered with the Reserve Bank of India ('RBI') as a Non-Banking Financial Company ('NBFC') vide Certificate No. B-14.00731 dated May 4, 1998 in the name of Intec Securities Limited. Subsequently, due to change in name of the Holding Company, the Holding Company received a revised Certificate of Registration ('CoR') in the name of Intec Capital Limited on November 4, 2009 under Section 45-1A of the Reserve Bank of India Act, 1934. It is a systemically important non-deposit taking Non-Banking Financial Company (NBFC-ND-SI). The Holding Company is primarily engaged in the business of providing machinery loans to Small and Medium Enterprises ('SME') customers.

The Holding Company, has one Subsidiary company namely Amulet Technologies Limited ('the Subsidiary'), incorporated in India, which has the objectives of providing consultancy, advisory and the related services in the area of Information technology, however, it is yet to commence business.

The accompanying Consolidated Financial Statements relate to Intec Capital Limited ('the Holding Company') and its Subsidiary company (the Holding Company and its Subsidiary together referred as "the Group")

2 Basis of preparation of Consolidated Financial Statements:

The Consolidated financial statements have been prepared and presented to comply in accordance with the Accounting Standards ('AS') notified under section 133 of the Companies Act, 2013 (the 'Act') read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and other accounting principles generally accepted in India (GAAP) and as per the directions and guidelines issued by Reserve Bank of India to the extent applicable to Systemically Important Non-Deposit taking NBFC ('NBFC Regulation'). The notified Accounting Standards (AS) are followed by the Group insofar as they are not inconsistent with the NBFC Regulation.

The Consolidated Financial Statements have been prepared on the following basis:-

Basis of Accounting:

- (i) The financial statements of the Subsidiary Company are drawn up to the same reporting date as of the Holding Company.
- (ii) The Consolidated Financial Statements of the Group have been prepared in accordance with Accounting Standard 21 "Consolidated Financial Statements" (the 'AS 21') notified under section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.

Principles of Consolidation:

- (i) The financial statements of the Holding Company and its Subsidiary have been combined on line by line basis by adding together the book value of like items of Assets, Liabilities, Income and Expenses after eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard – 21 on "Consolidated Financial Statements".
- (ii) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Holding Company's separate financial statements except as otherwise stated in the Significant Accounting Policies.



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

- (iii) The difference between the costs of investments in the Subsidiary over the net assets at the time of acquisition of shares in the subsidiaries is recognized in Consolidated Financial Statements as Goodwill or Capital Reserve as the case may be.

The Consolidated Financial Statements of the Holding Company includes the results of following entity:

| Name of Company | Proportion(%) of Shareholding as on 31.03.2018 | Proportion(%) of Shareholding as on 31.03.2017 |
|------------------------------------|--|--|
| Amulet Technologies Limited, India | 100% | 100% |

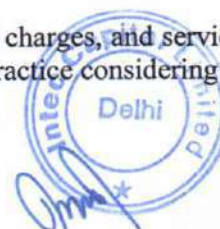
3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP in India requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of consolidated financial statements, and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. On an ongoing basis, estimates are evaluated based on historical experience and on various other assumptions that are believed to be reasonable, the results of which forms the basis for making judgments about the carrying value of assets and liabilities. Actual results could differ from those estimates. Any revision to estimates or difference between the actual result and estimates are recognised in the period in which the results are known/ materialised.

3.2 Revenue Recognition

- (i) Interest income on loans is accounted for by applying the Internal Rate of Return (IRR), implicit in the agreement, on the diminishing balance of the financed amount, over the period of the agreement so as to provide a constant periodic rate of return on the net amount outstanding on the contracts.
- (ii) Future accrual of interest is suspended for accounts that are contractually delinquent for more than 90 days, after setting-off of collateral amounts. Suspended income on such accounts is recognized as and when collected.
- (iii) Processing fees and other servicing fees is recognized as income on accrual basis.
- (iv) Dividend income on investments is accounted for as and when the right to receive the same is established.
- (v) Profit / loss on sale of loan assets through direct assignment / securitization are recognized over the residual life of loan / pass through certificates in terms of RBI guidelines. Loss arising on account of direct assignment / securitization is recognized upfront.
- (vi) Interest income on fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (vii) Income on account of overdue interest and bouncing, foreclosure and penal charges, and servicing fees on assignment of loans is recognized on receipt basis, as a consistent practice considering that the same are not material transactions.



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

3.3. Property Plant and Equipment

- (i) Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- (ii) Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Consolidated Statement of Profit and Loss for the period during which such expenses are incurred.
- (iii) Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit and loss when the asset is derecognized.
- (iv) Property, plant and equipment which are not ready for intended use as on the date of Consolidated Balance Sheet are disclosed as "Capital work-in-progress".

3.4 Depreciation

- (i) Depreciation on property, plant and equipment is provided on straight-line method over the useful life of the assets estimated by the management, in the manner prescribed in Schedule II of the Companies Act, 2013. Immovable assets at the leased premises including civil works, fixtures and electrical items etc. are capitalized as leasehold improvements and are amortized over the primary period of lease subject to maximum of two years.
- (ii) The useful lives in the following case is different from those prescribed in Schedule II of the Companies Act, 2013.

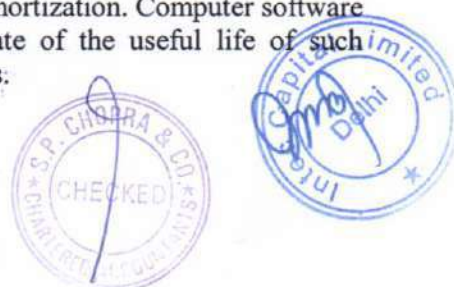
| Asset | Useful life as per Schedule II of the Companies Act, 2013 (No. of Years) | Useful life as assessed / estimated by the Company (No. of Years) |
|--------------------------|---|--|
| Electrical installations | 10 | 8 |

Based on usage pattern, internal assessment and technical evaluation carried out by the technicians, the management believes that the useful lives as given above best represent the period over which the management expects to use these assets. Hence the useful lives of these assets is different from the lives as prescribed in Schedule II of the Companies Act, 2013.

- (iii) Depreciation on addition or on sale / discard of an asset is calculated pro-rata from / up to the date of such addition or sale/discard.

3.5 Intangible Assets

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the Group and the costs of the assets can be measured reliably. Intangible assets comprising computer software are carried at cost less amortization. Computer software including improvements are amortised over the management's estimate of the useful life of such intangibles. Management estimates for useful life of intangibles is 6 years:



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

3.6 Investment

Investments that are readily realizable 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 realized within 12 months after the reporting date is also presented under 'current assets' as "current portion of long-term investments".

Long-term investments are stated at cost. Provision of diminution in the value of long-term investments is made, only if, such a decline is other than temporary in the opinion of the management. Current investments are carried at the lower of cost and quoted price / fair value. Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the consolidated statement of profit and loss.

3.7 Loan

Loans are stated at the amount advanced, as reduced by the amount received / repaid, the loans assigned and collateral money received from borrowers, up to the balance sheet date. Loan origination costs such as credit verification, agreement stamping, processing fee, ROC charges and valuation charges are charged to Consolidated Statement of Profit and Loss.

3.8 Sale of asset portfolios by way of assignment / securitization

The Holding Company undertakes sale of its loan portfolios by way of securitization / assignment out of its loan portfolio. The assigned / securitized portfolio is de-recognized from the books of the Holding Company in situations where the Holding Company relinquishes its contractual rights over the underlying loan receivables and all risks and rewards are transferred to assignee/ buyer.

3.9 Employee Benefits:

The Holding Company has various schemes of retirement benefits, namely provident fund, gratuity and leave encashment.

(i) Short term employee benefits:

All employee benefits payable / available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the Consolidated Statement of Profit and loss in the period in which the employee renders the related service.

(ii) Other long term employee benefits:

Entitlements to annual leave are recognized when they accrue to employees. Leave entitlements can be availed while in service of employment subject to restriction on the maximum number of accumulation. The Holding Company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

(iii) Defined contribution plan:

Contributions towards Provident Fund are considered as defined contribution plan and the contributions are charged to the Consolidated Statement of Profit and Loss for the year when the expense is actually incurred.



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

(iv) Defined benefit plans:

The Holding Company's gratuity scheme is a defined benefit plan. The plan provides for a lump sum payment to vested employees on retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service. The Company's contribution to gratuity fund in respect of its employees is managed by a trust, which invests the funds with Life Insurance Corporation of India ('LIC'). The present value of obligations under such defined benefit plans are based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of 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 estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the consolidated Balance Sheet date, having maturity period approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the Consolidated Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs.

3.10 Provision for standard, sub-standard and doubtful assets

The Holding Company makes provision for standard and non-performing assets (sub-standard and doubtful assets) in accordance with the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. Further, specific provisions are also created based on the management's best estimate of the recoverability of non-performing assets i.e. sub-standard and doubtful assets. In accordance with these Directions, the Holding Company has separately shown the said provision under short term / long term provisions (as applicable) without netting off from loans.

3.11 Current and deferred tax

- (i) Current tax is determined based on the amount of tax payable, calculated as per provisions of Income Tax Act, 1961, in respect of taxable income for the year.
- (ii) Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax asset, on timing differences, being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent years.
- (iii) Provision for taxation for the period(s) is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.
- (iv) Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the consolidated balance sheet date and at each such date, the Company re-assesses unrecognized deferred tax assets, if any.
- (v) Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amount and there is intention to settle the assets and the liabilities on a net basis.
- (vi) Deferred tax assets and liabilities are offset when there is a legally enforceable rights to set off assets against liabilities representing the current tax and where the deferred tax and liabilities relate to taxes on income levied by the same governing taxation laws.



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

3.12 Provision, contingent liabilities and contingent assets

The Group recognizes a provision when there is 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.

Provisions are reviewed at each consolidated balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the consolidated 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 recognized in the period in which the change occurs.

3.13 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 shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares except where results are anti-dilutive. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at the fair value.

3.14 Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognized as an expense in the Consolidated Statement of Profit and Loss on a straight line basis over the lease term.

3.15 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term fixed deposits / investments with an original maturity of three month or less.

3.16 Impairment of Assets

The management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impaired loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed, if and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized, the carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss being recognized for the asset in prior year/s.



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

3.17 Current versus non-current classification

The Group has classified all its assets / liabilities into current / non-current portion based on the time frame of 12 months from the date of consolidated financial statements. Accordingly assets / liabilities expected to be realized / settled within 12 months from the date of consolidated financial statements are classified as current and other assets / liabilities are classified as non-current.



Intec Capital Limited
Notes to consolidated financial statements for the year ended 31 March 2018

INTEC CAPITAL LIMITED

NOTES 1 TO 23 FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

3 Share Capital

(Amount in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| Authorised share capital | | |
| Equity Shares: | | |
| 35,000,000 (previous year : 35,000,000) equity shares of Rs. 10 each | 3,500.00 | 3,500.00 |
| Preference Shares: | | |
| 1,500,000 (previous year : 1,500,000) preference shares of Rs. 100 each | 1,500.00 | 1,500.00 |
| | 5,000.00 | 5,000.00 |
| Issued, subscribed and fully paid-up shares | | |
| Equity Shares: | | |
| 18,366,250 (previous year : 18,366,250) equity shares of Rs.10 each fully paid up | 1,836.63 | 1,836.63 |
| Total | 1,836.63 | 1,836.63 |

Note:

3.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|--------------------------------------|-------------------------|-----------------|-------------------------|-----------------|
| | Number of shares | Amount | Number of shares | Amount |
| Equity shares | | | | |
| Balance at the beginning of the year | 18,366,250 | 1,836.63 | 18,366,250 | 1,836.63 |
| Balance as at end of the year | 18,366,250 | 1,836.63 | 18,366,250 | 1,836.63 |

3.2 Rights, preferences and restrictions attached to each class of shares

The Holding Company has only one class of Equity Share having par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. All Equity Shares are entitled to receive dividend as declared from time to time. The voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group in proportion of their shareholding.

3.3 Detail of shareholders holding more than 5% of the aggregate shares in the Holding Company:

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|--|-------------------------|------------------------|-------------------------|------------------------|
| | Number of shares | % age of share holding | Number of shares | % age of share holding |
| Equity Shares | | | | |
| Pantec Devices Private Limited | 4,497,264 | 24.49 | 4,497,264 | 24.49 |
| India Business Excellence Fund-IIA | 3,646,142 | 19.85 | 3,646,142 | 19.85 |
| India Business Excellence Fund-II | 2,284,356 | 12.44 | 2,284,356 | 12.44 |
| Pantec Consultant Private Limited | 1,453,771 | 7.92 | 1,453,771 | 7.92 |
| Sanjeev Goel (Including shares held in Escrow account) | 1,244,464 | 6.77 | 1,244,464 | 6.77 |



Intec Capital Limited
Notes to consolidated financial statements for the year ended 31 March 2018

4 Reserves and Surplus

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Securities premium account | | |
| As per last account | 8,843.84 | 8,843.84 |
| Statutory reserve as per Section 45-IC of RBI Act (refer note 4.1) | | |
| Balance as at the beginning of the year | 1,415.96 | 1,408.70 |
| Add: Amount transferred during the year | - | 7.26 |
| Balance as at the end of the year | 1,415.96 | 1,415.96 |
| Surplus in Statement of Profit and Loss | | |
| Balance as at the beginning of the year | 4,313.59 | 4,341.45 |
| Add: Asset restated which was written-off earlier | 312.99 | - |
| Less: Dividend paid for previous year | - | 45.97 |
| Less: Tax on Dividend paid | - | 9.36 |
| Less / (Add): Loss / (Profit) for the year | 3,043.07 | (34.73) |
| Surplus available for appropriation | 1,583.51 | 4,320.85 |
| Less: Appropriations | | |
| - Transfer to reserve under section 45-IC of RBI Act | - | 7.26 |
| Balance as at the end of the year | 1,583.51 | 4,313.59 |
| Total reserves and surplus | 11,843.31 | 14,573.39 |

- 4.1 As per Section 45-IC of the Reserve Bank of India Act, 1934 ('RBI Act'), every NBFC is required to transfer a sum not less than twenty percent of its net profit for the year to the 'Statutory Reserve as per Section 45-IC of RBI Act'. As during the year there is no profit, there is no transfer to the said reserve, (previous year Rs. 7.26 lakhs being 20% of the net profit was transferred to the said reserve).

5 Long term Borrowings

(Amounts in Rs. lakhs)

| Particulars | Short Term | | Long Term | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2018 | As at March 31, 2017 |
| Secured | | | | |
| Term Loan: | | | | |
| - from banks | 2,672.81 | 5,826.00 | 3,418.30 | 6,998.96 |
| - from financial institutions | 744.27 | 871.56 | 55.27 | 799.81 |
| Non Convertible Debentures | - | 600.71 | - | - |
| Unsecured | | | | |
| Inter Corporate Deposits | 4.33 | 26.47 | - | 141.21 |
| Total | 3,421.41 | 7,324.74 | 3,473.57 | 7,939.98 |
| Less: Amount shown under Other Current Liabilities (refer note 9) | 3,421.41 | 7,324.74 | - | - |
| Total | - | - | 3,473.57 | 7,939.98 |



Intec Capital Limited
Notes to consolidated financial statements for the year ended 31 March 2018

5.1 Details / disclosure of the borrowings as at March 31, 2018:

| Particulars | Maturity pattern | | | | |
|--|------------------|-----------------|-----------------|---------------|-----------------|
| | 0-1 years | 1-2 years | 2-3 years | 3-5 years | Total |
| Term Loans | | | | | |
| (i) Secured by hypothecation of loan receivables (also refer note- 5.2 and 5.3.1) for loans taken from banks# (Remaining installments payable- 8 to 75) | 2,587.73 | 2,029.26 | 1,099.65 | 281.98 | 5,998.62 |
| for loans taken from financial institutions# (Remaining installments payable- 5 to 13) | 731.84 | 53.24 | - | - | 785.08 |
| (ii) Secured by hypothecation of loan receivables and fixed deposits (also refer note- 5.2 and 5.3.1) for loans taken from banks# (Remaining installments payable- 5) | 83.33 | - | - | - | 83.33 |
| (iii) Secured by hypothecation of car for loans taken from banks and financial institutions# (Remaining installments payable-26-54) (also refer note- 5.3.1) | 14.18 | 3.95 | 2.07 | 3.42 | 23.62 |
| Total | 3,417.08 | 2,086.45 | 1,101.72 | 285.40 | 6,890.65 |
| Inter Corporate Deposits (Unsecured loans) ## (also refer note- 5.3.2) | 4.33 | - | - | - | 4.33 |
| Total | 3,421.41 | 2,086.45 | 1,101.72 | 285.40 | 6,894.98 |

repayable on equitable monthly and quarterly installments

repayable at the time of maturity along with interest accrued

5.2 Loans also guaranteed by directors and other parties

- loan of Rs. 6,119.99 lakhs secured by personal guarantee of managing director and lien on fixed deposits of Rs. 89.67 lakhs.

- loan of Rs. 83.33 lakhs secured by personal guarantees of managing director and relative of managing director and corporate guarantee of 'Bubble Infosolutions Private Limited (company in which managing director of the Company is a director)

- loan of Rs. 663.70 lakhs secured by personal guarantee of managing director and corporate guarantee of Bubble Infosolutions Private Limited (company in which managing director of the Company is a director) and Amulet Technologies Limited (Subsidiary of the Company)

5.3 Rate of interest (range):

5.3.1 Interest rates on above secured loans range between 11.25%- 13.55% per annum

5.3.2 Interest rates on above unsecured loans range between 7%- 8.37% per annum

5.4 Details / disclosures of borrowings as at March 31, 2017:

| Particulars | Maturity pattern | | | | |
|--|------------------|-----------------|-----------------|-----------------|------------------|
| | 0-1 years | 1-2 years | 2-3 years | 3-5 years | Total |
| Term Loans | | | | | |
| (i) Secured by hypothecation of loan receivables (also refer note- 5.5 and 5.6.1) for loans taken from banks# (Remaining installments payable- 2 to 41) | 5,285.43 | 3,777.04 | 1,975.00 | 1,163.51 | 12,200.98 |
| for loans taken from financial institutions# (Remaining installments payable-17 to 25) | 860.00 | 732.46 | 53.24 | - | 1,645.70 |
| (ii) Secured by hypothecation of loan receivables and fixed deposits (also refer note- 5.5 and 5.6.1) for loans taken from banks# (Remaining installments payable- 4 to 17) | 540.91 | 83.07 | - | - | 623.98 |
| (iii) Secured by hypothecation of car for loans taken from other parties# (Remaining installments payable-26) | 11.22 | 12.43 | 2.02 | - | 25.67 |
| Total | 6,697.56 | 4,605.00 | 2,030.26 | 1,163.51 | 14,496.33 |
| Non Convertible Debentures # (Remaining installments payable-5) (Rate of Interest - 12.50% per annum) | 600.71 | - | - | - | 600.71 |
| Inter Corporate Deposits (Unsecured loans) ## (also refer note- 5.6.2) | 26.47 | 141.21 | - | - | 167.68 |
| Total | 7,324.74 | 4,746.21 | 2,030.26 | 1,163.51 | 15,264.72 |

repayable on equitable monthly and quarterly installments

repayable at the time of maturity along with interest accrued



Intec Capital Limited
Notes to consolidated financial statements for the year ended 31 March 2018

5.5 Loans also guaranteed by directors and other parties

- loan of Rs. 12,641.34 lakhs secured by personal guarantee of managing director and lien on fixed deposits of Rs. 48.24 lakhs..
- loan of Rs. 333.33 lakhs secured by personal guarantees of managing director and relative of managing director and corporate guarantee of 'Bubble Infosolutions Private Limited (company in which managing director of the Company is a director)
- loan of Rs. 1,495.69 lakhs secured by personal guarantee of managing director and corporate guarantee of Bubble Infosolutions Private Limited (company in which managing director of the Company is a director) and Amulet Technologies Limited (Subsidiary of the Company) .

5.6 Rate of interest :

- 5.6.1 Interest rates on above secured loans range between 11.45%- 12.30% per annum
5.6.2 Interest rates on above unsecured loans range between 7%- 8.37% per annum

6 Other Long-term Liabilities

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| Others | | |
| Collateral amount for cases assigned/ securitised | 0.34 | 327.01 |
| Lease equalisation reserve | - | 9.09 |
| Total | 0.34 | 336.10 |

7 Long-term Provisions

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Provision for employee benefits: (refer note 27.1) | | |
| - Provision for leave encashment | 8.19 | 13.69 |
| Provisions towards : (refer note 14.2) | | |
| - Standard Assets | 81.92 | 172.91 |
| - Non-Performing Assets | 512.89 | 752.90 |
| Total | 603.00 | 939.50 |

8 Short-term Borrowings

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|----------------------------------|-------------------------|-------------------------|
| Secured | | |
| Working Capital loans from Banks | 13,321.93 | 19,116.53 |
| Total | 13,321.93 | 19,116.53 |

8.1 Working Capital loans from banks are secured by :

- (a) Primary Security- first pari passu charge on present and future receivables of the Company.
- (b) Collateral Security-Fixed deposits of Rs. 1098.44 lakhs (previous year : Rs. 1,337.51 lakhs) lien marked to banks and Immovable properties belonging to promoter & others.
- (c) Personal guarantees of managing director and relative of managing director.
- (d) Corporate guarantee of Bubble infosolution Private Limited (company in which managing director of the Company is a director and Amulet Technologies Limited Subsidiary of the Company)

8.2 Interest rates on above loans range between 10.60% - 13.55% per annum (previous year : 10.60% - 13.45% per annum).



Intec Capital Limited
Notes to consolidated financial statements for the year ended 31 March 2018

9 Other Current Liabilities

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| Current maturities of Long term Borrowings (refer note 5) | 3,421.41 | 7,324.74 |
| Interest accrued but not due | 18.78 | 122.30 |
| Payables to employees | 21.52 | 77.92 |
| Amount payable for servicing of assigned / securitised loan portfolio | 1.83 | 19.49 |
| Payable to customers (borrowers) | 751.16 | 1,405.77 |
| Payable to other parties | 81.81 | 115.63 |
| Unclaimed dividend | 6.94 | 7.92 |
| Collateral amount for cases assigned / securitised | 13.95 | 31.12 |
| Lease equalisation reserve | 0.25 | 2.58 |
| Other statutory dues payable | 46.73 | 21.80 |
| Other liabilities | 36.16 | 73.03 |
| Total | 4,400.54 | 9,202.30 |

9.1 Other liabilities comprise of payables towards miscellaneous and expenses etc.

9.2 There is no amount due and outstanding to be credited to Investor Education & Protection Fund.

9.3 There is no amount outstanding to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 based on available information with the Group.

10 Short-term Provisions

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Provision for employee benefits: (refer note 27.1) | | |
| - Provision for leave encashment | 1.49 | 5.42 |
| Provisions towards : (refer note 14.2) | | |
| - Standard Assets | 47.35 | 91.97 |
| - Non-Performing Assets | 3,717.94 | 2,014.78 |
| Total | 3,766.78 | 2,112.17 |



Intec Capital Limited
Notes to consolidated financial statements for the year ended 31 March 2018

11 Property, Plant and Equipment (refer note below)

(Amounts in Rs. Lakhs)

| Particulars | Gross block | | | As at March 31, 2018 | As at April 1, 2017 | Accumulated depreciation | | As at March 31, 2018 | Net Block | |
|-------------------------------------|------------------------|---------------|-----------------------------|-------------------------|------------------------|-------------------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| | As at April 1, 2017 | Additions | Deductions / adjustments | | | Depreciation/ amortisation | Deductions / adjustments | | As at March 31, 2018 | As at March 31, 2017 |
| Tangible assets | | | | | | | | | | |
| Land | 888.81 | - | - | 888.81 | - | - | - | - | 888.81 | 888.81 |
| Building | - | 389.62 | - | 389.62 | - | 12.34 | - | 12.34 | 377.28 | - |
| Vehicles | 84.29 | 12.31 | - | 96.60 | 39.97 | 9.70 | - | 49.67 | 46.93 | 44.32 |
| Office equipment | 39.31 | 1.47 | 0.79 | 39.99 | 22.87 | 6.46 | 0.79 | 28.54 | 11.45 | 16.44 |
| Data processing equipments | 159.24 | 4.26 | 7.63 | 155.87 | 139.48 | 8.69 | 7.63 | 140.54 | 15.33 | 19.76 |
| Furniture and fixtures | 19.32 | 0.15 | 3.79 | 15.68 | 10.39 | 1.44 | 2.05 | 9.78 | 5.90 | 8.93 |
| Leasehold improvements | 39.93 | - | - | 39.93 | 38.14 | - | - | 38.14 | 1.79 | 1.79 |
| Electric installations | 9.58 | 0.42 | 0.50 | 9.50 | 5.81 | 1.39 | 0.38 | 6.82 | 2.68 | 3.77 |
| Air conditioners | 12.25 | - | 0.02 | 12.23 | 7.12 | 0.95 | 0.01 | 8.06 | 4.17 | 5.13 |
| Office equipment - Mobile | 3.39 | 4.21 | - | 7.60 | 3.38 | 0.71 | - | 4.09 | 3.51 | 0.01 |
| Current Year's Total | 1,256.12 | 412.44 | 12.74 | 1,655.82 | 267.17 | 41.68 | 10.86 | 297.97 | 1,357.85 | 988.96 |
| Previous Year's Total | 1,283.75 | 6.77 | 34.40 | 1,256.12 | 242.68 | 48.41 | 23.93 | 267.17 | 988.96 | 1,041.07 |
| Intangible assets | | | | | | | | | | |
| Computer software | 145.10 | 2.31 | 0.51 | 146.90 | 79.40 | 23.61 | 0.51 | 102.50 | 44.40 | 65.70 |
| Current Year's Total | 145.10 | 2.31 | 0.51 | 146.90 | 79.40 | 23.61 | 0.51 | 102.50 | 44.40 | 65.70 |
| Previous Year's Total | 140.87 | 4.23 | - | 145.10 | 57.55 | 21.85 | - | 79.40 | 65.70 | 83.32 |
| Capital Work in Progress | 76.63 | 319.80 | 389.62 | 6.81 | - | - | - | - | 6.81 | 76.63 |
| Grand Total - Current's Year | 1,477.85 | 734.55 | 402.87 | 1,809.53 | 346.57 | 65.29 | 11.37 | 400.47 | 1,409.06 | 1,131.29 |
| Grand Total - Previous Year | 1,501.25 | 11.00 | 34.40 | 1,477.85 | 300.23 | 70.26 | 23.93 | 346.57 | 1,131.29 | 1,201.02 |

Note - 1. Tangible assets are hypothecated as security against working capital facility (refer note 8)



Intec Capital Limited
Notes to consolidated financial statements for the year ended 31 March 2018

12 Non-Current Investments

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| Non-Trade Investments (valued at cost) | | |
| In Equity Shares of: | | |
| Other Companies - Unquoted | | |
| 89,890 (previous year : 89,890) equity shares of Rs 10 each of Pantec Devices Private Limited, India - Fully paid up | 1.16 | 1.16 |
| 31,830 (previous year : 31,830) equity shares of Rs 10 each of Pantec Consultants Private Limited, India - Fully paid up | 1.01 | 1.01 |
| 36,390 (previous year : 36,390) equity shares of Rs 10 each of Intec Worldwide Private Limited, India - Fully paid up | 0.86 | 0.86 |
| 217,500 (previous year : 217,500) equity shares of Rs 10 each of Spherical Collection Agency (P) Ltd, India - Fully paid up | 1.11 | 1.11 |
| 225,730 (previous year : 225,730) equity shares of Rs 10 each of Intec Share & Stock Brers Limited, India - Fully paid up | 2.26 | 2.26 |
| 34,000 (previous year : 34,000) equity shares of Rs 10 each of FIMA Infotech Private Limited, India - Fully paid up | 2.30 | 2.30 |
| 176,000 (previous year : 176,000) equity shares of Rs 10 each of Spectacle Advisory Solutions Pvt. Ltd, India - Fully paid up | 0.44 | 0.44 |
| Total | 9.14 | 9.14 |
| Aggregate amount of Quoted Investments | Nil | Nil |
| Market value of Quoted Investments | Nil | Nil |
| Aggregate amount of Unquoted investment | 9.14 | 9.14 |
| Aggregate amount of impairment in value of investment | Nil | Nil |

13 Deferred Tax Assets (Net)

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|-------------------------------------|-------------------------|-------------------------|
| Deferred tax asset: | | |
| Provision for non-performing assets | 1,304.34 | 904.84 |
| Provision against standard assets | 40.03 | 87.58 |
| Provision for doubtful advances | 0.61 | - |
| Variable incentive | 1.15 | - |
| Leave Encashment | 3.00 | 6.32 |
| Others | 0.07 | 11.24 |
| | 1,349.20 | 1,009.98 |
| Deferred tax liability: | | |
| Depreciation | 2.41 | 7.02 |
| Others | 5.98 | 2.34 |
| | 8.39 | 9.36 |
| Net Deferred Tax Assets | 1,340.81 | 1,000.62 |



Intec Capital Limited
Notes to consolidated financial statements for the year ended 31 March 2018

14 Long term Loans and Advances

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| Loans | | |
| - Secured, considered good (refer notes 14.1) | 12,146.41 | 30,270.14 |
| - Unsecured, considered good | 2,191.00 | 1,774.29 |
| - Secured, considered sub-standard and doubtful (refer notes 14.1 and 14.2) | 4,232.62 | 6,577.51 |
| | 18,570.03 | 38,621.94 |
| Less: Collateral money received from borrowers | (5,536.06) | (11,504.47) |
| | 13,033.97 | 27,117.47 |
| Security deposits | 24.14 | 33.20 |
| Unamortised Loan Processing Charges for Term loans | 18.31 | 45.43 |
| Total | 13,076.42 | 27,196.10 |

14.1 Secured by hypothecation of specific assets

14.2 The Holding Company makes provision for standard and non-performing assets (sub-standard and doubtful assets) in accordance with the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, and in accordance with these Directions, the Holding Company has separately shown the said provision under Short Term and Long term Provisions (as applicable) without netting off from loans.

15 Other Non-Current Assets

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| Deposits with Banks (refer note 15.1) | 372.38 | 282.39 |
| Interest accrued but not due on Fixed Deposit | 21.39 | 16.68 |
| Advance Income taxes (net of provision of tax) | 692.26 | 429.28 |
| Interest accrued but not due on unsecured loans | 382.81 | 189.81 |
| Total | 1,468.84 | 918.16 |

15.1 Subject to first charge as security against the working capital facilities availed from the Banks.

16 Cash and bank balances

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| Cash and cash equivalents | | |
| - Cash on hand | 15.79 | 40.21 |
| - Cheques, drafts on hand | - | 10.00 |
| - In current accounts | 80.03 | 247.39 |
| | 95.82 | 297.60 |
| Other bank balances | | |
| - Deposits with original maturity of more than 3 months and less than 12 months (refer note 16.1) | 1,201.13 | 1,163.89 |
| - In Unpaid dividend account | 6.94 | 7.92 |
| Total | 1,303.89 | 1,469.41 |

16.1 Fixed deposits of Rs. 726.06 lakhs (Previous year: Rs. 1,055.12 lakhs) are subject to first charge as security against the working capital facilities, of Rs. 89.67 lakhs (Previous year: Rs. 48.24 lakhs) are subject to first charge as security against the Term Loan facilities and of Rs. 31.05 lakhs (Previous year: Rs. 60.53 lakhs) are lien with Small Industries Development Bank of India under Credit Delivery Arrangement.



Intec Capital Limited
Notes to consolidated financial statements for the year ended 31 March 2018

17 Short term Loans and Advances

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Loans (refer notes 14.1 and 14.2) | | |
| - Secured, considered good | 9,241.37 | 17,893.69 |
| - Secured, considered substandard assets doubtful | 12,062.92 | 7,191.39 |
| | 21,304.29 | 25,085.08 |
| Less: collateral money received from Borrowers | (1,127.24) | (1,611.91) |
| | 20,177.05 | 23,473.17 |
| (Unsecured, considered good) | | |
| Advances to employees | 7.35 | 13.65 |
| Prepaid expenses | 24.03 | 42.54 |
| Other advances (net of provision of Rs. 1.95 lakhs towards doubtful of recovery) | 29.72 | 135.25 |
| Unamortised Loan Processing Charges for Term loans | 37.45 | 37.37 |
| Advance to vendors | - | 3.39 |
| Total | 20,275.60 | 23,705.37 |

18 Other Current Assets

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| Interest accrued but not due on loans | 228.38 | 500.57 |
| Other receivables | 96.24 | 103.40 |
| Interest accrued but not due on Fixed Deposit | 18.39 | 15.45 |
| Plan Assets of employee benefits (Net of provision) | | |
| - Gratuity (refer note 27.1) | 19.33 | 7.09 |
| Total | 362.34 | 626.51 |

19 Revenue from Operation

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Interest on loans | 5,057.90 | 9,108.23 |
| Other financial services income | | |
| Loan processing fee | 1.79 | 121.27 |
| Servicing fee on assignment of loans | 6.51 | 27.55 |
| Income on preclosure of loans | 191.16 | 217.87 |
| Other service fees | 80.77 | 96.99 |
| Total | 5,338.13 | 9,571.91 |

20 Other Income

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--------------------------------------|-------------------------|-------------------------|
| Interest on fixed deposit with banks | 107.50 | 147.22 |
| Bad debts recovered | 200.00 | - |
| Liabilities no longer written back | 368.01 | - |
| Miscellaneous income | 11.45 | 28.52 |
| Total | 686.96 | 175.74 |

21 Employee Benefits Expense

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| Salaries and wages etc. | 871.99 | 996.49 |
| Contribution to provident and other funds | 27.27 | 38.34 |
| Staff welfare expenses | 21.82 | 21.92 |
| Total | 921.08 | 1,056.75 |



Intec Capital Limited
Notes to consolidated financial statements for the year ended 31 March 2018

22 Finance costs

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Interest on : | | |
| - Term loans from banks | 1,088.48 | 1,931.10 |
| - Term loans from financial institutions | 139.64 | 254.23 |
| - Non Convertible Debentures | 33.47 | 240.80 |
| - Working capital loans | 1,933.66 | 2,367.87 |
| - Inter Corporate Deposits | 19.75 | 42.51 |
| - Collateral Money received from borrowers | 41.45 | 293.23 |
| Discount on commercial paper | - | 56.30 |
| Processing fees and other bank charges | 175.38 | 274.20 |
| Total | 3,431.83 | 5,460.24 |

23 Other expenses

(Amounts in Rs. lakhs)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Electricity and water | 20.10 | 30.22 |
| Rent (refer note 27.4) | 74.71 | 159.84 |
| Legal and professional | 714.34 | 833.00 |
| Remuneration to Auditors: | | |
| - Statutory Audit Fee | 5.62 | 9.00 |
| - Tax Audit | 1.00 | 0.75 |
| - Limited Reviews | 2.00 | 6.75 |
| - Other Fees | 0.05 | 4.75 |
| - Reimbursement of Expenses | 0.25 | 2.15 |
| Rates and taxes | 11.43 | 12.83 |
| Collection charges | 17.02 | 85.21 |
| Repair and maintenance - others | 33.94 | 49.45 |
| Staff recruitment and training | 2.32 | 22.33 |
| Communications | 26.49 | 41.30 |
| Travelling and conveyance | 65.75 | 96.11 |
| Business Promotion Expenses | 35.29 | 20.35 |
| Provisions on Loans: (refer note 14.2) | | |
| - on standard assets | (135.61) | (147.28) |
| - on substandard and doubtful assets | 1,463.12 | 813.96 |
| Bad loans written off | 2,568.26 | 912.86 |
| Other advances / recoverables written off | 15.21 | 5.58 |
| Provision for doubtful other advances / recoverables | 1.95 | - |
| Corporate Social Responsibilities (refer note 26) | 2.50 | 4.83 |
| Loss on sale of property, plant and equipment (net) | 1.88 | 4.71 |
| Miscellaneous expenses | 62.53 | 55.44 |
| Total | 4,990.15 | 3,024.14 |



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

24. Contingent Liabilities

- (a) Few customers / borrowers of the Company have filed legal cases for various claims against the Company. The management has reviewed these pending litigations and proceedings and does not expect any material outflow / reimbursement.
- (b) **Corporate guarantee:**
- a. Amulet Technologies Limited (Subsidiary Company) has given corporate guarantee of Rs. 15,663.70/- lakhs (Previous year: Rs. 41,495.69 lakhs) to various banks for term loans and working capital loans availed by Intec Capital Limited (Holding Company).
 - b. Issued to Small Industries Development Bank of India under Credit Delivery Arrangement: Rs. 48.08 lakhs

25. Commitments

Loan approved but pending disbursement: Rs 38.54 Lakhs (Previous Year: Rs. 54.44 Lakhs).

26. Corporate Social Responsibility (CSR):

The Holding Company has constituted a CSR committee as required under Section 135 of the Companies Act, 2013, together with relevant rules as prescribed in Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR rules"). The CSR Committee had approved the CSR Policy and also identified the broad areas of CSR activities which it propose to carry out viz. Child Education and Women Empowerment. During the year, the Holding Company made serious deliberations and chose the CSR programs which would be undertaken on a long term and continuous basis. Such programs will benefit communities where the Holding Company operates or likely to operate and create goodwill for the Holding Company. The detail of the amount spent during the year is as under:

| | | Amount spent during the current year ended March 31, 2018 (Rs. lakhs) | Amount pending for spending as at March 31, 2018 (Rs. lakhs) | Total Amount (Rs. lakhs) |
|---|---|--|--|---------------------------------------|
| - | Gross Amount required to be spent during the year | | | 14.88 |
| - | Amount spent during the year: | | | |
| | a. Construction/acquisition of any asset | - | - | - |
| | b. Contribution to Trusts / NGOs / Societies | 2.50 | - | 2.50 |



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

27. Accounting Standards Disclosures

27.1 Accounting Standard 15 (Revised) - Employee Benefits

(a) **Defined Benefit plans:**

Gratuity : Payable on separation as per the Payment of Gratuity Act, 1972 as amended @ 15 days pay, for each completed year of service to Holding Company's eligible employees who render continuous service of 5 years or more. The Holding Company's liability towards Gratuity is funded / managed by a trust, which invests the funds with Life Insurance Corporation of India (LIC).

(b) **Other Long Term Benefit:**

Compensated Absences : Employees of the Holding Company are entitled to accumulate their earned/privilege leave up to a maximum of 30 days which can be availed / utilized in coming year/s, while in service. During the year the amount of Rs. 9.42 lakhs (previous year: Rs. 5.46 lakhs) has been credited in the Consolidated Statement of Profit and Loss towards reversal of the excess provision based on actuarial valuation.

(c) **Defined Contribution plan:**

Holding Company's employees are covered by Provident Fund and Employees State Insurance Scheme/Fund, to which the Holding Company makes a defined contribution measured as a fixed percentage of salary. During the year, amount of Rs. 29.33 lakhs (Previous Year: Rs. 47.14 lakhs) has been charged to the Consolidated Statement of Profit and Loss towards employer's contribution to these schemes/funds as under:

| | Year ended 31st March, 2018 (Rs. In lakhs) | Year ended 31st March, 2017 (Rs. In lakhs) |
|---|--|--|
| Employer's contribution towards Provident Fund (PF) | 25.78 | 45.60 |
| Employer's contribution towards Employees State Insurance (ESI) | 3.55 | 1.54 |

(d) Other disclosures of Defined Benefit plan (Gratuity) as required under AS 15 are as under:-

| A) Reconciliation of benefit obligations and plan assets | | |
|---|--------------------------------------|--------------------------------------|
| | Year ended March 31, 2018 | Year ended March 31, 2017 |
| Opening defined benefit obligation | 48.60 | 68.42 |
| Current service cost | 5.29 | 10.84 |
| Interest cost | 3.59 | 5.40 |
| Actuarial losses/ (gains) | (16.73) | (22.50) |
| Benefits paid | (13.40) | (13.56) |
| Closing defined benefit obligation | 27.35 | 48.60 |



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

| | | |
|--|----------------|---------------|
| Change in the fair value of plan assets | | |
| Opening fair value of plan assets | 55.69 | 65.16 |
| Expected return on plan assets | 4.73 | 5.54 |
| Actuarial gains/ (losses) | (1.63) | (1.93) |
| Contributions paid by employer | 1.29 | 0.47 |
| Benefits paid | (13.40) | (13.56) |
| Closing fair value of plan assets | 46.68 | 55.69 |
| B) Reconciliation of present value of the obligations and the fair value of the plan assets | | |
| Present value of funded obligations | 27.35 | 48.60 |
| Fair value of plan assets | 46.68 | 55.69 |
| Net asset to be recognised in Balance Sheet | 19.33 | 7.09 |
| C) Gratuity cost for the year: | | |
| Current service cost | 5.29 | 10.84 |
| Interest cost | 3.59 | 5.40 |
| Expected return on plan assets | (4.73) | (5.54) |
| Net actuarial losses / (gain) recognised in year | (15.10) | (20.57) |
| Net gratuity cost / (income) to be recognised in Statement of Profit and Loss | (10.95) | (9.87) |

Experience adjustments:

| Particulars | (Amount in Rs.lakhs) | | | | |
|---|----------------------|----------------|----------------|----------------|----------------|
| | March 31, 2018 | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 |
| Experience gain/ (loss) adjustments on plan liabilities | 4.24 | 24.83 | 16.28 | 15.37 | 16.39 |
| Experience gain/ (loss) adjustments on plan assets | (1.63) | (1.93) | (1.51) | (0.47) | 0.54 |

Investment details of the plan assets

100% of the plan assets are with the LIC'S Managed funds.

Actuarial Assumptions:

The principal assumptions are the discount rate and salary increase. The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the Liabilities and the salary increase takes account of inflation, seniority, promotion and other relevant factors on long term basis. Principal assumptions used for actuarial valuation are:



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

| Particulars | Year ended 31st March, 2018 | Year ended 31st March, 2017 |
|-------------------------------|--------------------------------|--------------------------------|
| Method used | Projected unit credit method | |
| Discount rate | 7.60% | 7.40% |
| Salary Escalation | 6.00% | 10.00% |
| Mortality Rate | IALM (2006-08) | |
| Withdrawal rate | 7.5% | 7.5% |
| Rate of return on plan assets | 7.71% | 8.51% |

27.2 Accounting Standard 17 - Segment Reporting:

The Holding Company is primarily engaged only in the business of providing loans to Small and Medium Enterprises ('SME') customers and has no overseas operations / units and as such and Subsidiary Company is yet to start its operations, therefore no segment reporting is required under Accounting Standard 17 - Segment Reporting.

27.3 Accounting Standard 18 - Related Parties

A. List of Related Parties and relationships, having transactions during the year

a) Key Management Personnel

Sanjeev Goel, Managing Director

b) Relative of Key Management personnel

Pranav Goel, Son of Sanjeev Goel, Managing Director

Ritika Goel, Wife of Sanjeev Goel, Managing Director, and Independent Director of Holding Company (upto November 08, 2017)

c) Enterprises over which key Management Personnel exercises significant influence

Bubble Info Solutions Private Limited

d) Enterprises over which relative of key management exercises significant influence

Intec Infonet Private Limited

e) Investing party in respect of which the reporting enterprise is an associate

Pantec Devices Private Limited

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.



Intec Capital Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

B. Transactions with Related Parties

| Nature of Transaction | Investing Company in which the reporting enterprise is an associate | | Key Management Personnel | | Relative of Key Management Personnel | | Enterprises over which key Management Personnel exercises significant influence | | Enterprise over which relative of key management personnel having significant influence | |
|--|---|---------------------|--------------------------|---------------------|--------------------------------------|---------------------|---|---------------------|---|---------------------|
| | Year ended March-31 | Year ended March-31 | Year ended March-31 | Year ended March-31 | Year ended March-31 | Year ended March-31 | Year ended March-31 | Year ended March-31 | Year ended March-31 | Year ended March-31 |
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| <u>Remuneration</u> | | | | | | | | | | |
| Sanjeev Goel (refer note - 1 below) | - | - | 242.97 | 17.03 | - | - | - | - | - | - |
| <u>Interest on loans</u> | | | | | | | | | | |
| -Pantec Devices Private Limited | 2.25 | 2.25 | - | - | - | - | - | - | - | - |
| <u>Maintenance charges paid</u> | | | | | | | | | | |
| -Intec Infonet Private Limited | - | - | - | - | - | - | - | - | 0.64 | 1.82 |
| <u>Salary</u> | | | | | | | | | | |
| - Pranav Goel | - | - | - | - | 5.52 | 4.91 | - | - | - | - |

Note - 1 : Includes amount of Rs. 112.97 lakhs of earlier year 2016-17, charged to the Consolidated Statement of Profit and Loss during the current year based on the approval of the Ministry of Corporate Affairs, Government of India.



Intec Capital Limited
Notes to consolidated financial statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

C. Year end balances with related parties-

(Amounts in Rs. Lakhs)

| | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| Loans and Advances given | | |
| Pantec Devices Private Limited, (Investing party) | 39.41 | 37.39 |
| Other Advances | | |
| Sanjeev Goel, Managing Director | 26.82 | 112.97 |

27.4 Accounting Standard 19 - Operating Leases.

The Company's significant leasing arrangements are in respect of operating leases for premises (commercial premises, offices etc.). The leasing arrangements include non-cancellable leases ranging from 0-1 year and are usually renewable by mutual consent on mutually terms. There are no sub leases.

The aggregate lease rentals payable are charged to Consolidated Statement of Profit and Loss.

| Particulars | For the year ended March 31, 2018 (Rs.) | For the year ended March 31, 2017 (Rs.) |
|--|---|---|
| Lease payments recognized in the Consolidated Statement of Profit and Loss | 74.71 | 159.84 |

Non-cancellable operating lease rentals payable (minimum lease payments) under these leases are as follow:-

(Amount in Rs. lakhs)

| Particulars | March 31, 2018 | March 31, 2017 |
|------------------------------------|----------------|----------------|
| Payable within one year | 0.25 | 7.88 |
| Payable between one and five years | - | - |
| Payable after five years | - | - |
| Total | 0.25 | 7.88 |

27.5 Earnings Per Share (EPS)

| Particulars | Year ended 31st March, 2018 | Year ended 31st March, 2017 |
|---|-----------------------------------|-----------------------------------|
| Net (Loss) / Profit as per Consolidated Statement of Profit and Loss – (Rs. in lakhs) | (3,043.07) | 34.73 |
| Basic/Diluted weighted average number of equity shares outstanding during the year | 18,366,250 | 18,366,250 |
| Nominal value of Equity Share (Rs.) | 10.00 | 10.00 |
| Basic/Diluted Earnings per Share (Rs.) | (16.57) | 0.19 |



Intec Capital Limited
Notes to consolidated financial statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

27.6 At the year end, the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

27.7 There is no unhedged foreign currency exposure during the year.

27.8 Salient Features of financials of Subsidiary Company as per the Companies Act, 2013:

| (Rs. in Lakhs) | | |
|----------------|--|---|
| Sl. No. | Particulars | Subsidiary (Amulet Technologies Limited) (Refer Note Below) |
| 1. | Reporting period of the subsidiary concerned, if different from the Holding Company's reporting period | N.A. |
| 2. | Share Capital | 25.00 |
| 3. | Reserves & Surplus | (126.65) |
| 4. | Total Assets | 1,262.33 |
| 5. | Total Liabilities | 1,364.04 |
| 6. | Investments | Nil |
| 7. | Turnover /Total Income | -- |
| 8. | (Loss) before tax | (14.67) |
| 9. | Provision for tax | -- |
| 10. | (Loss) after tax | (14.67) |
| 11. | Proposed Dividend | -- |
| 12. | % of shareholding | 100% |

Note: The Subsidiary has yet to start its commercial operations.

27.9 Additional information pursuant to Schedule III of Companies Act, 2013

| Name of Entity | Net Assets i.e. Total Assets minus Total Liabilities | | Share in (Loss) | |
|-----------------------------|---|-----------------------|-----------------------------|-----------------------|
| | As % of consolidated net assets | Amount (Rs. in lakhs) | As % of consolidated profit | Amount (Rs. in lakhs) |
| Parent / Holding : | | | | |
| Intec Capital Limited | 100.93 | 13,806.59 | 99.52 | (3,028.40) |
| | | | | |
| Subsidiary: | | | | |
| Amulet Technologies Limited | (0.93) | (126.65) | 0.48 | (14.67) |

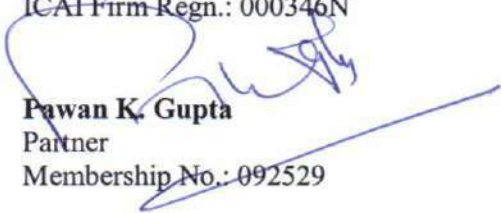


Intec Capital Limited
Notes to consolidated financial statements for the year ended March 31, 2018
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

- 27.10** There are no material differences in the accounting policies of the Holding Company and its Subsidiary.
- 27.11** Figures for previous year have been regrouped and/or reclassified wherever considered necessary, to conform to current year's classification.

As per our report of even date attached

For **S.P. CHOPRA & CO**
Chartered Accountants
ICAI Firm Regn.: 000346N


Pawan K. Gupta
Partner
Membership No.: 092529



For and on behalf of the Board of Directors of
Intec Capital Limited


Sanjeev Goel
Managing Director
DIN-00028702


Puneet Sehgal
Company Secretary
Membership No.: ACS-12557


S.K. Goel
Director
DIN-00963735


Puhup Srivastav
Chief Financial Officer

Place: New Delhi
Date: May 24, 2018