

INTEC CAPITAL LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019
(All amounts in Indian Rupees in lakhs)

	Note No.	As at March 31, 2019	As at March 31, 2018
Equity and liabilities			
Shareholders' Funds			
Share Capital	3	1,836.63	1,836.63
Reserves and Surplus	4	6,288.53	11,843.31
		8,125.16	13,679.94
Non-Current Liabilities			
Long-term Borrowings	5	1,028.06	3,473.57
Other Long-term Liabilities	6	2,114.97	5,536.40
Long-term Provisions	7	23.87	90.11
		3,166.90	9,100.08
Current Liabilities			
Short-term Borrowings	8	7,908.81	13,321.93
Other Current Liabilities	9	3,382.32	5,527.78
Short-term Provisions	10	10,663.23	4,279.67
		21,954.36	23,129.38
Total		33,246.42	45,909.40
Assets			
Non-Current Assets			
Property, Plant and Equipment	11		
- Tangible		1,327.90	1,357.85
- Intangible		37.54	44.40
- Capital work in progress		4.91	6.81
Non Current Investments	12	6.84	9.14
Deferred Tax Assets (net)	13	2,779.45	1,340.81
Long-term Loans and Advances	14	5,134.08	14,379.86
Other Non-Current Assets	15	767.29	1,468.84
		10,058.01	18,607.71
Current Assets			
Cash and Bank Balances	16	328.29	1,303.89
Short-term Loans and Advances	17	22,530.28	25,635.46
Other Current Assets	18	329.84	362.34
		23,188.41	27,301.69
Total		33,246.42	45,909.40

Significant Accounting Policies

1 & 2

Other Notes

24 to 34

As per our report of even date attached

For S. P. Chopra & Co.

Chartered Accountants

Firm Registration No. 000346N

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

Pawan K. Gupta

Partner

Membership No.: 092529



Sanjeev Goel

Managing Director

DIN No. 00028702

S.K. Goel

Director

DIN No. 00963735

Puneet Sehgal

Company Secretary

M.N.: ACS: 12557

Raj Kumar Anand

Chief Financial Officer

Place: New Delhi

Date: May 24, 2019

INTEC CAPITAL LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Indian Rupees in lakhs)

	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
Revenue			
Revenue from Operations	19	2,541.75	5,338.13
Other Income	20	373.28	686.96
Total revenue		2,915.03	6,025.09
Expenses			
Employee Benefits Expense	21	698.75	921.08
Finance Costs	22	2,015.26	3,431.83
Depreciation and Amortisation	11	57.02	65.29
Other Expenses	23	7,137.42	4,990.15
Total expenses		9,908.45	9,408.35
Loss before tax		(6,993.42)	(3,383.26)
Tax expense			
- Deferred tax	13	1,438.64	340.19
		1,438.64	340.19
Loss after tax		(5,554.78)	(3,043.07)
Earning per equity share (in Rs.)	28.5		
- Basic		(30.24)	(16.57)
- Diluted		(30.24)	(16.57)
Significant Accounting Policies	1 & 2		
Other Notes	24 to 34		

As per our report of even date attached

For S. P. Chopra & Co.

Chartered Accountants

Firm Registration No. 000346N

Pawan K. Gupta

Partner

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Place: New Delhi

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For and on behalf of the Board of Directors of
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Sanjeev Goel

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Raj Kumar Anand

Chief Financial Officer

INTEC CAPITAL LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Indian Rupees in lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Cash flow from operating activities		
(Loss) before tax	(6,993.42)	(3,383.26)
Adjustments for:		
Depreciation and amortisation	57.02	65.29
Provision for sub-standard and doubtful assets	6,417.79	1,463.12
Provision for standard assets	(98.90)	(135.61)
Provision for doubtful advances	-	1.95
Liabilities no longer required written back	(200.02)	(368.01)
Profit on sale of Investment	(16.40)	-
Loss on sale of property, plant and equipment (net)	7.39	1.88
Bad Loans written off	81.14	2,568.26
Other advances / recoverables written off	-	15.21
Operating (loss)/profit before working capital changes	(745.40)	228.83
Movement in working capital:		
Decrease in loans and advances	12,268.72	14,964.05
Decrease/(Increase) in current and non current assets	528.45	(23.53)
(Decrease) in current and non current liabilities	(3,891.21)	(866.18)
Decrease/(Increase) in other bank balances	1,144.42	(37.24)
(Decrease) in short-term and long-term provisions	(1.56)	(8.44)
Cash flow from operations	9,303.43	14,257.48
Taxes paid/(refund) (net)	207.05	(262.98)
Net cash flow from operating activities (A)	9,510.48	13,994.50
Cash flow from investing activities		
Purchase of property, plant and equipment	(27.49)	(421.56)
Proceeds from sale of property, plant and equipment (net)	1.81	389.63
Proceeds from sale of investment	18.70	-
Net cash used in investing activities (B)	(6.98)	(31.93)
Cash flow from financing activities		
Repayment/proceeds of cash credits facilities	(5,413.12)	(5,794.60)
Repayments of secured loans	(3,915.68)	(8,206.40)
Repayment of unsecured loans	(4.33)	(163.35)
Net cash used in financing activities (C)	(9,333.12)	(14,164.35)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	170.38	(201.78)
Cash and cash equivalents at the beginning of the year	95.82	297.60
Cash and cash equivalents at the end of the year	266.20	95.82

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	12.80	15.79
- In current accounts	253.40	80.03
	266.20	95.82

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. 002529



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

Sanjeev Goel
Managing Director
DIN:00028702

S.K. Goel
Director
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Puneet Sehgal
Company Secretary
M.N.: ACS: 12557

Raj Kumar Anand
Chief Financial Officer

Place: New Delhi
Date: May 24, 2019

Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2019
(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.

The Company was categorised as 'Systemically Important Non-Deposit taking Non-Banking Financial Company' till March 31, 2018, however, as the total assets of the Company as per the audited financial results as at March 31, 2018, are less than Rs. 500 crores, it is now categorised as 'Non-Systemically Important Non-Deposit taking Non-Banking Financial Company' w.e.f. April 01, 2018 in terms of RBI Master Direction DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016.

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 AND SIGNIFICANT ACCOUNTING POLICIES

2.1 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, as amended, 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 'Non-Systemically Important Non-Deposit taking Non-Banking Financial Company' ('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, as amended.

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



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

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.
- (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 31.03.2019	Proportion(%) of Shareholding as on 31.03.2018
Amulet Technologies Limited, India	100%	100%

2.2 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.

2.3 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.



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

- (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.
- (viii) Other income/revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and it can be reliably measured.

2.4 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".

2.5 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.



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

2.6 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.

2.7 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.

2.8 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.

2.9 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.

2.10 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



Intec Capital Limited
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(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

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 and State Insurance Scheme are considered as defined contribution plans and the contributions are charged to the Consolidated Statement of Profit and Loss for the year when the expense is actually incurred.

(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 Holding Company's liability towards Gratuity is funded / managed by the 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.

2.11 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 "Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-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.

2.12 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.



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

- (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.

2.13 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.

2.14 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.

2.15 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.

2.16 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.

2.17 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, 2019
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

2.18 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 THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

3 Share Capital

(Amount in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<u>Authorised share capital</u>		
Equity Shares:		
35,000,000 equity shares of Rs. 10 each	3,500.00	3,500.00
Preference Shares:		
1,500,000 preference shares of Rs. 100 each	1,500.00	1,500.00
	5,000.00	5,000.00
<u>Issued, subscribed and fully paid-up shares</u>		
Equity Shares:		
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

Notes:

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, 2019		As at March 31, 2018	
	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 Company 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, 2019		As at March 31, 2018	
	Number of shares	% age of share holding	Number of shares	% age of share holding
Shareholders				
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 THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

4 Reserves and Surplus

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
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)		
As per last account	1,415.96	1,415.96
(Deficit)/Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	1,583.51	4,313.59
Add: Asset restated which was written off earlier	-	312.99
Less: Loss for the year	5,554.78	3,043.07
Balance as at the end of the year	(3,971.27)	1,583.51
Total reserves and surplus	6,288.53	11,843.31

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 (Previous Year: no profit), there is no transfer to the said reserve.

5 Long term Borrowings

(Amounts in Rs. lakhs)

Particulars	Short Term		Long Term	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Secured				
Term Loan:				
- from banks	1,944.88	2,672.81	1,028.06	3,418.30
- from financial institutions	2.03	744.27	-	55.27
Unsecured				
Inter Corporate Deposits	-	4.33	-	-
Total	1,946.91	3,421.41	1,028.06	3,473.57
Less: Amount shown under Other Current Liabilities (refer note 9)	1,946.91	3,421.41	-	-
Total	-	-	1,028.06	3,473.57



INTEC CAPITAL LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

5.1 Details / disclosure of the borrowings as at March 31, 2019:

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-3 to 23)	1,942.98	1,022.57	-	-	2,965.54
(ii) Secured by hypothecation of car - for loans taken from banks and financial institutions# (Remaining installments payable-2-42) (also refer note- 5.3.1)	3.93	2.07	2.25	1.18	9.43
Total	1,946.91	1,024.64	2.25	1.18	2,974.97

repayable on equitable monthly and Quarterly installments

5.2 Loans also guaranteed by directors and other parties

- loans of Rs. 2,603.51 lakhs secured by personal guarantee of managing director and lien on Fixed deposits of Rs. 22.81 lakhs.

- loan of Rs. 362.03 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 11.40%- 12.20% per annum

5.4 Details / disclosures of 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 (refer note- 5.5 and 5.6.1) - 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 (refer note- 5.5 and 5.6.1) - 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)	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- 5.6.2)	4.33	-	-	-	4.33
	3,421.41	2,086.45	1,101.72	285.40	6,894.98

repayable on equitable monthly installments

repayable at the time of maturity along with interest accrued



INTEC CAPITAL LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

5.5 Loans also guaranteed by directors and other parties

- loans 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. 663.71 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 11.25%- 13.55% 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, 2019	As at March 31, 2018
Others		
Collateral amount for cases assigned/ securitised	1.29	0.34
Collateral money received from Borrowers	2,113.68	5,536.06
Total	2,114.97	5,536.40

7 Long-term Provisions

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits: (refer note 28.1)		
- Leave Encashment	7.01	8.19
Provisions towards Standard Assets	16.86	81.92
Total	23.87	90.11

8 Short-term Borrowings

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
Working Capital loans from Banks	7,908.81	13,321.93
Total	7,908.81	13,321.93

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. Nil (previous year: Rs. 1,098.98 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% - 15.05% per annum (previous year : 10.60% - 13.55% per annum).



INTEC CAPITAL LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

9 Other Current Liabilities

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current maturities of Long term Borrowings (refer note 5)	1,946.91	3,421.41
Interest accrued but not due	120.38	18.78
Payables to employees	10.60	21.52
Amount payable for servicing of assigned / securitised loan portfolio	-	1.83
Payable to customers (borrowers)	540.15	751.16
Payable to other parties	50.51	81.81
Unclaimed dividend	5.37	6.94
Collateral amount for cases assigned / securitised	8.04	13.95
Collateral money received from Borrowers	651.54	1,127.24
Lease equalisation reserve	-	0.25
Other statutory dues payable	15.01	46.73
Other liabilities	33.79	36.16
Total	3,382.32	5,527.78

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.

10 Short-term Provisions

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits: (refer note 28.1)		
- Leave Encashment	1.12	1.49
Provisions towards:		
- Standard Assets	13.52	47.35
- Non-Performing Assets	10,648.59	4,230.83
Total	10,663.23	4,279.67



INTEC CAPITAL LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

11 Property, Plant and Equipment

Particulars	Gross block			Depreciation			(Amounts in Rs. Lakhs)	
	As at April 01, 2018	Additions	Deductions / adjustments	As at March 31, 2019	Depreciation/ amortisation	Deductions / adjustments	As at March 31, 2019	As at March 31, 2018
Tangible assets (refer Note 1)								
Land	888.81	-	-	888.81	-	-	888.81	888.81
Building	389.62	-	-	389.62	12.34	-	364.94	377.28
Vehicles	96.60	-	-	96.60	9.10	-	37.83	46.93
Office equipment	39.99	1.24	23.24	17.99	28.54	19.78	4.01	11.45
Data processing equipments	155.87	14.74	66.87	103.74	7.37	63.60	19.42	15.33
Furniture and fixtures	15.68	-	1.27	14.40	1.17	0.59	4.05	5.90
Leasehold improvements	39.93	-	1.87	38.06	-	1.78	36.36	1.79
Electric installations	9.50	-	5.08	4.42	0.60	3.90	0.91	2.68
Air conditioners	12.23	-	1.58	10.65	0.91	1.06	7.89	4.17
Office equipment - Mobile	7.60	0.84	0.13	8.31	4.09	0.13	3.48	3.51
Current Year's Total	1,655.82	16.82	100.04	1,572.60	37.60	90.84	1,327.90	1,357.85
Previous Year's Total	1,256.12	412.44	12.74	1,655.82	41.68	10.86	1,357.85	988.96
Intangible assets								
Computer software	146.90	12.57	-	159.47	19.43	-	37.54	44.40
Current Year's Total	146.90	12.57	-	159.47	19.43	-	37.54	44.40
Previous Year's Total	145.10	2.31	0.51	146.90	23.61	0.51	44.40	65.70
Capital Work in Progress	6.81	4.92	6.81	4.91	-	-	4.91	6.81
Grand Total - Current's Year	1,809.53	34.30	106.85	1,736.98	57.02	90.84	1,370.35	1,409.06
Grand Total - Previous Year	1,477.85	734.55	402.87	1,809.53	65.29	11.37	1,409.06	1,131.29

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



INTEC CAPITAL LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

12 Non-Current Investments

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Trade Investments (valued at cost)		
In Equity Shares of :		
Other Companies - Unquoted - Fully paid up		
Pantec Devices Private Limited, India - 89,890 equity shares of Rs 10 each	1.16	1.16
Pantec Consultants Private Limited, India - 31,830 equity shares of Rs 10 each	1.01	1.01
Intec Worldwide Private Limited, India - 36,390 equity shares of Rs 10 each	0.86	0.86
Spherical Collection Agency (P) Ltd, India - 217,500 equity shares of Rs 10 each	1.11	1.11
Intec Share & Stock Brokers Limited, India - 225,730 equity shares of Rs 10 each	2.26	2.26
FIMA Infotech Private Limited, India - Nil (previous year : 34,000) equity shares of Rs 10 each	-	2.30
Spectacle Advisory Solutions Pvt. Ltd, India - 176,000 equity shares of Rs 10 each	0.44	0.44
Total	6.84	9.14
Aggregate amount of Quoted Investments	Nil	Nil
Market value of Quoted Investments	Nil	Nil
Aggregate amount of Unquoted investment	6.84	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, 2019	As at March 31, 2018
Deferred tax assets:		
Provision for non-performing assets	2,768.63	1,304.34
Provision against standard assets	7.90	40.03
Provision for doubtful advances	-	0.61
Variable incentive	-	1.15
Leave Encashment	2.11	3.00
Depreciation	6.10	-
Others	-	0.07
	2,784.74	1,349.20
Deferred tax liability:		
Depreciation	-	2.41
Gratuity	5.29	5.98
	5.29	8.39
Deferred Tax Assets (Net)	2,779.45	1,340.81



INTEC CAPITAL LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

14 Long term Loans and Advances

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<u>Loans (refer note 14.1)</u>		
- Secured, considered good (refer note 14.2)	4,011.80	12,146.41
- Unsecured, considered good	1,088.22	2,191.00
	5,100.02	14,337.41
Security deposits	16.11	24.14
Unamortised Loan Processing Charges for Term loans	17.95	18.31
Total	5,134.08	14,379.86

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

14.2 Secured by hypothecation of specific assets

15 Other Non-Current Assets

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits with Banks (refer note 15.1)	-	372.38
Interest accrued but not due on Fixed Deposits	-	21.39
Advance Income taxes (net of provision of tax)	485.21	692.26
Interest accrued but not due on unsecured loans	282.08	382.81
Total	767.29	1,468.84

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, 2019	As at March 31, 2018
Cash and cash equivalents		
- Cash on hand	12.80	15.79
- In current accounts	253.40	80.03
	266.20	95.82
Other bank balances		
- Deposits with original maturity of more than 3 months and less than 12 months (refer note 16.1)	56.72	1,201.13
- In Unpaid dividend account	5.37	6.94
Total	328.29	1,303.89

16.1 Fixed deposits of Rs. Nil (Previous year: Rs. 726.60 lakhs) are subject to first charge as security against the working capital facilities, of Rs. 22.81 lakhs (Previous year: Rs. 89.67 lakhs) are subject to first charge as security against the Term Loan facilities and of Rs. 33.91 lakhs (Previous year: Rs. 31.05 lakhs) are liened with Small Industries Development Bank of India under Credit Delivery Arrangement.



INTEC CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

17 Short term Loans and Advances

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans (refer note 14.1):		
- Secured, considered good (refer note 14.2)	4,712.16	9,241.37
- Unsecured, considered good	481.00	-
- Secured, considered substandard and doubtful (refer note 14.2)	16,503.10	16,295.54
- Unsecured, considered substandard and doubtful	786.78	
	22,483.04	25,536.91
(Unsecured, considered good)		
Advances to employees	4.80	7.35
Prepaid expenses	8.37	24.03
Unamortised Loan Processing Charges for Term loans	0.33	37.45
Other advances (refer note 17.1)	33.74	29.72
Total	22,530.28	25,635.46

17.1 Includes advance given to SIDBI against CDA cases etc.

18 Other Current Assets

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest accrued but not due on loans	93.24	228.38
Interest accrued but not due on Fixed Deposit	0.79	18.39
Interest accrued but not due on unsecured loans	120.27	-
Plan Assets of employee benefits (Net of provision)		
- Gratuity (refer note 28.1)	20.36	19.33
Other receivables (refer note 18.1)	95.18	96.24
Total	329.84	362.34

18.1 Includes GST Credit receivable and other miscellaneous receivables etc.



INTEC CAPITAL LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

19 Revenue from Operations

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest on loans	2,436.87	5,057.90
Other financial services income		
Loan processing fee	-	1.79
Servicing fee on assignment of loans	0.48	6.51
Income on preclosure of loans	53.52	191.16
Other service fees	50.88	80.76
Total	2,541.75	5,338.13

20 Other Income

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest on fixed deposit with banks	35.99	107.50
Bad debts recovered	77.46	200.00
Liabilities no longer written back	200.02	368.01
Profit on sale of Investment	16.40	-
Miscellaneous income	43.41	11.45
Total	373.28	686.96

21 Employee Benefits Expense

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Salaries and wages etc.	654.34	871.99
Contribution to provident and other funds	21.56	27.27
Staff welfare expenses	22.85	21.82
Total	698.75	921.08

22 Finance costs

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest on :		
- Term loans from banks	521.04	1,088.48
- Term loans from financial institutions	34.99	139.64
- Non Convertible Debentures	-	33.47
- Working capital loans	1,352.79	1,933.66
- Inter Corporate Deposits	0.57	19.75
- Collateral Money received from borrowers	1.33	41.45
Processing fees and other bank charges	104.54	175.38
Total	2,015.26	3,431.83



INTEC CAPITAL LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

23 Other expenses

(Amounts in Rs. lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Electricity and water	17.76	20.10
Rent (refer note 28.4)	46.74	74.71
Legal and professional	410.48	714.34
Remuneration to Auditors:		
- Statutory Audit Fee	5.62	5.62
- Tax Audit	1.00	1.00
- Limited Reviews	3.00	2.00
- Other Fees	0.30	0.05
- Reimbursement of Expenses	1.56	0.25
Rates and taxes	17.66	11.43
Collection charges	-	17.02
Repair and maintenance - others	26.16	33.94
Staff recruitment and training	2.31	2.32
Communications	15.64	26.49
Travelling and conveyance	68.45	65.75
Business Promotion Expenses	28.04	35.29
Provisions on Loans: (refer note 14.1)		
- on standard assets	(98.90)	(135.61)
- on substandard and doubtful assets	6,417.79	1,463.12
Bad loans written off	81.14	2,568.26
Other advances / recoverables written off	-	15.21
Provision for doubtful other advances / recoverables	-	1.95
Corporate Social Responsibilities (refer note 27)	-	2.50
Loss on sale of property, plant and equipment (net)	7.39	1.88
Miscellaneous expenses	85.28	62.53
Total	7,137.42	4,990.15



Intec Capital Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2019
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

OTHER NOTES

24. Contingent liabilities

- a. Few customers / borrowers of the Holding Company have filed legal cases for various claims against the Holding Company. The management has reviewed these pending litigations and proceedings and does not expect any material outflow / reimbursement.
- b. Corporate Guarantee
 - (i) Amulet Technologies Limited (Subsidiary Company) has given corporate guarantee of Rs. 41,500 lakhs (Previous year: Rs. 41,500 lakhs) to various banks for term loans and working capital loans availed by Intec Capital Limited (Holding Company). Against the said guarantee loans of Rs. 8,260.55 (Previous year: Rs. 15,663.70 lakhs) are outstanding as at the year end.
 - (ii) Corporate Guarantee issued by the Holding Company to Small Industries Development Bank of India under Credit Delivery Arrangement: Rs. 9.04 lakhs (Previous Year: Rs. 48.08 lakhs)

25. Commitment

Loan approved but pending disbursement: Rs 38.13 Lakhs (Previous Year: Rs 38.54 Lakhs).

26. The Holding Company was categorized as 'Systemically Important Non-Deposit taking Non-Banking Financial Company' till March 31, 2018, however, as the total assets of the Holding Company as per the audited financial results as at March 31, 2018, are less than Rs. 500 crores, it is now categorized as 'Non-Systemically Important Non-Deposit taking Non-Banking Financial Company' w.e.f. April 01, 2018 in terms of RBI Master Direction DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016. Due to change in the category there is change in the assets classification norms for Non-Performing Assets as per the aforesaid RBI Direction, which has resulted in decrease in Non-Performing Assets by Rs. 209.30 lakhs as at March 31, 2019 and decrease in provision for Non-Performing Assets by Rs. 195.21 lakhs for the year then ended, and the Holding Company's gross Non-Performing Assets is Rs. 17,289.88 lakhs as at March 31, 2019 and the total provision for Non-Performing Assets is Rs. 10,648.59 lakhs as at March 31, 2019. Further, no additional specific provision is considered necessary based on Management's best estimate of the recoverability of Non-Performing Assets.

27. 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. The Holding Company has 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. As the Holding Company has incurred average net losses during the last three years, no amount is required to be spent on account of CSR.



Intec Capital Limited
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(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

28. Accounting Standards Disclosures

28.1 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 eligible employees of the Holding Company who render continuous service of 5 years or more. The Holding Company's liability towards Gratuity is funded / managed by the 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. 1.56 Lakhs (previous year: Rs. 9.42 lakhs) has been credited in the Statement of Profit and Loss towards reversal of the excess provision based on actuarial valuation.

(c) **Defined Contribution plans:**

Holding Company's employees are covered by Provident Fund and Employees State Insurance Scheme, to which the Company makes a defined contribution measured as a fixed percentage of salary. During the year, amount of Rs. 23.43 (Previous Year: Rs. 29.33 lakhs) has been charged to the Statement of Profit and Loss towards employer's contribution to these schemes/funds as under:

	Year ended 31 st March, 2019 (Rs. In lakhs)	Year ended 31 st March, 2018 (Rs. In lakhs)
Employer's contribution towards Provident Fund (PF)	20.76	25.78
Employer's contribution towards Employees State Insurance (ESI)	2.67	3.55

(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, 2019	Year ended March 31, 2018
Opening defined benefit obligation	27.35	48.60
Current service cost	3.48	5.29
Interest cost	2.08	3.59
Actuarial losses/ (gains)	(3.36)	(16.73)
Benefits paid	(4.94)	(13.40)
Closing defined benefit obligation	24.61	27.35



Intec Capital Limited
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(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	46.68	55.69
Expected return on plan assets	3.55	4.73
Actuarial gains/ (losses)	(0.62)	(1.63)
Contributions paid by employer	0.30	1.29
Benefits paid	(4.94)	(13.40)
Closing fair value of plan assets	44.97	46.68
B) Reconciliation of present value of the obligations and the fair value of the plan assets		
Present value of funded obligations	24.61	27.35
Fair value of plan assets	44.97	46.68
Net asset to be recognized in Balance Sheet	20.36	19.33
C) Gratuity cost for the year:		
Current service cost	3.48	5.29
Interest cost	2.08	3.59
Expected return on plan assets	(3.55)	(4.73)
Net actuarial losses / (gain) recognised in year	(2.74)	(15.10)
Net gratuity cost / (income) to be recognised in Statement of Profit and Loss	(0.73)	(10.95)

Experience adjustments:

(Amount in Rs. lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Experience gain/ (loss) adjustments on plan liabilities	3.36	16.73	24.83	16.28	15.37
Experience gain/ (loss) adjustments on plan assets	(0.62)	(1.63)	(1.93)	(1.51)	(0.47)

Investment details of the plan assets

100% of the plan assets are maintained with the LIC Managed funds, and in the absence of the complete details from LIC, the requisite detail of funds are not furnished.

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:

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Method used	Projected unit credit method	
Discount rate	7.60%	7.60%



Intec Capital Limited
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(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

Salary Escalation	6.00%	6.00%
Mortality Rate	IALM (2006-08)	
Withdrawal rate	7.50%	7.50%
Rate of return on plan assets	7.60%	7.71%

28.2 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 the Subsidiary Company is yet to start operations, therefore no segment reporting is required under Accounting Standard 17 - Segment Reporting.

28.3 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) **Relatives of Key Management Personnel**
Pranav Goel, son of Sanjeev Goel, Managing Director
Ritika Goel, wife of Sanjeev Goel, Managing Director and Director (upto November 08, 2017)
- d) **Enterprises over which Key Management Personnel exercises significant influence**
Bubble Info Solutions Private Limited
- e) **Enterprises over which relative of Key Management Personnel exercises significant influence**
Intec Infonet Private Limited
- f) **Investing party in respect of which the Company is an associate**
Pantec Devices Private Limited

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



Intec Capital Limited
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B. Transactions with Related Parties

Nature of Transaction	Investing party in respect of which the Company 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 exercises 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
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<u>Managerial Remuneration</u>										
Sanjeev Goel (refer note – 1 below)	-	-	130.00	242.97	-	-	-	-	-	-
<u>Sitting Fees paid</u>										
Sanjeev Goel	-	-	0.50	0.35	-	-	-	-	-	-
<u>Interest Income on loans</u>										
-Pantec Devices Private Limited	2.25	2.25	-	-	-	-	-	-	-	-



Intec Capital Limited
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Nature of Transaction	Investing party in respect of which the Company 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 exercises significant influence	
		Year ended March-31		Year ended March-31		Year ended March-31		Year ended March-31	
		2019	2018	2019	2018	2019	2018	2019	2018
<u>Maintenance charges paid</u>									
-Intec Infonet Private Limited	-	-	-	-	-	-	-	-	0.64
<u>Salary</u>									
- Pranav Goel	-	-	-	-	5.52	-	-	-	-

Note – 1: Remuneration for the year ended March 31, 2018, includes amount of Rs. 112.97 lakhs of the year 2016-17, charged to the Statement of Profit and Loss during the previous year March 31, 2018, based on the approval of the Ministry of Corporate Affairs, Government of India.



Intec Capital Limited
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(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

C. Year end balances with related parties:

	<i>(Amounts in Rs. Lakhs)</i>	
	As at March 31, 2019	As at March 31, 2018
Loans and Advances given		
Pantec Devices Private Limited, (Investing party in respect of which the Company is an associate)	41.44	39.41
Other Advances		
Sanjeev Goel, Managing Director	3.68	26.82

28.4 Accounting Standard 19 - Operating Leases.

The Holding 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 Statement of Profit and Loss.

Particulars	For the year ended March 31, 2019 (Rs. in lakhs)	For the year ended March 31, 2018 (Rs. In lakhs)
Lease payments recognized in the Statement of Profit and Loss	46.74	74.71

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

(Amount in Rs. lakhs)

Particulars	March 31, 2019	March 31, 2018
Payable within one year	11.02	0.25
Payable between one and five years	46.18	-
Payable after five years	-	-
Total	57.20	0.25

28.5 Earnings Per Share (EPS)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Net (Loss) / Profit as per Consolidated Statement of Profit and Loss – (Rs. in lakhs)	(5,554.78)	(3,043.07)
Basic/Diluted weighted average number of equity shares outstanding during the year	18,366,250	18,366,250



Intec Capital Limited
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(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

Nominal value of Equity Share (Rs.)	10.00	10.00
Basic/Diluted Earnings per Share (Rs.)	(30.24)	(16.57)

29. Schedule as required in terms of paragraph 18 of 'Master Direction - Non-Banking Financial Company – Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016' is enclosed vide Annexure – I.
30. Disclosure required under Section 22 of Micro, Small and Medium Enterprise Development Act, 2006:

	(Rs. in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
i. Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act.		
- Principal	-	-
- Interest	-	-
ii. Amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
iv. The amount of interest accrued and remaining unpaid	-	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006	-	-
Total	-	-

The above information regarding dues to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information collected with the Company.

31. 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	(144.94)
4.	Total Assets	1,250.03
5.	Total Liabilities	1,369.97
6.	Investments	Nil
7.	Turnover /Total Income	--
8.	(Loss) before tax	(18.23)
9.	Provision for tax	--
10.	(Loss) after tax	(18.23)
11.	Proposed Dividend	--
12.	% of shareholding	100%



Intec Capital Limited
Notes to consolidated financial statements for the year ended March 31, 2019
(All amounts in Indian Rupees (Rs.) in lakhs, unless otherwise stated)

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

32. 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	101.78	8,270.09	99.67	(5,536.55)
Subsidiary:				
Amulet Technologies Limited	(1.78)	(144.94)	0.33	(18.23)

33. There are no material differences in the accounting policies of the Holding Company and its Subsidiary.
34. 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
S. P. CHOPRA & CO
Chartered Accountants
Firm registration number: 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
Membership No.: ACS-12557

Raj Kumar Anand
Chief Financial Officer

Place: New Delhi
Date: May 24, 2019

