Vakrangee
सशक्त परिवर्तन

Vakrangee Limited "Vakrangee Corporate House", Plot No. 93,
Road No. 16, M.I.D.C. Marol, Andheri (East), Mumbai-400093, Maharashtra.
W: www.vakrangee.in | L: +91 22 2850 3412 / +91 22 6776 5100
F: +91 22 2850 2017 | CIN : L65990MH1990PLC056669

October 03, 2018

To, **Bombay Stock Exchange Limited** P.J. Towers, Dalal Street, Fort, Mumbai - 400 001.	**To,** **Corporate Relationship Department** **National Stock Exchange Limited** Exchange plaza, Bandra Kurla complex, Bandra (E) Mumbai 400051

Dear Sir/Madam,

Sub: Submission of Annual Report under Regulation 34 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

Ref.: Vakrangee Limited - Scrip Code - 511431/VAKRANGEE

Pursuant to the Regulations 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, please find enclosed herewith Annual Report 2017-18 of Vakrangee Limited for your reference and records.

Thanking you,

Yours Faithfully,

For Vakrangee Limited

VAKRANGEE LIMITED MUMBAI

Mehul Raval
Company Secretary

Vakrangee
सशक्त परिवर्तन

अब पूरी दुनिया पड़ोस में



Launch of Nextgen Vakrangee Kendra

2017-18 ANNUAL REPORT

अब पूरी दुनिया पड़ोस में

NOW THE WHOLE WORLD, IN MY NEIGHBOURHOOD

Vakrangee Limited is the one of the world's largest franchisee-based, multi-service retail network, offering a world of products and services across banking, insurance, ATM, assisted e-Commerce, e-Governance and logistics. Most notably, we scaled up our vast network over the years since 2011, responsibly and profitably. We continue to grow this through continuous consolidation, technological up-gradations, outlet standardisation, enhancing transactional capabilities, and franchisee churning.

Pioneering this asset-light franchisee-based business model has been an arduous, yet interesting, task. We created the Vakrangee Kendras, the world's best "go-to-place" for everyday things, offering a world of convenience just around the corner. In a landmark agreement, we also tied up with the Indian Oil Corporation Limited (IOCL). After years of solid and rapid growth through hard work and grit, we developed 45,000+ Kendras made up of a mixed basket of large, small and micro outlets. These have evolved from being non-exclusive stores offering a single line of services into multi-specialty, exclusive stores with a multi-line of services. Today we have created an enviable presence in the marketplace, albeit with a variegated level of service across the network. To get where we are, this was the most appropriate strategy and was the best approach to expand both rapidly and profitably.

Thus, if you see through our journey from 2011 till date, our Vakrangee Kendras have evolved gradually. There must be at least 8-10 different formats of stores pan-India, ranging from a Kirana store model or small room in a Gram Panchayat office to an exclusive and independent outlet.

We felt this is the right time to upgrade or churn the existing stores to a new and standard format to offer consistent branded stores and provide a unified consumer experience and service levels. Thus, evolved the idea of a Next Gen Vakrangee Kendra model.

Considering the rapid pace at which we grew, such a consolidation was inevitable at this phase. We are upgrading our network to make it more productive and perform at a much better level. As part of our strategy, we have sharpened our focus on our core business going forward.

Going forward, we have an aggressive strategy to further improve our convenience quotient by unifying our brand experience across all our franchisee categories within the marketplace. Our objective is to become the world's top-notch assisted digital convenience store with standardised, unified and one-look branding for infrastructure, making our Kendras distinctly identifiable as "assisted digital convenience stores". Besides offering the same portfolio of services, each Next Gen Kendra will be equipped with an ATM machine, CCTVs, digital signages, and also pin-pad devices to enable all kinds of payment mechanisms across services.

Our customers have *"Ab Poori Duniya Pados Mein" (Now The Whole World, In My Neighbourhood)* in literal sense, with each of our Next Gen Kendra being a exclusive store offering a multi-line of services across banking, Financial Services, insurance, ATM, assisted e-Commerce, e-Governance and logistics.

WE HAVE THE SUCCOUR OF

TIME, PASSION, ENERGY AND FINANCIAL RESOURCES –

TO FULFIL OUR STRATEGIC GOALS.

Next Gen stands not only for a new and standardised look and feel, but also a lot of unique features to make it future ready in terms of service offerings, technology branding. The Next Gen Kendras have a modern and standardised format with a uniform look and feel in all the Kendras, aimed towards building consistent service levels and uniform consumer experience.

We are focused on upgrading and standardising all the existing 45,000+ Kendras to the new Next Gen Vakrangee Kendra within 2019, even as our long-term target of setting up 75,000 Next Gen Kendras by 2020 stands strong. A major up-gradation of all our existing Kendras will require excellence in execution and significant investment, which we are resourced and committed to make. In order to complete this standardisation, we shall incur capex on marketing and brand awareness, and to install an ATM machine in each Kendra.

We are working at breakneck speed, focusing on creating the best network the world has ever seen. Our latest introduction of the new and improved Next Gen Vakrangee Kendras are already winning an enthusiastic response from our existing franchisees, most of whom are opting to upgrade without a moment of thought.

Vakrangee
सशक्त परिवर्तन

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ANNUAL REPORT 2017-18

NOTE ON FORWARD LOOKING STATEMENTS

In this Annual Review we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This review and other statements – written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.



Corporate Information

Board of Directors

Mr. Dinesh Nandwana
Managing Director & CEO

Dr. Nishikant Hayatnagarkar
Whole Time Director

Mr. Ramesh Joshi

Mr. Sunil Agarwal

Mr. B. L. Meena

Mr. Avinash Vyas

Mr. Ranbir Datt

Mrs. Sujata Chattopadhyay

Company Secretary & Compliance Officer

Mr. Mehul Raval

Statutory Auditor

M/s. A. P. Sanzgiri & Co.
Chartered Accountants, Mumbai

Bankers

HDFC Bank Limited

Axis Bank Limited

IndusInd Bank Limited

RBL Bank Limited

Union Bank of India

IDBI Bank Limited

Dhanlaxmi Bank Limited

Bank of Maharasthra

Punjab National Bank

ICICI Bank Limited

Bank of India

Allahabad Bank

Registrar

M/s. Bigshare Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis,
Makwana Road, Marol,
Andheri (East),
Mumbai, Maharashtra - 400059
Telephone No. : 022- 62638200
Fax No. : 022- 62638299
Email :info@bigshareonline.com

Registered Office

Vakrangee Limited
Vakrangee Corporate House,
Plot No 93, Road No. 16,
M.I.D.C. Marol,
Andheri (East),
Mumbai, Maharashtra - 400093
Telephone No. :022-28503412 / 67765100
Fax No. : 022-28502017
Email :info@vakrangee.in
Website: www.vakrangee.in

Vakrangee
सशक्त परिवर्तन

At a Glance

WE ARE A TECHNOLOGY DRIVEN COMPANY, FOCUSED ON BUILDING INDIA'S LARGEST NETWORK OF LAST MILE RETAIL OUTLETS TO DELIVER OUR SERVICES TO THE UNSERVED & UNDERSERVED RURAL, SEMI URBAN AND URBAN MARKETS. OUR OBJECTIVE IS TO DEEPEN OUR PRESENCE IN INDIA AND ENHANCE OUR SERVICE PORTFOLIO TO CREATE A SEAMLESS CUSTOMER EXPERIENCE.

Our technology intensive, retail distribution platform for last-mile touchpoints deliver services across Banking, Financial Services, ATMs, Insurance, E- Governance, E-Commerce and Logistics services on a real-time basis across the under-served rural and urban India.

Our Project Execution Capabilities

- Last mile infrastructure and grass-root level footprint to deliver projects
- Experience of on-ground complexities in Rurban regions – flexible timings, power and connectivity issues and manpower training
- Expertise from data digitisation to technology management
- Seamless real time connectivity and back-end integration with banks CBS and e-Commerce
- Deep understanding of rural India from grass-root level execution experience

One of the **Largest** Franchisee Networks Globally

Debt Free Balance Sheet

20 States Our Presence in India

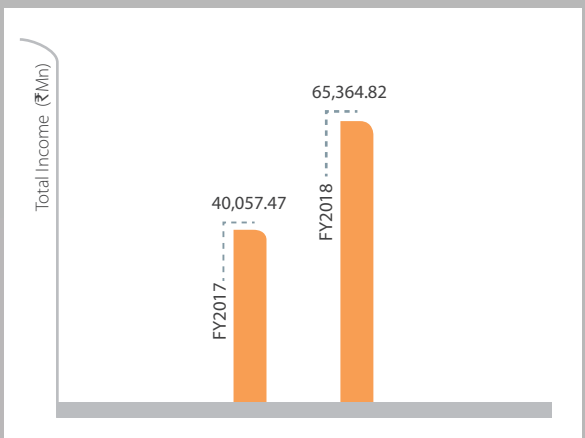
45,000+ Number of Vakrangee Kendras already set up

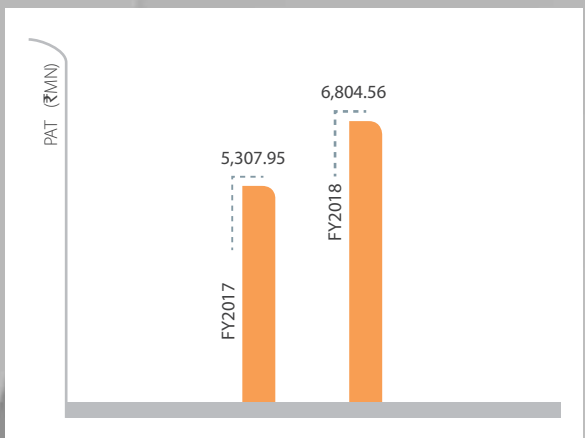
75,000 Number of Next Gen Vakrangee Kendras to be set up by 2020

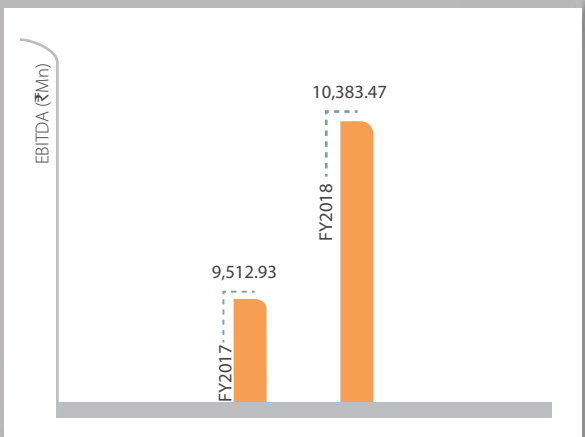
5,500+ Postal Codes

385+ Number of Districts we are present in











Our Key Strengths

Tie-up with Strong Partners	• Portfolio of key licenses and partnership empanelment built over last 20 years • Have built a strong bouquet of products and services
Technology and Integration Expertise	• Over two decades of System Integration Capabilities • Interoperable banking – Integration with the Core Banking servers of Banks • Pioneer in Aadhaar-based biometric enabled banking
On-ground field presence till block level	• Field Level Hierarchy till the Block level – More than 1,050 District and Block Area Managers • Continuous Handholding and support to Franchisee to maintain smooth Operations and drive sales
Size and scale with strong franchisee model	• Robust store Economics leading to strong growth in stores • Scale leading to emerge as a Partner of choice

Our Vision

Vakrangee aims to be the most trustworthy Physical as well as Online Convenience Store across India. We will keep expanding this network, until we are in close proximity to the last excluded person within the country.

Our Mission

Vakrangee intends to become India's No. 1 retailer by offering innovative ideas and proven modern technologies for facilitating universal financial and social inclusion.

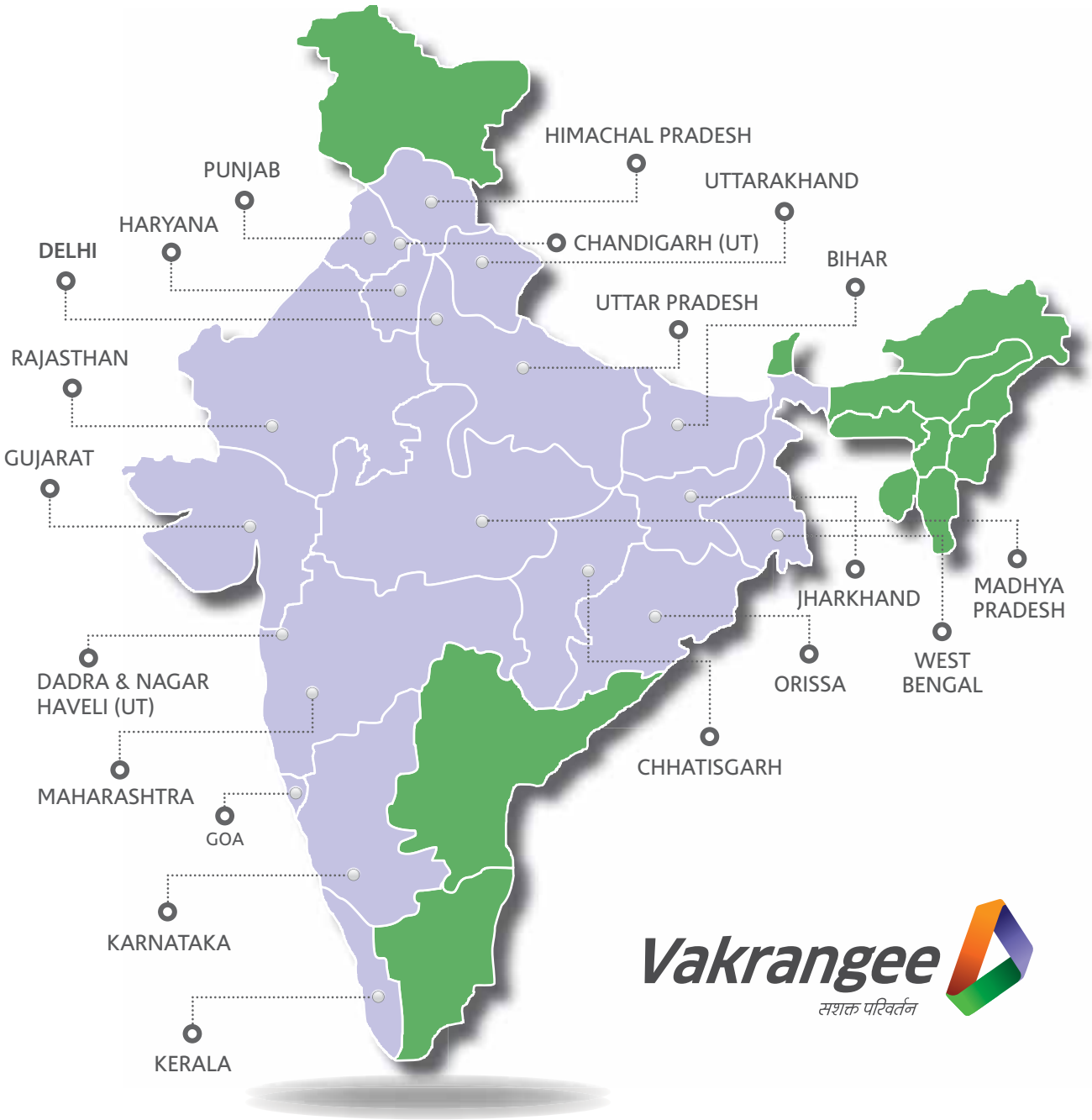
Our Brand Promise

Vakrangee aims to be the most trustworthy local convenience-store across India. We promise to give every Indian, their rightful access to a wide range of modern-day products and services, that are fairly priced and of high quality. We also aim to be present within a short travelling distance of every Indian, and will continue keep expanding our network until we are close to the last excluded person within the country.

Our Presence

45,000+
Outlets

20
States



The Vakrangee Effect

Our vast network financially empowers a large section of the society that, till now, had been completely excluded from the mainstream activities of an emerging economy: namely consumption, savings, insurance and investment. This increased participation will in turn support further industrialisation, more agriculture and a wider market for goods and services. With the potential financial inclusion of a large section of the society responsible for more than half of India's GDP, the Indian economy can be further enlarged and energised.

We call this "The Vakrangee Effect".



Our Brand Principles

Trust
The value that binds all our stakeholders – Government, Banks, Partners, Businesses and Franchisees.

Perseverance
The attitude we have to accomplish the unprecedented feat of creating the world's largest retail network, even in the most remote and inhospitable areas without electricity and connectivity.

Unyielding Rigor
The way we train our people and set high standards of quality in our systems and processes is the backbone of our success. We take ordinary individuals and train them with skill sets that help them yield remarkable results.

Entrepreneurial
An entrepreneurial spirit in our approach to business – both in our employees and our franchisees – our key business partners.

Prudent
Our basic approach to scalability, security, confidentiality, planning, risk management and value creation.

Awards & Certifications

CA Entrepreneur Path Breaker Award 2017 by Institute of Chartered Accountants of India

Selected in the Fortune 500 Companies – Fortune India 2017

Selected in the Super 50 Companies – Forbes India 2017

Vakrangee has been features in 11 Indian companies, up from an all-time low of eight last year by Forbes Asia's Best Under a Billion list for 2015

ET-500 Companies for 2013 as published by ET

Nominated (Top 5) for the best CEO (IT & ITes) by Business Today in January 2014

26th in the Deloitte Technology Fast 50 companies in India, 2012

18th in the Deloitte Technology Fast 50 companies in India, 2011

226th rank in Deloitte Fastest 500 growing Asia Pacific companies in 2011

CA. Business Leader - SME (3rd Rank) of the Year Award, 2008 to the Chairman by Institute of Chartered Accountants of India

Economic Times ET 500 Best Companies in India in 2006-07

Our Key Business Alliances

BANKING & FINANCIAL SERVICES

SBI

Union Bank of India

इलाहाबाद बैंक ALLAHABAD BANK

बैंक ऑफ इंडिया Bank of India
Relationships beyond banking

punjab national bank

Other PSUs

shubham

IndiaShelter

RELIANCE MUTUAL FUND

DMI FINANCE

We have partnered with the best in the industry in each of our verticals. In fact, the Kendras have emerged as modern-day Assisted Digital Convenience Stores with a deep presence. We are giving our partners and associates an opportunity to expand their presence across India and tap a bigger market, thereby enabling economic growth.



INSURANCE

LIC
HDFC ERGO
HDFC Life
RELIGARE Health Insurance
RELIANCE General Insurance
TATA AIG INSURANCE
BAJAJ Allianz
Cigna
ADITYA BIRLA HEALTH
Pradhan Mantri Suraksha Bima Yojana
Atal Pension Yojana

E-COMMERCE

amazon
AUGMONT
netmeds.com India Ki Pharmacy
pocketwala
redBus.in
Jio
TATA Sky
vodafone
airtel
dishtv
idea

E-GOVERNANCE

IRCTC
MAHAVITARAN
BBPS
RISL

LOGISTICS

FedEx Express
Delhivery
aramex
First Flight Couriers Ltd.
BLUE DART
DHL

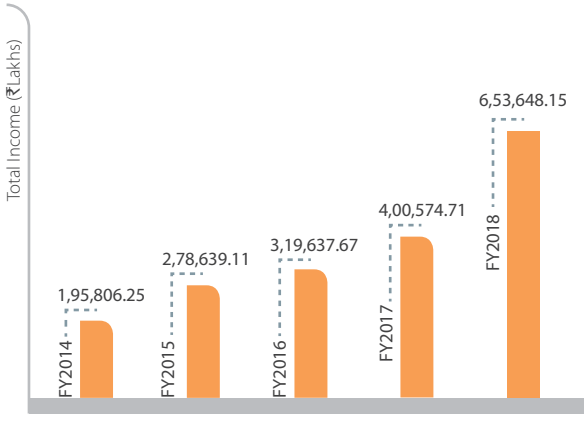
Our Growth Matrix

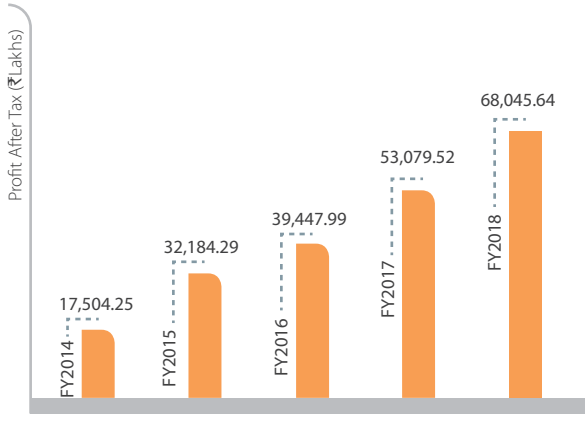
WE CONTINUE TO MAINTAIN AN UPWARD GROWTH TRAJECTORY IN OUR TOTAL INCOME AND PROFITABILITY. WE ARE CONSTANTLY AIMING AT INCREASING OUR MARGINS AND IMPROVING THE OPERATIONAL EFFICIENCY. DURING A 5-YEAR PERIOD, OUR TOTAL INCOME GREW BY A CAGR% OF 61.48%, WHEREAS EBITDA AND PROFIT AFTER TAX GREW BY 38.99% AND 86.84%, RESPECTIVELY.

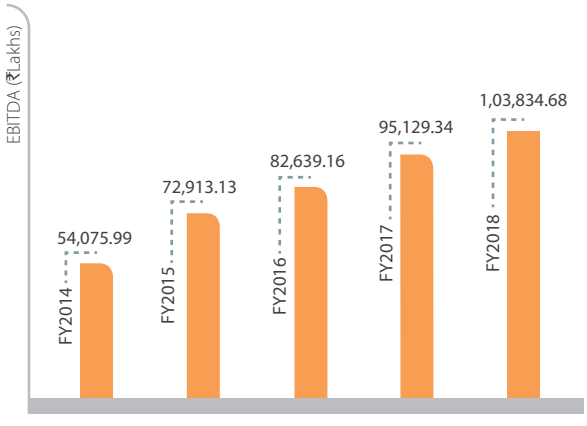
61.48%
5-year CAGR in Total Income

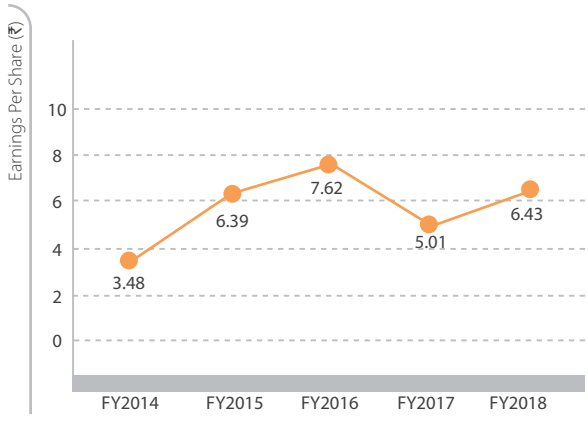
38.99%
5-year CAGR in EBITDA

86.84%
5-year CAGR in PAT



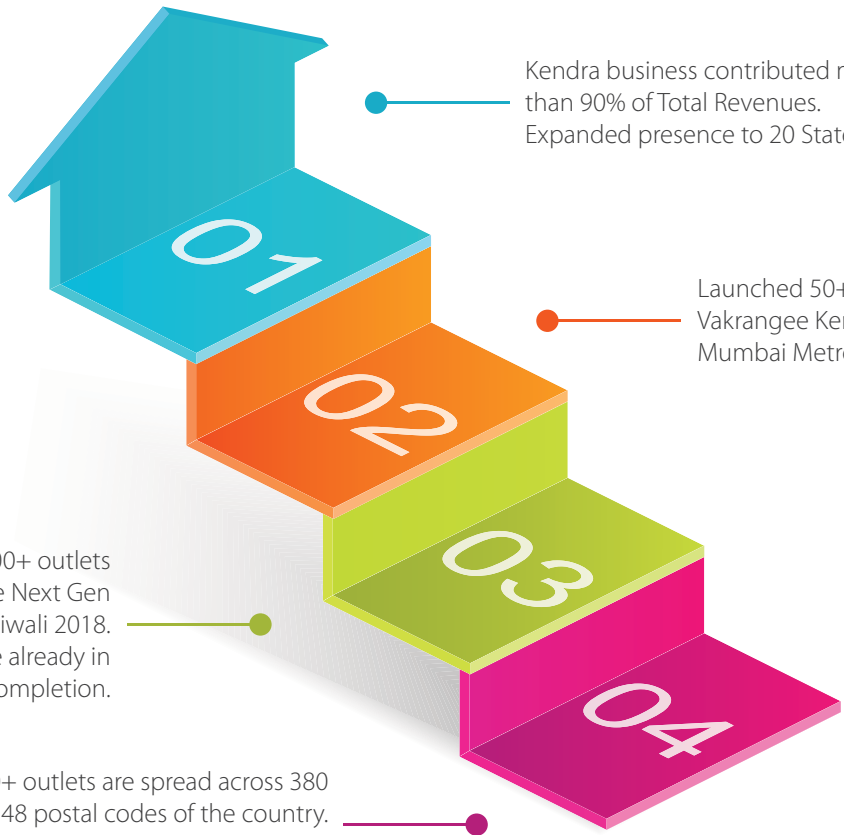






Note: Figures of FY2017 and FY2018 are restated pursuant to issue of bonus shares during the year in the ratio of 1:1

Key Operational Highlights

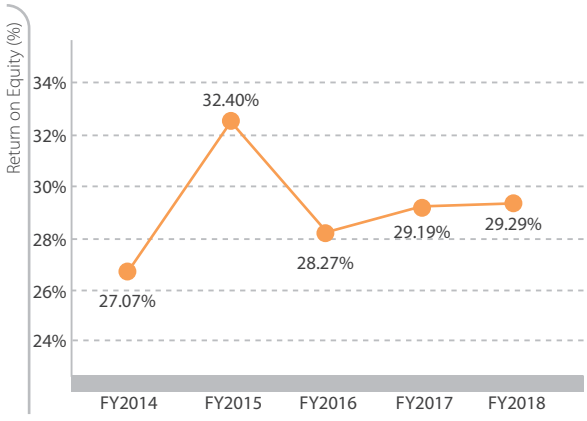


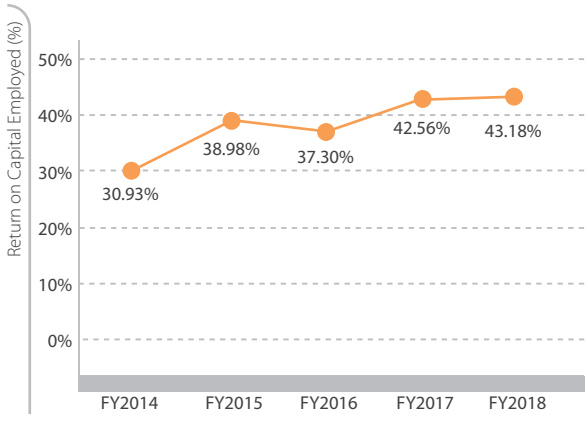
Kendra business contributed more than 90% of Total Revenues. Expanded presence to 20 States.

Launched 50+ Next Gen Vakrangee Kendra outlets in Mumbai Metropolitan Region.

Further 4,000+ outlets upgrading to the Next Gen model before Diwali 2018. These outlets are already in advanced stage of completion.

These 4,000+ outlets are spread across 380 districts and 2,548 postal codes of the country. Out of these 4000 outlets, more than 3,000 outlets are from Tier 5 and Tier 6 cities.





Managing Director & CEO's Message to Shareholders



Dinesh Nandwana
Managing Director & CEO

CONSIDERING THE RAPID PACE AT WHICH WE HAVE GROWN, WE HAVE REACHED A POINT WHERE CONSOLIDATION AND UP-GRADATION IS NECESSARY TO SET THE STAGE FOR THE NEXT PHASE OF GROWTH. OUR OBJECTIVE IS TO BECOME THE WORLD'S MOST TOP-NOTCH, DISTINCTLY IDENTIFIABLE "ASSISTED DIGITAL CONVENIENCE STORES", WITH STANDARDISED, UNIFIED AND ONE-LOOK BRANDING FOR OUR INFRASTRUCTURE.

Dear Valued Shareholders,

I begin this letter with a sense of pride on how our Company has evolved and grown stronger over the past two decades. Our dream of becoming one of the world's largest most admired network of Kendras is not an easy one to achieve. It will take time, perseverance and fortitude to get there. On this journey, we are bound to learn some valuable lessons along the way, and also face challenges once in a while that one could never foresee. With a goal that are built for a longer time horizon, I view periodic short-term challenges as just some speed bumps along the way. We remain unfazed towards our objectives, and are determined to keep taking concrete steps towards enhancing our existing franchisee network, producing sustainable performance and focusing on long-term shareholder value creation.

Taking Vakrangee Kendras to a New Level

The highly successful Vakrangee Kendra model has been evolving gradually over the years in terms of its format, configurations and capabilities. There are now at least 8-10 different formats of Vakrangee Kendra stores on a Pan India basis, ranging from a Kirana store model or room in a gram Gram Panchayat office, to an exclusive independent outlet. We feel that the time is now ripe to upgrade or churn these existing stores to a new standard format, so that they each become branded stores for delivering a unified consumer experience and consistent service levels. Our vast network will benefit

immensely from greater standardisation and consistency in terms of the quality of its facilities and service levels. We reviewed this through highly reputed global consultants, and arrived at a plan to recalibrate and upscale our Kendras that spells better convenience, greater comfort and superior service excellence to our customers. In FY2018, we began the task of upgrading our network to make it more productive and perform at a much better level. With this, we are strengthening ourselves to evolve into an even stronger and more successful company.

FY2018 in Brief

During the year under review, our Company faced a few challenges which I must discuss. One of them was the unexpected resignation of our auditor, Price Waterhouse Coopers (PWC). Fortunately, at the time of their resignation, they had successfully and satisfactorily completed their limited review of our business till December, 2017. Since then, our newly appointed auditor, M/s. A. P. Sanzgiri & Co., Chartered Accountants, has satisfactorily completed your Company's full-year audit of the financial year ending March 31, 2018, which I am pleased to present in this report.

Another key challenge of the year were a series of unfounded and malicious rumours about the organisation being involved in price and volume manipulation in the stock market. I would like to state that till now, our Company has not received even a single show-cause notice from any regulatory authority, that could give any credence to such gossip. This is not surprising as these rumours have been totally baseless. In the meantime, I would like to add with pride that in spite of all these short-term challenges, your Company remained steadfast and focused on conducting its business with full efforts. During these times, we added more partners, more franchisees and more employees. We did not get sidetracked from our larger business objectives. I urge all our stakeholders to stay focused on the facts, the fulfilment of our strategic plans and the proven performance record of the Company. We remain solidly determined to deliver long-term and sustained value to our stakeholders.

The Next Gen Vakrangee Kendras

Considering the rapid pace at which we have grown, we have reached a point where consolidation and up-gradation is necessary to set the stage for the next phase of growth. Our objective is to become the world's most top-notch, distinctly identifiable "assisted digital convenience stores", with standardised, unified and one-look branding for our infrastructure. This will entail the transformation of more than 45,000 of our existing Kendras as the Next Gen Vakrangee Kendras, categorised as Gold or Silver model formats.

'Next Gen' does not only stand for a new standardised look and feel, but also includes several unique features to make our Kendras 'future-ready' in terms of service offering, technology and branding. The Next Gen Kendras will have a modern format with uniform infrastructure and consumer experience. They will also include key technological

Managing Director & CEO's Message to Shareholders

WE MAINTAIN OUR LONG-TERM TARGET OF SETTING UP 75,000 NEXT GEN KENDRAS BY 2020. WITH A UNIQUE FRANCHISEE-DRIVEN BUSINESS MODEL DEVELOPED OVER A PERIOD OF TIME, WE ARE EXTREMELY CONFIDENT OF HAVING THE RIGHT INGREDIENTS TO ACHIEVE OUR VISION.

45,000+
Number of Outlets to be Upgraded/Churned by 2019

advancements, such as biometric and pin pad devices to enable all kind of payments mechanisms at the outlet; ATMs that enable the ease of financial transactions; centralised CCTV monitoring systems for enhanced store security on a pan India basis; and digital advertising features through a centrally controlled digital signage system for advertisement campaigns of our brand partners. These enhancements will greatly enhance the interaction between our customers and our partners.

By 2019, we aim to transform all the existing 45,000+ outlets as per the new Next Gen model. We are working at breakneck speed towards creating the best network ever created globally. Our new format kendras are already receiving an enthusiastic response from the existing franchisees, of which a high percentage have opted to upgrade without any hesitation. For those few that have not, we are replacing them with new franchisees willing to adopt the new format.

I am happy to share that we have recently completed and launched 50+ Next Gen Vakrangee Kendra outlets in the Mumbai Metropolitan Region (MMR). I am also pleased to inform you that an additional 4,000+ outlets are already in advanced stage of completion, and will be completed by Diwali this year. These outlets are spread across 380 districts and 2,548 postal codes of the country. Out of this group of outlets, more than 3,000 are based in Tier 5 and Tier 6 cities.

Our Performance Scorecard

I am pleased to inform you that your Company continues unabated in delivering consistent growth performance. During the year, our Total Income grew by 63.18% and stood at ₹ 6,53,648.15 Lakhs, compared to ₹ 4,00,574.71 Lakhs in the previous year. Our Net Profit After Tax also grew by 28.20% to reach ₹ 68,045.64 Lakhs, compared to ₹ 53,079.52 Lakhs in the previous year. This commendable performance is the result of our strong business model represented by our Vakrangee Kendras, and our rigorous execution skills.

As we focus even more on strengthening our balance sheet, we have realised that our legacy business of e-Governance is too capex and working capital intensive for our liking, which was limiting the generation of free cash flows. Thus, as part of our business strategy, we have decided to concentrate on the key business of Vakrangee Kendras, through which we have already created an enviable market presence.

Moving Ahead

For the running financial year FY2019, our key objective will be to upgrade all the remaining 41,000 outlets simultaneously into Next Gen Vakrangee Kendras. However, as all the outlets undergo refurbishment or get churned, our Company's financials, including total revenue and profitability, will naturally get affected. By FY2020, as we complete this large scale re-hauling exercise, I expect Vakrangee to continuously demonstrate strong resilience in delivering value to our stakeholders through strong financial and operational performance, and the more than 45,000 completed Next Gen Kendras bearing fruit.

As for the future, we maintain our long-term target of setting up 75,000 Next Gen Kendras by 2020. With a unique franchisee-driven business model developed over a period of time, we are extremely confident of having the right ingredients to achieve our vision. We continue to build our business by investing in technologies and by clearly defining our strategic priorities – that of driving growth, increasing agility and funding growth. We have only just begun to realise our full potential and purpose of building a network of convenience stores that are in close proximity to every last excluded person within India.

On behalf of the Management and Board of Directors, I would like to take this opportunity to thank our shareholders and our employees for their contribution and support. We also thank our franchisees and business partners for their continuous trust and confidence in the Vakrangee dream.

Warm Regards,

Dinesh Nandwana
Managing Director & CEO

Our Board of Directors



Dinesh Nandwana

Managing Director & CEO

DIN: 00062532

Dinesh Nandwana holds a Chartered Accountant degree from the Institute of Chartered Accountants of India. He drives and oversees the overall business at Vakrangee since its inception in 1990. He has been instrumental in moulding Vakrangee from a modest consultancy company to a prominent force to be reckoned with. He has scaled the Company to a new orbit of growth. His vast experience is backed by astute and dynamitic leadership qualities. Under his vision, the Company has set a track record for consistent and sustainable growth. As a front-runner of the organisation, he ensures a tone of integrity and ethics across the operations and establishes the highest standards of corporate governance.



Dr. Nishikant Hayatnagarkar

Whole - Time Director

DIN: 00062638

Dr. Nishikant Hayatnagarkar is a Doctorate in Computer Science from IIT Powai, Mumbai and is associated with the Company since 1994. He is a well-known personality in the field of microchip designing. He has also developed a voice recognition system, which was widely used in various applications like Tele Banking, Tele Gas Booking, etc. and has also designed and developed a multi-lingual Keyboard and was a consultant to Media Labs Asia - Kamal Rekhi School for Information Technology (IIT Mumbai) for development of Multi-lingual data input device - Marathi language Key Board (Key - Lekh) and E-Lekh (Tablet based Marathi language Input).



Ramesh Joshi

Non Executive Independent Director

DIN: 00002683

Ramesh Joshi is a graduate in Economics & Law from the university of Nagpur. In his long and illustrious career he held several leadership positions in the Reserve Bank of India. He has been Nominee Director on behalf of RBI on the Boards of Various Banks, and retired as an Executive Director of SEBI. He has travelled abroad widely and currently is serving as a senior corporate consultants to various Companies. He is on the Panel of Arbitrators for NSE,BSE, and MCX.



Sunil Agarwal

Non Executive Independent Director

DIN: 00062767

Sunil Agarwal has completed his Bachelor of Commerce and has over 35 years strong experience in business management and administration. He is a successful businessman with good leadership qualities to control huge projects and explore new business opportunities.

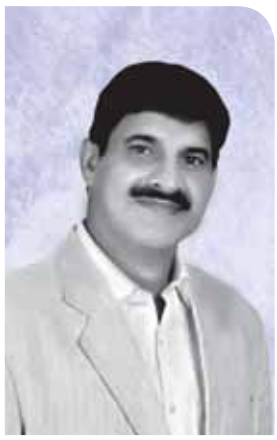


B. L. Meena

Non Executive Independent Director

DIN: 03281592

B. L. Meena has rich experience of having worked in different Government departments, including being Chief Commercial Manager NW Railway Jaipur of Indian Railway Traffic Service where he served for 28 years.



Avinash Vyas

Non Executive Independent Director

DIN: 06869633

Avinash Vyas has wide experience in audit certification for externally aided projects funded by foreign agencies such as World Bank and its extended arms, JICA-japan international cooperation agency, KFW Germany etc. He holds a Bachelor's Degree in Commerce and is L.L.B. (professional) which adds to his business acumen.

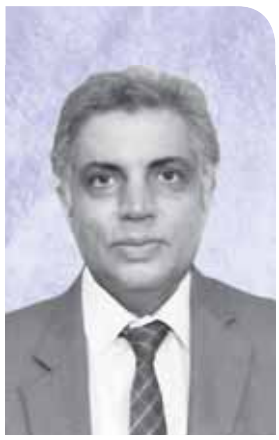


Sujata Chattopadhyay

Non Executive Independent Director

DIN: 02336683

Sujata Chattopadhyay is a Fellow member of the Institute of Cost Accountants of India and the institute of Company Secretaries of India and an Insolvency Professional She has 30 years of rich experience across various industries and geographies. Presently in full time practice as a Company Secretary, She is an Independent Director at Polygenta Technologies Limited, Arysta Lifescience india, Steel Exchange India Limited, and Industrial Investment Trust Limited, IITL Projects Limited and Resident Director of Felguera Gruas Private Limited.



Ranbir Datt

Nominee Director

DIN: 08064889

Ranbir Datt has joined Life Insurance Corporation of India (LIC) as Assistant Administrative Officer in 1984. Worked as Head of various channels in LIC of India viz., Deptt. of Pension & Group Superannuation, Bancassurance, Micro Insurance, Office Service & Estates etc. Also worked in LICs vertical like LIC Housing Finance Ltd and LIC Momura Mutual Fund. He was also in charge of two biggest Divisions at Nagpur and Karnal. He has an experience of training at Director level. Presently Mr. Datt is Executive Director of Corporate Planning /New Projects.

Our Key Management



Dinesh Nandwana

Managing Director & CEO

Dinesh Nandwana is a chartered accountant with over 25+ years of experience in overall Management, Operations, Finance and Corporate Affairs. He has been the leading force in the evolution of Vakrangee since its inception in 1990 by having ensured continuous advancements and by leveraging world-class technologies, processes and people. He has been the front-runner and most instrumental in moulding Vakrangee from a modest consultancy company to a prominent force to be reckoned with. He has scaled the Company to a new orbit of growth. Under his vision, the Company has set a track record for consistent and sustainable growth. His vast experience is backed by astute and dynamitic leadership qualities. As the promoter, he ensures a tone of integrity and ethics across the operations and also establishes the highest standards of corporate governance.



Dr. Nishikant Hayatnagarkar

Whole - Time Director

Dr. Nishikant Hayatnagarkar is a Doctorate in Computer Science from IIT Powai, Mumbai and is associated with the Company since 1994. He is a well-known personality in the field of microchip designing. He has also developed a voice recognition system, which was widely used in various applications like Tele Banking, Tele Gas Booking, etc. and has also designed and developed a multi-lingual Keyboard and was a consultant to Media Labs Asia - Kamal Rekhi School for Information Technology (IIT Mumbai) for development of Multi-lingual data input device - Marathi language Key Board (Key - Lekh) and E-Lekh (Tablet based Marathi language Input).



Sumit Jain

CEO – E-Commerce

Sumit Jain joined Vakrangee in 2014 as Sr. Vice President and is currently heading the eCommerce vertical. Prior to joining Vakrangee Limited, Mr. Jain worked with Barclays Bank in equity research division, covering Indian and Indonesian banking sectors. Before that, he worked with Credit Suisse and Intel Corporation in USA for over 6 years. Mr. Jain has completed his MBA from Stern School of Business at New York University and B. Tech in Computer Science from Indian institute of Technology (IIT) Bombay.



Harish Mani

CEO – Insurance

Harish Mani is a commerce graduate with PGDRM from IRMA. He has 15+ years of rich experience in Insurance & Micro-Finance Industry. Prior to joining Vakrangee he worked for Bharti Axa Life Insurance company for 8 years in various functions like distribution finance, channel development etc. where he worked on distribution blueprint, strategy, planning and cost management. Prior to Bharti Axa Life he worked for ICICI Lombard General Insurance company for 4+ years as product manager handling Two Wheeler and Retail Motor-Health verticals at different points of time. He worked on digital systems like ICICI Lombard Point of Sale (ILPOS) which is an pioneering industry leading application for policy issuance today.



Sanjeet Mahajan

CEO – Financial Services

Sanjeet Mahajan joined Vakrangee as Head - Financial & Other Services in October 2017. He is responsible to build the Retail & SME Loans, Mutual Fund & Other Allied businesses at Vakrangee Ltd. Prior to joining Vakrangee, Mr. Mahajan was associated with HDFC Bank for over 2 decades and served across multiple roles. In his last assignment as a Vice President at HDFC Bank, Mr. Mahajan was responsible to drive over all business and operations for some of the largest metro Retail branches of HDFC Bank. He is a seasoned Banking professional, with more than 21 years of cross-functional experience across Business Development & Strategy, Sales, Channel Management, Key Account Management, Operations etc across Branch Banking, Merchant Acquisition, Custodial Services & Depository Business. Mr. Mahajan holds a Bachelors of Commerce degree from Mumbai University.



Rajeev Ranjan

CEO-e-Governance

Rajeev Ranjan, has been part of Vakrangee's Top management member for over 9 years and Heads e- Governance business vertical. Mr. Ranjan is a Post-graduate and former Tata group senior executive, having vast experience with excellent record of delivering simultaneous National level, large scale and mission–critical projects, on time and within budget. Former Chief Executive Officer, with Vakrangee e-Solutions INC. at Manila, Philippines, he has led 8500 strong team of professionals and technical resources to deliver world-class and high-quality Land Registration project for Government of Philippines.

He has demonstrated superlative IT service delivery for most acclaimed projects for Government of India in Population Census management, PDS management, MCA 21, IGNOU management, Electoral management systems, Artisans Computerization, UID Project. With a vision to establish strong foot-hold through e-Gov service offerings from Vakrangee's Nextgen Kendra business, he has been instrumental to drive services under Bharat Bill Payment Systems, IRCTC, e-Mitra, Mahavitaran and PAN Card etc.

Our Key Management



Rahul Dev Pal

CEO – Banking

Rahul Dev Pal an economics graduate with a rich experience of almost 27 years in the field of sales and marketing. Starting his career with HCL, he went on to work with companies like Xerox, Pertech Computers, BPL and Godrej. His last assignment in Godrej was as a National Head. He from the very beginning of his career, has dealt with different Government departments and has done a lot of work in the BFSI segment. He has an in-depth knowledge of the banking segment and has been working in this segment at Vakrangee in the capacity of CEO - Banking.



Rajesh Bhojwani

CEO – ATM

Rajesh Bhojwani joined Vakrangee as Executive Vice President and is heading the ATM vertical. Mr. Bhojwani joined Vakrangee Limited from HDFC Bank Ltd, where he had worked in ATM, SME Lending and Retail Branch Banking division for over 12 years. His last assignment at HDFC Bank was Head – ATM Business Process. Prior to HDFC Bank, he worked with Chola MS General Insurance Company Ltd and Dewan Housing Finance Corp Ltd (DHFL) for over a span of 5 years. Mr. Bhojwani is Post Graduate (Construction & Project Management) from CEPT University, Ahemdabad. He also holds a B.E. (Civil) degree from DDIT, Nadiad, Gujarat.



Subhash Singhania

Chief Financial Officer

Subhash Singhania is a Fellow Chartered Accountant (FCA) from the Institute of Chartered Accountants of India with over 12+ years of experience in overall Finance, Accounts & Taxation. He has vast experience in Accounts, Direct and Indirect taxation matters and in-depth knowledge of financial management matters. He works closely with the Board and the senior leadership to handle various strategic and breakthrough initiatives in the fields of corporate accounting, financial planning, financial management and analysis and matters on taxation. He has been a key contributor in scaling Vakrangee with his vast experience in building teams with significant operating scale.



Sanjay Nandwana

Chief Technology Officer

Sanjay Nandwana is an IT Professional with over 27 years of rich and diverse experience in delivering complex Enterprise IT solutions. He is qualified Science Graduate with Master's in Business Economics, Project Management. He has a proven track record of product development and successes fully delivering profit-driven technology solutions. He joined as a Senior Vice President – Information Technology. Prior to joining Vakrangee he has been a successful entrepreneur in the field of IT Consultancy and IT solutions. His career stint includes his role as Head– Business Application at TERA Informatics Pvt. Ltd., a Portland (USA) based company. He has also headed large onsite technology projects in UK and Philippines and offsite projects, clients spread across the globe with rich experience of handling international clients. He is credited with creating state of art IT infrastructure besides his domain knowledge of BFSI, ATM, e-Governance, e-Commerce, Logistics, Power & Utilities, Hospitality, Manufacturing, defence, Education, Web Analytics, Entertainment and Streaming Media industries.



Ammeet Sabarwal

Chief Corporate Communication Officer & Strategy

Ammeet Sabarwal is a finance professional with considerable experience in the field of Investor Relations, Strategy, Corporate Communications, Investment Research, and Investment Banking. At Vakrangee, he heads Corporate Communications and Investor Relations. He is also part of the company's core strategy team that is tasked to build India's largest network of last-mile retail outlets to deliver real-time banking, insurance, e-governance, e-commerce and logistics services. Prior to Vakrangee, he was the CEO and Director at Dickenson Seagull IR, a respected capital markets communication company. Here he advised several mid-cap companies for their Investor Relations and fund raising requirements. Through his career, he has participated in over 300+ global and domestic Investor Roadshows. He has also been nominated among the best Investor Relations Officer (IROs) in India by Bloomberg.

01 Our Strategies



Vakrangee Kendras have undergone a major transformation over the years. From being non-exclusive stores offering a single line of services, these have evolved into multi-specialty, exclusive stores with a multi-line of services, with an enviable presence in the marketplace. The Company, too, has evolved over the years – from being an e-Governance player and a systems integrator into one with a unique and best-in-class retail-led franchisee model.

Since their inception in 2011, Vakrangee Kendras have embarked on a major transformational spree year on year. At the time of inception, these Kendras were referred to as Common Service Centres offering single line of e-Governance services. Later, these centres were run on the model of Kirana store and Banking BC Point and were non-exclusive. The Kendras gradually kept evolving, working on an exclusive multi-specialty store model. Today, they stand transformed as the Next Gen assisted digital convenience store with exclusivity.

45,000+
Existing Vakrangee Kendras made up of small, large and micro outlets

Establishing an Enviable Presence

After years of solid growth, we developed 45,000+ Vakrangee Kendras made up of a mixed basket of large, small and micro outlets. The Kendras have undergone incessant transformation through a drastic increase in the bouquet of services offered, which has increased the store visibility on a standalone and exclusive basis. The Kendras have evolved from being non-exclusive stores offering a single line of services into multi-specialty, exclusive stores with a multi-line of services.

Today, the Kendras have literally become a synonym for our theme ***"Ab Poori Duniya Pados Mein".*** The Kendras have become the world's best "go-to-place" for everyday things, offering a world of convenience just around the corner. These are one of the world's largest franchisee-based, Assisted Digital convenience store format offering a world of products and services across banking, ATM, insurance, e-Commerce, e-Governance and Logistics.

The Kendras have an enviable presence in the marketplace, albeit with a differentiated level of service across the network. Since then, there has been technological up-gradations and enhancement in transactional capabilities.

Meanwhile, Vakrangee Limited as a company has also transformed. From being a Systems Integrator E-Governance player, it has become one of the World's largest Franchisee-based Multi-service Retail Network.



01 How Vakrangee Kendras Evolved Over the Years

PHASE 1 : 2010 -11

The outlets were primarily termed as Common Service Centre (CSC) or E-Mitra Kendra and offered only e-Governance services.







PHASE 2 : 2012-13

The outlets were later transformed into a Banking BC Point Model, after it received the Banking Business Correspondence mandate, and commenced a BC point dual line of services for e-Governance and Banking.







PHASE 3 : 2014 - 17

Gradually, these Kendras adopted a multi-specialty store model with multiple services offered in Banking, e-Governance, Insurance, e-Commerce, Logistics and optional ATM services.







PHASE 4 : 2018 ONWARDS

Later, these outlets evolved into the Next Gen Vakrangee Kendras, an exclusive "assisted digital convenience store model", with a multi-line of services and the mandatory ATM services.







01 Gradual Evolution of Vakrangee Limited

Our Journey from being a Systems Integrator and E-Governance player to one of the World's largest Franchisee-based Multi-service Retail Network

1990-2005

- Incorporated as a System Integrator for E-Governance Projects
- Won Project Computerisation of Central Election Commission to generate election voter ID cards and manage citizen facilitation centers in Maharashtra, Rajasthan, Gujarat and Uttar Pradesh
- Won Project MCA 21 from Ministry of Corporate Affairs to set up and maintenance of IT infrastructure at ROC sites across India

2007-2009

- Won Project Rashtriya Swasthya Bima Yojna for Uttar Pradesh, Haryana and Rajasthan, involving preparation and distribution of 2 million Smart Cards to BPL beneficiaries
- Scope of work included infrastructure procurement, installation and management; design and development of card personalisation and printing software; recruitment and training of manpower; and issuance of personalised RSBY cards
- Worked on Project Digitisation of Land and Revenue Records for 6 districts in Uttar Pradesh
- Worked on Project Land Record Digitisation for Government of Philippines

2010-2011

- Worked on Project Passport Seva Kendra, involving setting up ultra-modern passport offices at 77 locations with Business Process Engineering
- Worked on Project Common Service Centre for Punjab with 205 CSCs established and 192 rolled out
- Won UID Enrolment Project for enrolling Aadhaar; Emerged as one of the leading enrolment agencies empanelled with UIDAI under highest T3F4 category; Enrolled more than 5 crore citizens by capturing demographic and biometric data of residents

2012-2013

- Won Common Service Centre Project for e-Governance services in Rajasthan, involving building, equipment, management and maintenance of CSCs
- National Business Correspondent Tie Up - Appointed by Major Banks Such as State Bank of India, Union Bank of India and Bank of Baroda for the Pan India mandate.
- Won Project for Inspector General Registration of Stamp (IGRS)
- Won Project for National Population Register for data digitisation and operate end-to-end managed data entry services of 8 crore records

2014-2016

- RBI license to set up and manage WLA across India
- Real time cash withdrawals from all banks through WLA
- Offered various Business-to-Customer services such as –
  - Sale of Products through Assisted E-Commerce – Access to more than 100 million products
  - Bus Ticket booking, Mobile & DTH recharge services

2017 Onwards

- Vakrangee Kendra Outlet Business forayed into Logistics & Financial Services
- Alliance with IRCTC for offering railway E-Ticket booking
- Launched the Next Gen Vakrangee Kendra Model with standardised look and feel and consistent service level to have a uniform consumer experience
- Launch of 50+ Next Gen Vakrangee Kendra outlets in Mumbai Metropolitan Region (MMR)

02 Our Strategies



As Vakrangee Kendras have established an enviable presence in the marketplace, we at Vakrangee are recalibrating our strategies and upgrading our network. The objective behind this is to evolve into an even stronger and more productive company and perform even better.

Considering the rapid pace at which our Company has been growing since inception and the setting up of Vakrangee Kendras, we are redressing and straightening our key strategies. Our objective behind this hiatus is to upgrade our network of 45,000+ Vakrangee Kendras and make each of them more productive and standardised not only in terms of look and feel, but also in terms of its service levels and in providing a unified consumer experience and to perform better.

We are standardising all the existing Kendras and transforming each of them as a Next Gen Vakrangee Kendra. We are setting new benchmarks to standardise the infrastructure of each Kendra, in terms of brand visibility and facility features. Even as we focus on this, our long-term target we have set for ourselves – that of setting up 75,000 Next Gen Kendras by 2020 – continues to stands strong.

Besides this, we are recalibrating our strategies and delivering lasting change by placing a sharpened focus on our core business and evolve into an even stronger company.

75,000
Number of Vakrangee Kendras to be set up by 2020



We are standardising all the existing Kendras and transforming each of them as a Next Gen Vakrangee Kendra. We are recalibrating our strategies and delivering lasting change by placing a sharpened focus on our core business and evolve into an even stronger company.

03 Our Strategies



Our objective is to become the world's top-notch assisted digital convenience store with standardised, unified and one-look branding for infrastructure, making our Kendras distinctly identifiable as "assisted digital convenience stores".

We are improving our convenience quotient by unifying our brand experience for a customer across all the franchisee categories within the marketplace. Our objective is to set up a modern-day Kendra with standardised and unified branding, making our Kendras clearly and distinctly identifiable as Vakrangee 'supermarkets'.

Each Kendra will have a standardised look and feel, common services portfolio across all the Kendras, ATM machines and pin-pad devices to enable all kinds of payment modes across services. For this purpose, we are bifurcating each of our Kendra as either a Gold or a Silver Kendra. Besides standard branding in store layout and design, the portfolio of services will be common across both these types of Kendras.

We are consolidating and standardising all the existing 45,000+ Kendras to the new Next Gen Vakrangee Kendra within 2019, even as our holistic target of setting up 75,000 Kendras by 2020 continues to be the same.

Our new and improved Kendras are already winning an enthusiastic response from our existing franchisees, most of whom are opting to upgrade and convert into the new format. In the pilot phase, we have taken up the upgradation of 4,000 outlets as the Next Gen Vakrangee Kendras. Our vision is to complete all the existing 45,000 Kendras into the Next Gen Kendra model within 2019.



Gold Kendra	Silver Kendra
• Minimum area 300 Sq. Ft. • 4 Counters • Owner's Desk • ATM Machine	• Minimum area 200 Sq. Ft. • 2 Counters • ATM Machine

Benefits of Equipment in Vakrangee Kendras:

STORE EXCLUSIVITY & CONSISTENT BRANDING



- Exclusive store model with same service level and same customer experience
- Standardised layout & design by L&H (Lewis & Hickey)
- Huge improvement in the Franchisee pedigree
- Consistent branding in store layout as well as signage

MANDATORY ATM IN EACH OUTLET



- Mandatory ATM at each store and located within the store
- Potential to enhance the footfalls significantly
- Additional stream of revenues for both the Franchisee and the Company

CENTRALISED MONITORING SYSTEM



- Centralised CCTV system to monitor all outlets
- Better security at the store
- Full compliance with RBI guidelines to maintain more than 90 days video recording back up

DIGITAL ADVERTISING



- Digital Signage to enable centrally monitored advertisement campaigns
- To enhance the interaction between Customers and Partners
- Focus to initiate revenue from advertising

PIN-PAD DEVICES



- To enable various kinds of payment modes at any Vakrangee Kendra
- Integration in process to start accepting RuPay / Debit / Credit Card payments

03 Mumbai Metropolitan Region
A Case Study

We have upgraded and launched the first 50+ Next Gen Vakrangee Kendras in the Mumbai Metropolitan Region (MMR) in suburban or semi-rural areas of Mumbai. These Kendras now have consistent features and services at each outlet. Enthused by the positive response from the existing outlets, our objective is to complete the transformation of the remaining Kendras into the Next Gen Kendra model in the shortest possible time.

The launch of 50+ Next Gen Vakrangee Kendras in the Mumbai Metropolitan Region (MMR) region is the first milestone in our journey towards upgradation of all the existing 45,000+ outlets. With progressive efforts and affirmative response from franchisees, further 4,000+ outlets will be upgraded before Diwali. Thereafter, we aim to upgrade all the existing 45,000+ Kendras in India as the Next Gen Model. With our Vision 2020 of setting up 75,000 Vakrangee Kendras all over India covering each Pin Code by 2020, we aim to provide all types of services under a single roof.

Consistent and Standardised

The Next Gen Kendras will have a modern and standardised format with a uniform look and feel, aimed towards building consistent service levels and uniform consumer experience. This model also embodies technological advancements such as mandatory ATMs that enable the ease of financial transactions; centralised monitoring with the help of CCTV Cameras which would provide remote assistance to the pan-India Kendras, digital advertising





through digital signage for brand partners, along with biometric and pin pad devices to enable all kind of payments mechanisms. The Company is in the process of upgrading all the existing 45,000+ outlets within 2019.



03 Mumbai Metropolitan Region
A Case Study *contd.*



Brand Campaign - Launch of Next Gen Vakrangee Kendra: Mumbai Metropolitan Region

The Kendras have, thus, evolved from being non-exclusive stores with a single line of service to an exclusive digital convenience store model providing access to a multi-line of services spread across Banking, Insurance, Financial Services, ATM, e-Commerce, e-Governance and Logistics.

At Vakrangee, all the outlets in the Mumbai Metropolitan Region (MMR) have been upgraded and transformed. In the pilot phase, we have undertaken upgradation of an additional 4,000 outlets which will be upgraded as Next Gen Kendras till Diwali this year. All the Kendras will a mandatory ATM machine, digital signages, CCTV and a pin pad device. The Gold Kendras will be set up in an area of approx. 300 sq. ft., and will have 4 counters and an owner's desk. The Silver Kendras will have 2 counters and will be set up in an area of approx. 200 sq. ft.

Simplifying the Customer's Journey

We wish to simplify a customer's purchase journey. We believe that the key to winning the future is convenience and we will strive towards this by being the equaliser, who enables brands to reach the underserved population in India. With this behemoth undertaking, we have not only increased our viability by providing a bouquet of services to customers, but it is also a step towards bringing about employment, equality and minimising the rural-urban disparity.

This is an evolution in the "Rutail" (rural retail) sector of India. With this launch, we are also creating a separate and a stronger brand identity across India. Our aim is to be the most trustworthy physical as well as online convenience-store across India, positively moving towards Vakrangee Kendra's new brand philosophy of ***"AB Poori Duniya Pados Mein".***



Brand Campaign - Launch of Next Gen Vakrangee Kendra: Mumbai Metropolitan Region

NEXT GEN VAKRANGEE KENDRA LOCATOR : MUMBAI METROPOLITAN REGION

04 Our Strategies



We are fully resourced and committed to incur the capex needed to accomplish upgradation and standardisation and on marketing and brand awareness of the existing lot of 45,000 Kendras into the Next Gen Vakrangee Kendra. We are augmenting the total yearly spend on marketing and also increasing our brand awareness to achieve higher visibility.

A major up-gradation of all our existing 45,000 Kendras will require excellence in execution and significant investment, which we are resourced and committed to carry out. We are also geared to incur additional capex on marketing and brand awareness, and on installation of an ATM machine in each Kendra. Based on the current capex for the ATM business and increased spend in marketing expenses, we are contemplating to alter our Capital Allocation policy.

Each franchisee will have to incur capex and working capital investment of up to ₹ 7-9 lakh for a Silver Kendra and ₹ 15-18 lakh for a Gold Kendra. Hence, to motivate our franchisees to upgrade themselves, we are providing the ATM machine free of cost to them on a custodian basis. We also plan to compensate them with better commissions for a finite period of time before they begin the refurbishment of their stores.

Currently, the Company is focusing on upgradation of the existing 45,000+ Vakrangee Kendra outlets into the Next Gen format. The presence of an ATM machine is mandatory in the Next Gen Vakrangee Kendra model and is key to standardisation of each outlet. The ATMs will be provided to all the Next Gen Franchisees on a "custodian basis" by the Company. Based on the current capex plan and increased spend in marketing expenses, the Company has put on hold its current Capital Allocation policy, which will be finalised based on the outcome of 5,000 Next Gen outlets once they become operational.





₹ 7-9 Lakh
Capital Investment needed by Franchisee for a Silver Kendra

₹ 15-18 Lakh
Capital Investment needed by Franchisee for a Gold Kendra

05 Our Strategies



We firmly believe that people are our greatest asset and we adopt best practices to ensure healthy employee relations, employee growth and development as well as work satisfaction. We believe in providing continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis.

We recognise that our people are the primary source of our competitiveness whom we have always put first in all our initiatives. We believe in making the right investments in providing continuous skill and upgrading competencies of our employees by enabling them access to necessary learning opportunities.

To deliver the best possible services to our customers, we invest in our employees, making the two-way relationship healthy and mutually beneficial. The Human Resource Management function has indeed become a strategic partner in our business. We adopt the best practices to ensure healthy employee relations, employee growth and development and work satisfaction. Our belief in employee welfare is corroborated in the several 'firsts' in employee welfare measures that we have introduced over time.

26%
Average increment given to employees during FY2018



Our Human Capital

We take utmost care of our employees by providing them with facilities such as GMC and GPA Group Term Life policies, which have been introduced recently covering all employees along with the prevailing GMC and GPA. These policies safeguard our employees during tough times and provide the much-needed financial support. It's our belief that businesses should provide and maintain equal opportunities irrespective of caste, creed, gender, race, religion, disability or sexual orientation.

Our employee promotion policy presents a significant opportunity for advancing and upgrading the employees. We wish to invest in our employees and reward those who perform well. This policy applies to all employees who qualify for promotion. During FY2018, the average increment given to an employee was 26%, while and the promotion percentage was 7.43%.

A Healthy Workplace

It is our intent and obligation to maintain work environment healthy, safe, secure and free from drug, alcohol, tobacco, gutkha, supari, chewing-gum, pan masala or any substance abuse. Employees, who are believed to be under the influence of alcohol, drugs or consumption of tobacco, gutkha, supari, chewing-gum, pan masala, while on the job, thereby endangering the safety and health of themselves or others, are seriously reprimanded.

05 We Care for our Employees

Ethics and Moral Value

We strongly believe that highest standard of self-integrity and moral value are a pre-requisite for sustainable growth in future. Therefore, employees are requested to adhere to strict rules to uphold the highest standards of business ethics. No employee is supposed to take any cash, gift or favours from any vendor or stakeholders. No gift in whatsoever form, within/outside the premises of the Company shall be accepted by the employees from suppliers/ vendors of the Company or any third party.

The Vakrangee Rules

1. We have a strict non-tolerance against "money for job". The Company or any representative of the Company is not authorised to take any money from a candidate. If any person is found doing so, he/she would be terminated from the services of Company with immediate effect.

2. We also select talent through Lateral Recruitment process which involves interview by HR, subject matter expert and personal interviews.

Our Best Practices:

1. **No Micro Management:**
   Right from the interview till the time the candidate joins us, it is made clear to him/her that they have to take complete ownership of what they do. And we keep our promise by giving them complete ownership, which means no micro-management. They can complete the task in any way that they are comfortable, and we are satisfied as long as the tasks are completed on schedule and in an ethical way.

2. **Reward & Recognition:**
   One of the most valued of all employee incentives includes the peer programs or our awarding performance through recognition. We have structured Reward & Recognition plans for all our employees, including the office boys who are also felicitated for their efforts.

Our Core Principles for Human Resources





3. **Work Life Balance:**
   We are committed to create an engaging work environment that will encourage long-term retention and contribution. To that end, we have introduced a number of initiatives to enhance work-life balance by helping employees work more effectively and productively. To maintain a healthy work environment, we advise our employees to set work efficiency goals, and make proactive efforts to reduce their overtime work through increase in productivity.

Leadership development is very serious business in Vakrangee. Each employee is a leader in his own right, and the Company ensures that their leadership journey is turbo-charged through high levels of responsibility, freedom and people management from a very early stage of their career.

06 Our Strategies



At Vakrangee, we have moved beyond providing products and services as we apply technology to create deeper, more meaningful relationships with people, clients and customers. We create new affiliations with businesses across industries who share their vision and mission. And with this new partnership, we go about inventing new products and services that enable us in meeting the goals of our customers and employees.

While 2017 was defined as "The Year of Intelligence", 2018 is designated as "Promising for Technological Innovations". We expect faster and more accurate exponential changes in every technology direction including Internet of Things (IoT), NLP, machine learning & artificial intelligence, smartphones, data security, cloud technology, blockchain revolution, augmented and virtual reality, soft robots and more. This can create a threat to security, but innovative approaches and solutions are continuously evolving.

Vakrangee believe that technical landscape continues to become more complex as technology advances and application sophistication increases more rapidly day by day, creating a greater dependency on IT services. We are achieving new levels of growth and differentiation to not only help communities to create new economic opportunities and develop new ways of serving, but also protect citizens and benefit society by digitally empowering as a whole.

Key Responsibilities for IT Personnel:

- Relentlessly **remove bottlenecks** in the technology innovation process through Agile and DevOps ways of working – in a cross-skilled, highly empowered team and true agile manner. This will allow organisations to innovate faster and stay ahead of competition and delight customers.

- **Integrate data** between systems – both for operational and analytical purposes. Organisations that can combine their data and generate insights are better able to anticipate customers' needs.

Initiatives Undertaken for Smart Technology:

A. Data Privacy and Security

Increasing concern for user data privacy, data leakage, and number of cyber-attacks are the reason for rising attention to the question of data security, which became more relevant in the recent years. The increasing number of devices connected to the internet not only creates more data but also makes it more vulnerable and not very well protected. It is expected that security analytics costs will raise up. Thus, it is critical to keep up with latest trends in the field of data security.

Privacy and security of data are two of our biggest concerns. However, we have been continuously working in the direction of protecting data. We have adopted below approaches for data security and privacy:

- **Validation and filtration of end-point inputs,** we use an authentic and legitimate end-point device. End-point devices are the entry point for authentic and valid data into the system.
- **Mandatory Access Control (MAC),** in which the access of each user is constrained to a very limited set of tasks and timeframe.
- **Digital signatures using asymmetric encryption,** regular audits, and hash chaining are standard practices followed to secure the data.
- **Monitor logs on a real-time basis** to spot anomalies that identify any misuses and abnormality.
- Use **data tagging and enforced time stamps** to help in tracing unauthorized activity.
- **Encryption at all times** – when data is in transit and at rest, database contents is encrypted; protecting data at rest, and additional protection for data in transit applied using SSL encryption to connect the client and server, ensuring that only trusted computers can access the encrypted data. Encryption is a crucial part of maintaining confidentiality and integrity of data.
- **Encryption of data** within the database, access control, masking sensitive data and stringent authorization policies, keeping security patches up to date. Deploying encryption on all data on a granular basis helps ensure that even if there is a system breach, the data itself remains protected.
- **Granular auditing,** we analyse various kinds of logs which is always advantageous and helpful in recognising any kind of cyber-attack or malicious activity.
- **Data Provenance,** we classify data, as it is necessary to be aware of its origin to determine the data origin accurately, authentication, validation and access control could be gained.

B. Aadhaar-based Biometric Authentication

Vakrangee is the pioneer and leader in Aadhaar based biometrics authentication system. We are using Aadhaar Authentication for AEPS based banking system to provide banking facility to unserved and underserved citizens. All ATMs deployed by Vakrangee are AEPS ready so as and when NPCI activate AEPS based ATM transactions those will be available to Vakrangee customers from the day one.

We are using Aadhaar based e-Sign to digitally sign all electrically generated documents except legal agreement. Anyone with a valid Aadhaar number can use this service to sign documents from anywhere, anytime which makes the signed documents non-refutable. It is helping us in green initiatives by eliminating use of paper apart from that it is saving cost and time.

C. Secure Online Payment System

Vakrangee is now working on developing its own platform for omnichannel online merchant payment system which includes card payment, Unified Payments Interface (UPI), AEPS, Aadhaar Pay, Bharat QR etc. This will enable Vakrangee Kendras to accept payment from customer through all the mode of payments.

06 Moving Towards a Digital Landscape

D. Cloud Computing

Cloud and its automation bringing profits to the organisation with new upcoming technologies it is also shifted our expenditures from Capital Expenditures (Capex) to Operating Expenses (Opex). In cloud computing we pay for what we use and can-do cost benefits throughout the year and it does not require infrastructure refresh and software license upgradation. We at Vakrangee are using hybrid cloud platform along with in-premise data center.

E. Artificial Intelligence (AI)

In 2018, Artificial Intelligence and Machine Learning have seen considerable advancement by making deep-rooted progress in most sectors than 2017. Vakrangee initiated the process of adoption of AI to maximise the automation of existing processes to minimise human intervention. Deep learning is a method of artificial intelligence which is used to help machines to do something that is natural to humans think and take decisions logically. Deep Learning will be one of the most important approaches for solving machine learning, machine translation and other forms of language processing, automatic image caption generation, object classification and detection in images and facial recognition. As we know deep learning shortens the development time of software solutions from several months to several days. This will lead to better functional characteristics, increased productivity and reduced product costs.

Natural language processing (NLP) is the ability of a computer program to understand human language as it is spoken. Vakrangee has accepted the NLP technology as with the help of NLP, customer, stakeholder will be able to ask questions and receive answers and make better insights on their problems. Chatbots and voice activated technologies are quite common nowadays as it can communicate with potential customers in the chat form and answer questions that concern specific product. Vakrangee is also preparing to implement Chatbots into our software for customer support. The work done in last one year, will be now live in the system to make the visible impact and this will help to improve the customer experience, increase productivity and profitability.

ISO 27001:2013 Certification

Vakrangee is ISO 27001:2013 certified (Information Security Management System) company since 2009 it has been independently verified and awarded the most rigorous and internationally recognised and most prestigious information security standard available which committed to global standards for security best practice and for implementing and managing security controls that protect information assets.

Vakrangee has demonstrated its commitment to Information Security Management, continuous improvement in Information Security standards, and signalled the further strengthening of its credentials as a managed service provider. Protecting information is a top priority for Vakrangee and ISO 27001:2013 certification ensuring the safety of the data is integral for the protection of the company, its customers and its partners. Vakrangee is serious about securing its valuable information assets by putting in place appropriate policies, procedures and controls to assess and treat risks to information security throughout the organisation.

The ISO 27001:2013 certification process requires Vakrangee to:

- Thoroughly evaluate information security risks, including the impact of identified threats and vulnerabilities.
- Design and implement a comprehensive set of information security controls and other risk management measures to address security risks within its own cloud infrastructure as well as its corporate environment.
- Implement an overarching program to ensure that the information security controls meet the information security needs for both Vakrangee and its customers on an ongoing basis.


PROFIT

07 Our Strategies



At Vakrangee, we view our commitment to Environment and Society as part of our responsibility to clients, shareholders, communities and the environment in which we operate. We take seriously our responsibility to answer the call of those who aspire a better tomorrow – even as we constantly innovate to solve the challenges of tomorrow.

100+ Million
Number of Products available at Vakrangee Kendra through assisted E-Commerce

Responsible and sustainable development of corporate resources is fundamental to the Company's overall strategy. The ESG factors are embedded in our operations as our strategic priorities and in key strategic drivers. We are anchored, to and guided by, our vision, values and strategies. We are committed to business and environment strategies that enhance our ability to deliver industry-leading results and superior stockholder value in any business environment.

Key Elements of our ESG Policies:

A. Social Inclusion

a. Enhancing Skill-Sets:
Our business model facilitates skill enhancement. We take ordinary individuals and train them with skill-sets that helps them yield remarkable results. There is basic certification needed for rendering Aadhaar services and banking services, thereby enhancing his skill-sets.

b. Job Creation:
Our Business model is pure franchisee based, who preferably is a localite. In addition, each franchisee employs minimum of 1-3 resources, creating employment opportunities and financial stability. Our business model thus creates a ripple effect in the larger society.

B. Financial Inclusion

We provide access to basic banking and insurance services. We also enable transfer of Government subsidies directly into the bank accounts of citizens through the Government's Direct Benefit Transfer (DBT) scheme of the Government. With the potential financial inclusion of a larger section of the society responsible for more than half of India's GDP, the Indian economy can be further enlarged and energised. We call this the "Vakrangee Effect" Digital.

C. Digital Inclusion

We are taking digital literacy to the bottom of the socio-economic pyramid and act as the last-mile link to connect India's unserved and under-served Rural and Urban citizens by offering them with biometric-enabled Banking and e-Commerce services at our Kendras. We provide the same products and services to India's urban and rural population at affordable prices at the same time and of the same quality.

D. Sustainable Development - Equality

We are the greatest human equalisers of life, bridging the gap between India's urban and rural population. Our Next Gen Vakrangee Kendras are totally in sync with our theme *"Ab Poori Duniya Pados Mein"* in literal sense. Our Kendras are essentially "One Stop Shop Convenience Stores", offering the urban and rural citizens goods and services at the same price, same time and of the same quality.

E. Sustainable Development — Economic Growth

We provide decent work opportunities to people – opportunities to get work that is productive, with stable and well- paid jobs. The work also delivers a fair income, security at the workplace, social protection for families, better prospects for personal development and social integration. Our franchisees create localised work opportunities by hiring resources and also leading to skills development, with certification for banking and UIDAI services. We make people contribute to India's economic growth to achieve fair globalisation and poverty reduction.



F. Sustainable Development - Building Resilient Infrastructure

We are building resilient infrastructure and fostering technology innovation through real-time paperless biometric-enabled banking. Inter-operable banking is also being achieved by connecting the core banking servers of major banks. We also leverage our technology platform to provide a one-stop solution and real-time access to over 100+ million products and 1 ,000+ services under a single roof.

G. Sustainable Development – Environmental Impact

a. Reducing Carbon Footprint:

Vakrangee Kendras are contributors in reducing carbon footprint. We provide banking services, insurance products, e-Governance services, logistics services and e-Commerce products and services. We serve as a "one-stop solution" to customers by offering them a bouquet of products and services within walking distance, thereby saving on time and fuel cost.

b. Use of Disruptive Technology:

We make use of disruptive technology such as e-KYC, inter-operability and real-time transactions and use of advanced features such as paperless banking, real-time banking and use of biometric evaluation results in environmental impact.

Management Discussion & Analysis



INDIA IS EXPECTED TO EDGE PAST THE US TO BECOME THE WORLD'S 2ND LARGEST ECONOMY IN PURCHASING POWER PARITY (PPP) BY 2040. THE NATION CONTINUES TO BENEFIT FROM STRONG PRIVATE CONSUMPTION AND THE GRADUAL INTRODUCTION OF SIGNIFICANT DOMESTIC REFORMS

ECONOMIC OVERVIEW

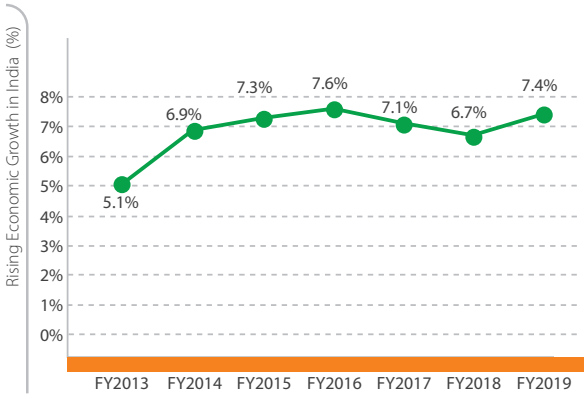
India's US$ 2.5 trillion economy makes it the 7th largest in the world in terms of nominal Gross Domestic Product (GDP). It is on track to overtake the United Kingdom and France to become the world's 5th largest economy in 2018, and vault to the 3rd spot by 2032, according to the Centre for Economics and Business Research (London), a London-based consultancy. India has grown by an average 7.5% in the past three years.

In FY2018, its economy grew by 6.7%, as compared with 7.1% during FY2017, As per a report by PriceWaterhouseCoopers (PWC), India is expected to edge past the US to become the world's 2nd largest economy in purchasing power parity (PPP) by 2040. Several reforms and policies have been implemented with the intent of building a more productive and efficient economy. India continues to benefit from strong private consumption and the gradual introduction of significant domestic reforms, according to the International Monetary Fund (IMF).

6.7%
India's Economic Growth Rate in FY2018

7.4%
India's Projected Growth Rate in FY2019

The nation is witnessing a strong growth rate of more than 10% in per capita GDP and Gross National Disposable Income.



Source: Central Statistical Organisation; Data for FY2019 is IMF's projection on India's GDP Growth

INDUSTRY OVERVIEW

Financial Inclusion in India

Financial inclusion is the delivery of financial services at affordable costs to vast sections of disadvantaged and low income groups (for example "no frill accounts"). Financial inclusion broadens the resource base of the financial system by developing a culture of savings among large segment of rural population and plays its own role in the process of economic development. Further, by bringing low income groups within the perimeter of formal banking sector; financial inclusion protects their financial wealth and other resources in exigent circumstances. Financial inclusion also mitigates the exploitation of vulnerable sections by the usurious money lenders by facilitating easy access to formal credit.
(Source: RBI Website)

Why is Financial Inclusion important in India?

India has witnessed the largest improvement in access to financial services over the past three years among peers. India improved its ranking from the 7th position among the 10 largest emerging markets in 2014 to reach the top position along with China in 2017. The policy makers have been focusing on financial inclusion of Indian rural and semi-rural areas primarily for three most important pressing needs:

a. Creating a platform for inculcating the habit to save money

The lower income category has been living under the constant shadow of financial duress mainly because of the absence of savings. The absence of savings makes them a vulnerable lot. Presence of banking services and products aims to provide a critical tool to inculcate the habit to save. Capital formation in the country is also expected to be boosted once financial inclusion measures materialise, as people move away from traditional modes of parking their savings in land, buildings, and bullion, among others.

b. Providing formal credit avenues

So far the unbanked population has been vulnerably dependent on informal channels of credit like family, friends and moneylenders. Availability of adequate and transparent credit from formal banking channels shall allow the entrepreneurial spirit of the masses to increase outputs and prosperity in the countryside. A classic example of what easy and affordable availability of credit can do for the poor is the micro-finance sector.

c. Plug gaps and leaks in public subsidies and welfare programmes

A considerable sum of money that is meant for the poorest of poor does not actually reach them. While this money meanders through the large

Management Discussion & Analysis

50%
Ratio of Rural Locations in total number of ATMs

₹ 1.4 Trillion
Cash withdrawals from ATMs in Jan-March 2018 quarter

system of government bureaucracy, much of it is widely believed to get leaked and is unable to reach the intended parties. Therefore, the Government is pushing for direct cash transfers to beneficiaries through their bank accounts, rather than subsidizing products and making cash payments. This laudable effort is expected to reduce the Government's subsidy bill (as it shall save that part of the subsidy that is leaked) and provide relief only to the real beneficiaries. All these efforts require an efficient and affordable banking system that can reach out to all. Therefore, there has been a push for financial inclusion.

Why is Financial Inclusion needed in India?

To boost savings	For credit availability	To reduce leak in subsidy and welfare distribution

Steps taken by RBI to support Financial Inclusion

A. Initiation of No-Frills Account:

The no-frills accounts provide basic facilities of deposit and withdrawal to account-holders, and make banking affordable by cutting down on extra frills that are of no use for the lower sections of the society. These accounts are expected to provide a low-cost mode to access bank accounts. RBI also eased the KYC (Know Your customer) norms for opening of such accounts.

B. Banking Service reaches homes through Business Correspondents:

The banking systems have started to adopt the Business Correspondents mechanism to facilitate banking services in areas where banks are unable to open brick & mortar branches for cost considerations. Business Correspondents provide affordability and easy accessibility to the unbanked population. Armed with suitable technology, the business correspondents help in taking banks to the doorsteps of rural households.

C. Electronic Benefits Transfer:

To plug the leakage present in transfer of payments through various levels of bureaucracy, the government has begun the procedure of transferring payments directly into accounts of the beneficiaries. This "human-less" transfer of payment is expected to provide better benefits and relief to the beneficiaries, while reducing the government's cost of transfer and monitoring. Once the benefits start accruing to the masses, those who remain unbanked shall start looking to enter the formal financial sector.

Growth in Number of ATMs

ATM is the oldest of the alternative banking channels and enjoys the highest level of acceptance among customers. The number of ATMs has risen drastically. From 100,000 ATMs in 2013, around 70% of these in urban locations. The number of ATMs are expected to double, with more than 50% being set up in small towns. ATMs provide more than just cash withdrawal. They also provide enhanced banking services.

Installation of ATMs has been a major priority for the Government to ensure financial inclusion. Financial inclusion aims to extend financial services to the large, hitherto unserved population of the country. In addition, it strives towards a more inclusive growth by making financial avenues available to the poor. In semi-urban and urban areas, sometimes there are long queues in front of existing ATMs, because a single ATM is not able to handle so much traffic.

However, despite a need for massive ATM network expansion, there is no increase in the number of ATMs deployed.

Need for ATMs in India

However, despite the popularity and wide-scale usage of digital payments, people have not done away with carrying hard currency. Data released by the Reserve Bank of India (RBI) shows an increase in cash withdrawals from ATMs. There is also a surge in the number of times debit cards were swiped at ATMs across the country. Per day transactions at ATMs and the average ticket size of each withdrawal has gone up.

ATM withdrawals are likely to go up further with growth of the economy and with more cash in circulation. This is being supported by the demand for withdrawals in rural India in order to access Direct Benefit Transfer (DBT) funds which are being put into the bank accounts of the poor by the Government. An RBI data indicates that cash withdrawals during January-March 2018 stood at ₹ 1.4 trillion, which was apparently a considerable rise from ₹ 1.1 trillion in the corresponding quarter of 2016.

Rise in Volume and Value of ATM Transactions (Month on Month)

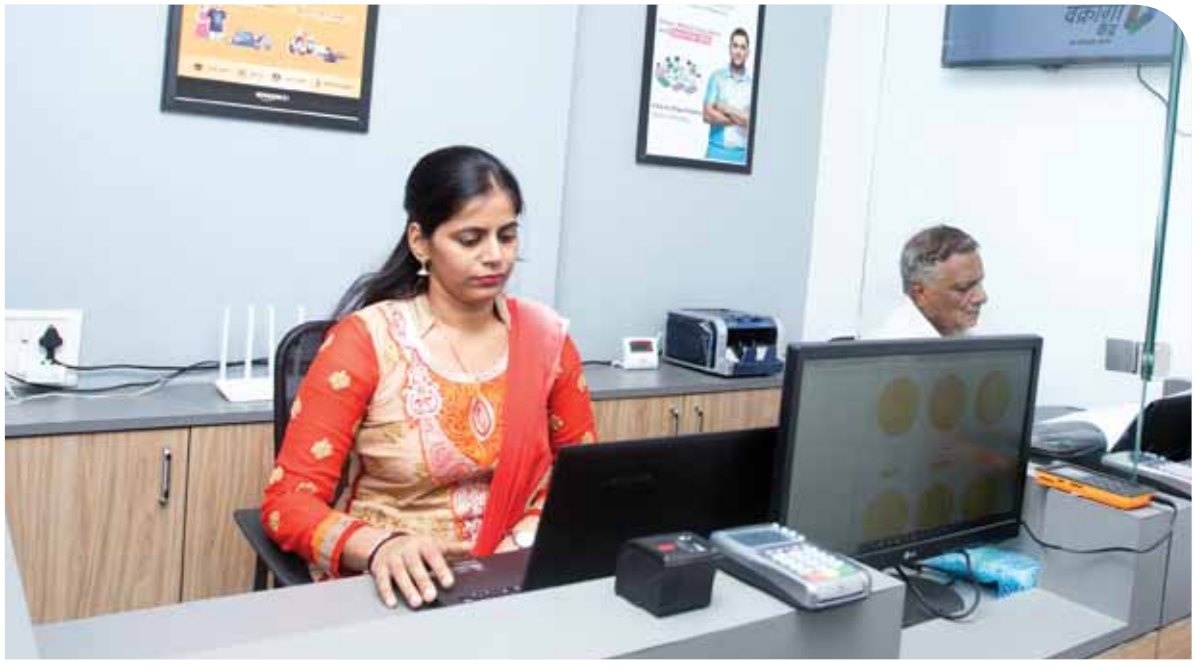
Month/Year	ATM Transactions through Credit Cards		ATM Transactions through Debit Cards	
	Number of Transactions	Amount (In ₹ Mn)	Number of Transactions	Amount (In ₹ Mn)
Oct'17	679,823	3,210	741.87	25,33,210
Nov'17	687,530	3,204	731.33	24,92,722
Dec'17	713,363	3,340	761.93	26,40,389
Jan'18	745,019	3,409	741.56	25,50,217
Feb'18	689,402	3,216	718.28	24,74,871
Mar'18	785,732	3,683	774.94	26,63,502
Apr'18	727,175	3,396	758.94	26,47,971
May'18	744,785	3,485	748.04	26,47,507

Source: RBI Website

THE NUMBER OF ATMS ARE EXPECTED TO DOUBLE IN INDIA, WITH MORE THAN 50% BEING SET UP IN SMALL TOWNS. ATMS PROVIDE MORE THAN JUST CASH WITHDRAWAL. THEY ALSO PROVIDE ENHANCED BANKING SERVICES.



Management Discussion & Analysis



White Label ATMs

The model of White Label ATM was conceived to drive financial inclusion and to ensure more geographical reach and financial inclusivity, keeping in the mind the country's population. White Label ATMs were set up to ease the pressure on banks and for the betterment of the masses. As the penetration of ATMs is very low, the Government is inviting more and more private institutions to invest in building ATMs and is catering to the needs of the masses who still do not enjoy the basic necessity of an ATM around them.

The e-Commerce Opportunity

E-Commerce has transformed the way business is done in India. Despite being the 2nd largest user base in the world, only behind China (650 million, 48% of population), the penetration of e-Commerce in India is very low compared to markets such as the United States (266 million, 84%) or France (54 million, 81%), but is growing at an unprecedented rate of around 6 million new entrants every month. India is expected to generate an online retail revenue of US$ 100 billion by 2020, out of which US$ 35 billion will be through fashion E-Commerce. With nearly 1/5th of the world's population, but only 13.5% of its Internet users, India remains an interesting case for e-Commerce companies looking to tap into the rapidly developing market.

THE E-COMMERCE REVENUE IN INDIA IS EXPECTED TO JUMP FROM US$ 39 BILLION IN 2017 TO US$ 120 BILLION IN 2020, GROWING AT AN ANNUAL RATE OF 51%, THE HIGHEST IN THE WORLD.

The Indian e-Commerce market is expected to grow to US$ 200 billion by 2026, from US$ 38.5 billion as of 2017, according to a report by India Brand Equity Foundation (IBEF). The ongoing digital transformation in India is expected to increase India's total internet user base to 829 million by 2021 from 445.96 million in 2017. India's Internet economy is expected to double from US$ 125 billion as of April 2017 to US$ 250 billion by 2020, majorly backed by e-Commerce, the IBEF Report added. The e-Commerce revenue in India is expected to jump from US$ 39 billion in 2017 to US$ 120 billion in 2020, growing at an annual rate of 51%, the highest in the world.

Online Retail in India

Online retail in India is expected to touch US$ 32.70 billion in 2017, from US$ 15 billion in 2016, led by Flipkart and Amazon India and PayTM Mall, according to the IBEF Report. It is estimated to grow to US$ 200 billion by 2026, according to a report by financial services firm Morgan Stanley. By then, online retail will account for 12% of India's overall retail market. By 2026, Morgan Stanley expects India to have 475 million online shoppers, up from 60 million in 2016, driven by a combination of rising Internet penetration, drop in data access costs, shift to smartphones, and flow of credit to consumers and micro-enterprises. Today, only around 14% of India's Internet users shop online, compared with 64% in China. But this is likely to change as people become more comfortable with making transactions on the web.

Growth of Amazon in India

In the long-term, India will be a "material driver" for Amazon's growth. Amazon India currently has 160 million products listed on its platform, vis-à-vis over 400 million for Amazon in the United States. The numbers in India are expected to increase meaningfully as more merchants enter the formal economy and have better access to credit, the Morgan Stanley report stated. India is providing Amazon with the largest number of new customers after the United States.

E-Commerce in Rural India

The biggest thrust for e-Commerce will emerge from two key initiatives announced during Union Budget 2017-18. One, the target to connect more than 1.5 lakh Gram Panchayats with high-speed brand; and two, to focus on digital transactions through merchant-enabled Aadhaar payments and BHIM. Many sectors have benefited from the increased rural demand as a result of agriculture reforms and MGNREGA. Now with the increased penetration of smart phones and Internet, we expect a large base of first-time online consumers to emerge from rural areas. Elevation of high-speed broadband connection in rural and Tier 2 & 3 cities has been materialised, which further nurtures India's tech essence. The increasing mobile Internet penetration and rising rural incomes have opened the doors for e-Commerce in the rural parts of India. About 70% of India's population lives in rural areas. For e-Commerce giants and start-ups alike, this is where the opportunity lies. As a matter of fact, most e-commerce pundits are of the opinion that this untapped market share is what will ensure a seamless growth of ecommerce sector in the country in coming years.

According to the World Bank, 67% of India's population was rural in 2015. The true potential of India's online shopping will only be unlocked if Indian retailers can figure out ways to reach out to the often-unnoticed rural market. The rural youth can be tapped for their demand in fashion, electronics, and cosmetics because many trends and brands aren't easily available locally.

Assisted E-Commerce - Gaining Speed

Assisted e-Commerce is the next big wave in e-Commerce. It is a hybrid of traditional and online retail. With just 12% to 15% of the 300 million Internet users shopping online, assisted e-Commerce throws up a huge opportunity. The players in this space bring the offline buyers, local retailers, and sellers onto an integrated platform and reach where the e-Commerce players face a hindrance. It offers an opportunity to millions of small merchants to go hi-tech and make additional income. They make the purchases on behalf of the customers, who will be assured of the quality of products, while sellers will be able to save a lot on logistics and reverse shipping expenses.

US$ **32.70** Billion
Projected Size of Online Retail in India in 2017

US$ **475** Million
Number of Shoppers projected in India by 2026

Management Discussion & Analysis

In a typical assisted e-Commerce model, a customer walks into a brick-and-mortar store, selects a product specimen, places an online order through assistance, and makes the payment. Assisted e-Commerce is an effort to push the boundaries of the e-Commerce market further, by including the large part of the population whose access to the Internet is limited or non-existent. Nonetheless, the customer gains from obvious benefits that include – a hassle-free experience, product arriving at the doorstep, attractive return policies, cash on delivery options, and heavy discounts.

BUSINESS OVERVIEW

About Us

Vakrangee Limited is one of the world's largest franchisee-based, multi-service retail network, offering a broad spectrum of services across different sectors to offer a "one stop shop" solution for all its customers. We are focused on creating India's largest network of last-mile retail outlets at every postal code in India. We offer a world of products through assisted e-Commerce and multiple financial services across the counter.



PRESENCE OF AN ATM INSIDE A VAKRANGEE KENDRA OUTLET IMPROVES THE FOOTFALLS INSIDE THE STORE, OPTIMISES COST OF OPERATIONS OF THE STORE AND ALSO ENHANCES REVENUE.

25+ Years
Total Market Experience of Vakrangee Limited

With over 25+ years of consistent experience, we have evolved from being an e-Governance projects system integrator to a unique technology-enabled retail-led franchisee model. We provide multiple services to the under-served and unserved population across India through our Vakrangee Kendra outlets set up in 20 states of India. During the year under review, our legacy business (i.e. Government projects), which was capital intensive and limited free cash flow generation, has been discontinued.

Our Scope of Services

Our Next Gen Vakrangee Kendra outlets are a technology intensive retail distribution platform for last-mile touchpoints, delivering services across Banking, ATM, Insurance, Financial Services, E-Commerce, E-Governance, and Logistics services to domains on a real-time basis to potential customers across the under-served rural and urban India.

a. Banking:

We offer robust technology, real time, paperless, inter-operability banking, which provides a unique service experience to citizens.

Banking Transactions:

- Bank A/C Opening
- Cash Deposits, Withdrawals, Money Transfer
- Fixed/Recurring Deposits
- Balance Enquiry, Statement of Accounts
- Disbursement of money under Direct Benefit Transfer

b. ATM Services:

- We own the license from RBI to set up and manage White label ATMs, enabling real-time cash withdrawals from all banks.
- Co-located ATM in urban/semi-urban branches to cater to holistic banking needs of customers while optimising cost of operations.

Our ATMs are much more profitable compared with any standalone ATM. As our ATMs are located within the Kendra, there is no incremental store rental, no requirement of a security guard as well as no cash refilling charges, as the franchisee himself refills the ATM.

Further, the presence of an ATM inside a Vakrangee Kendra outlet proves beneficial to the storekeeper. It improves the footfalls inside the store, optimises the cost of operations of the store and also enhances the revenue stream.

c. Insurance:

We are the corporate agents to Life Insurance Corporation of India, HDFC Standard Life Insurance Company Ltd., and Bajaj Allianz Life Insurance Company Ltd. for life insurance; and with Tata AIG General Insurance Company Ltd., Reliance General Insurance Company Ltd., and HDFC Ergo General Insurance Ltd. for general insurance. We have tie-ups with Cigna TTK Health Insurance Company Ltd., Religare Health Insurance Company Ltd., and Aditya Birla Heath Insurance Company Ltd. for health insurance. We also provide insurance under the Atal Pension Yojana, Jeevan Jyoti Bima Yojana, and Pradhan Mantri Suraksha Bima Yojana.

Management Discussion & Analysis

Insurance Services:

- Corporate agency tie-up for Life, General and Health Insurance
- Micro Insurance schemes under Atal Pension Yojna, Jeevan Jyoti Bima Yojna & Pradhan Mantri Suraksha Bima Yojna

d. Financial Services:

- Lead generation for Loan Products – Consumer, Housing and SME Loans
- Distribution of Mutual Fund products

e. e-Governance:

We have over 25+ years of experience for providing various Government grass-root level services. We offer Government-to-Citizen services such as utility bill payment, and other G2C services based on state to state from our Vakrangee Kendras spread across India.

e-Governance Services:

- Payment of Utility Bills, Taxes, Levies, Certificates, Hall tickets, Exam Fee Payments
- Alliance with IRCTC for offering railway E-Ticket booking
- Bharat Bill Payment System (BBPS) platform to deliver wide range of bill payment services
- Other G2C services based on state to state

f. e-Commerce:

We offer various Business-to-Customer services such as mobile and DTH recharge. We have an alliance with Amazon India to facilitate sale of various goods and products; with Redbus for offering bus ticketing services; with Augmont for sale of gold products; and with Reliance Jio for the issuance of mobile sim connection and mobile handsets.

e-Commerce Services:

- Telecom - Mobile recharge
- DTH service - Recharge, bill payments
- Assisted e-Commerce Model
- Alliance with Amazon to facilitate sale of products.
- Alliance with Augmont for Sales of Gold Products
- Alliance with Reliance Jio for issuance of sim connection and sale of mobile handsets
- Alliance with Redbus for offering bus ticketing services.
- Alliance with Netmeds Marketplace Limited to offer medicines and other health products
- Alliance with Cinestaan Digital Private Limited to offer free and offline videos to citizens

g. Logistics:

We are leveraging our Vakrangee Kendra presence to enhance the reach of our courier booking services. Our vast network of Vakrangee Kendra outlets across India enables us to provide last-mile delivery and distribution of products – using the Hub-and-Spoke model. Our physical network enables the cash-on-delivery service across all postal codes and immediate cash remittance system using the internal wallet system. This "difficult to build" Hub-and-Spoke Model has today become our strategic advantage which will determine the common perception of our business.

WE HAVE BUILT A VAST FRANCHISEE-BASED NETWORK OF "VAKRANGEE KENDRAS" ACROSS 20 STATES OF INDIA, AN ASSET-LIGHT FRANCHISEE-BASED BUSINESS MODEL.

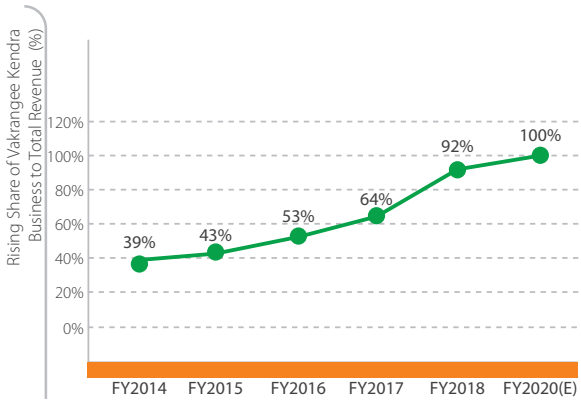
45,000+
Number of Vakrangee Kendras across India



About Vakrangee Kendras

We have built a vast franchisee-based network of 45,000+ "Vakrangee Kendras" across 20 states of India, an asset-light franchisee-based business model. These are technology intensive retail distribution platforms for last-mile touchpoints delivering services across Banking, ATM, Insurance, Financial Services, e-Governance, e-Commerce and Logistics services to domains on a real-time basis to potential customers across the under-served rural and urban India.

Today we have created an enviable presence in the marketplace, albeit with a variegated level of service across the network. Our Kendras are essentially multi-purpose "Convenience Stores" located across rural, urban and "difficult to reach" areas of India. Vakrangee Kendras enable every Indian to seamlessly benefit from Financial Inclusion, Social Inclusion, Digital India, Skill Development, Employment, Government programmes and a wider access to basic goods and services.



Management Discussion & Analysis

Evolution of Vakrangee Kendras

Over the last few years of solid and rapid growth, we have scaled our network responsibly and profitably. We developed a vast number of Kendras made up of a mixed basket of large, small and micro outlets. These have evolved from being non-exclusive stores offering a single line of services termed as Common Service Centres; into an e-Governance player and a Banking BC Point model; into a multi-specialty store model; and finally, into an exclusive next-gen, assisted multi-specialty, exclusive digital convenience store, with a multi-line of services.

Growth of the Kendra Model:

Number of outlets	Currently, we have 45,000+ outlets, with a 2020 target of 75,000 outlets.
Number of services	More services were introduced in the current outlets. As we keep on doing more new tie-ups, more services kept getting added to the outlets.
Maturity of existing services	Maturity of the existing services provided to our customers will lead to growth. A mix of all these drivers which will give effect of future growth.

75,000
Number of Kendras to be set up by 2020

Upgrading / Churning the Kendra Network

We are concentrating on upgrading our Kendra network to make them more productive and perform at a much better level. We are setting new benchmarks to standardise the infrastructure of each Kendra, in terms of brand visibility and facility features. As a result, we are streamlining our network to offer a "one look" platform that is consistently the same across India.

Our strategy behind this is to further improve our convenience quotient by unifying the brand experience and service levels across all the franchisee categories within the marketplace. This is being done by bifurcating each of them as either a Gold Kendra or a Silver Kendra. Besides standard branding in store layout and design, the portfolio of services will be common across both these types of Kendras. Besides offering the same portfolio of services, each Kendra will be equipped with an ATM machine, CCTVs, digital signages, and also pin-pad devices to enable all kinds of payment mechanisms across services.

Benefits of Equipment in Vakrangee Kendra:

STORE EXCLUSIVITY & CONSISTENT BRANDING	• Exclusive store model with same service level and same Customer experience • Standardised layout & design by L&H (Lewis & Hickey) • Huge improvement in the Franchisee pedigree • Consistent branding in store layout as well as signage
MANDATORY ATM IN EACH OUTLET	• Mandatory ATM at each store and located within the store • Potential to enhance the footfalls significantly • Additional stream of revenues for both the Franchisee and the company
CENTRALISED MONITORING SYSTEM	• Centralised CCTV system to monitor all outlets • Better Security at the store • Full compliance with RBI guidelines to maintain more than 90 days video recording back up
DIGITAL ADVERTISING	• Digital signage to enable centrally monitored advertisement campaigns • To enhance the interaction between Customers and Partners • Focus to initiate advertising revenue
PIN-PAD DEVICES	• To enable various kinds of payment modes at any Vakrangee Kendra • Integration in process to start accepting RuPay / Debit / Credit card payments

Our latest introduction of the new and improvised Kendra models is already getting an enthusiastic response from the existing franchisees, most of whom are opting to upgrade without a moment of thought. We have upgraded 50+ outlets to Next Gen Vakrangee Kendra model in the Mumbai Metropolitan region. With our progressive efforts and the strong positive response received from our franchisees, another 4,000+ outlets will be upgraded/churned to the Next Gen model by Diwali this year. These outlets, which are already in the advanced stages of completion, are spread across 380 districts and 2,548 postal codes of India. Out of these, more than 3,000 outlets are from India's Tier 5 & 6 cities.

Our key objective is to set up a modern-day Next Gen Vakrangee Kendras with standardised and unified branding. This will make our Kendras clearly and distinctly identifiable as "assisted digital convenience stores".

Defining the Gold and Silver Next Gen Vakrangee Kendra

Gold Kendra	Silver Kendra
- Minimum area 300 sq. ft. - 4 Counters - Owner's Desk - ATM Machine	- Minimum area 200 sq. ft. - 2 Counters - ATM Machine

Standard features across Gold and Silver Kendras:

- ATM machine within the store
- Digital advertising through Digital signages
- Centralised Monitoring System through CCTV cameras
- Pin-pad devices to enable all kind of payment modes



Management Discussion & Analysis

~300 Sq. Ft.
Total Area of a Gold
Next Gen Vakrangee Kendra

~200 Sq. Ft.
Total Area of a Silver
Next Gen Vakrangee Kendra

Business Outlook

Moving ahead, we have stopped taking new mandates in relation to our legacy business of e-Governance. We aim to focus on the Vakrangee Kendra business, for which we are recalibrating our strategies and business model, to evolve into an even stronger and more successful company. With a highly consistent brand experience across all our Kendras, we intend to become the world's top-notch multi-service retail network. The current capex to be incurred for the ATM business and increased spend in marketing expenses may impact the Company's revenue and profitability in the short term. In view of this, we are planning to revisit our Capital Allocation policy. The upgradation of each Kendra will require excellence in execution and significant investment for installing an ATM, and the spend on marketing the Kendras, which we are resourced and committed to incur.

By 2019, we are focused on upgrading and standardising all the existing 45,000+ franchisees to the Next Gen Vakrangee model, with common features, look and feel and portfolio of services. Each of these Kendras will offer the same portfolio of services and will always be equipped with an ATM machine, even if it is located in the rural areas. However, we remain confident of achieving our long-term target of setting up 75,000 Next-Gen Vakrangee Kendras by 2020. Adding more services and products offered through outlets will help sustain high growth and make these outlets more mature. We are working at breakneck speed, focusing on creating the best network the world has ever seen.

Risks & Concerns

a. **Swiftness in Government Policies:**
The Company's business is dependent on Government policy towards financial inclusion stand and the speed of implementation. Thus, any change in the policy framework and restrictions on the transaction may affect the profitability of business.

b. **Rapid Changes in Technology:**
Financial sector is undergoing rapid technological changes. Hence, the new technologies may change all the existing business models. The Company's margins may hit due to new cost effective disruptive innovations.

c. **Heavy Dependence on Franchisee model:**
Though franchise model enables aggressive expansion, the risks associated with the franchise model still persist. Any reputation loss in single franchise may suffer the brand name. Moreover, the margins on franchises are less and legal issues may disrupt the smooth operations.

Corruption and Instability

Vakrangee has a Bribery and Anti-Corruption Policy in place governed through a strict code of conduct.

Energy Conservation

We promote town development in harmony with nature by implementing energy-saving and waste control policies. Towards this end, we introduce the latest technologies to minimize the environmental load and create ways to protect the local ecology. We are taking efforts to preserve the environment and bring about a sustainable society. We have also made use of several energy saving technologies and reducing environmental load at our offices and the Kendras.



WE RECOGNISE AND REWARD GOOD PERFORMANCE, IDENTIFY TRAINING AND DEVELOPMENT NEEDS, MATCH EMPLOYEES TO POSITIONS THAT MAKE THE BEST USE OF THEIR SKILL SETS, AND IDENTIFY POTENTIAL FUTURE LEADERS WHO SHOULD BE PLACED ON A FAST-TRACKED CAREER PATH TO MANAGEMENT POSITIONS.

Human Capital

Vakrangee seeks to be a high-performing organisation by investing in the personal and professional development of its people to ensure that they possess the competencies and qualities the Company needs to deliver its business objectives. Vakrangee's Human Capital Division is responsible for mapping competencies, assessing training needs and planning, developing and facilitating a broad range of training and development programs for each level of the organization. At Vakrangee, we recognise and reward good performance, identify training and development needs, match employees to positions that make the best use of their skill sets, and identify potential future leaders who should be placed on a fast-tracked career path to management positions.

Our goal is to create a motivating and satisfying working environment, where employees contribute more to the Company. We use a range of tools to monitor employee satisfaction on a regular basis. We also believe that a rewarding compensation package can be a key factor in attracting and retaining capable and talented employees. The Company offers a competitive salary as well as a range of benefits and incentives for employees above certain grades. The Company is committed to an equal and diverse workforce is reflected in recruitment, training, career development and promotion practices. Through this, we ensure that all our employees have equal access to opportunities, regardless of their gender, age, racial/ethnic background, religion or social status.

Cautionary Statement

This document contains statements about expected future events, financial and operating results of Vakrangee Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirely by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Vakrangee Limited Annual Report, FY2018.

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 28th Annual Report on the affairs of the Company together with the Audited Statement of Accounts for the year ended March 31, 2018.

1. PERFORMANCE OF THE COMPANY

The Company's performance is summarized below:

FINANCIAL RESULTS

(₹ in Lakhs except EPS and per share data)

Particulars	Standalone			Consolidated		
	2017 - 2018	2016-2017	YoY growth (%)	2017 - 2018	2016 - 2017	YoY growth (%)
Sales and other income	641313.80	396506.87	61.74	653648.15	400574.71	63.17
EBITDA	101400.54	94243.92	7.59	103834.68	95129.34	9.15
Profit before tax	100196.98	81969.47	22.24	102387.10	82781.40	23.68
Provision for Income Tax	34992.08	30954.26	13.04	35283.19	31111.63	13.40
Provision for Deferred Tax	(1057.20)	(1279.38)	(17.37)	(941.73)	(1409.75)	(33.20)
Tax for earlier Year	-	-		-	-	
MAT Credit Entitlement	-	--		-	-	
Profit after tax	66262.10	52294.59	26.71	68045.64	53079.52	28.19
EPS (₹) Basic	6.26	4.94	26.72	6.43	5.01	28.34
EPS (₹) Diluted	6.24	4.93	26.57	6.41	5.00	28.20

PERFORMANCE

Standalone:

During the year, your Company recorded the total income of ₹ 641313.80 Lakhs from ₹ 396506.87 Lakhs in previous year, a growth of 61.74%. The EBITDA stood at ₹ 101400.54 Lakhs from ₹ 94243.92 Lakhs in previous year, an increase of 7.59%. Profit after Tax was increased to ₹ 66262.10 Lakhs from ₹ 52294.59 Lakhs in previous year, up by 26.71%.

Consolidated:

During the year, your Company recorded the total income of ₹ 653648.15 Lakhs from ₹ 400574.71 Lakhs in previous year, a growth of 63.17%. The EBITDA stood at ₹ 103834.68 Lakhs from ₹ 95129.34 Lakhs in previous year, an increase of 9.15%. Profit after Tax was increased to ₹ 68045.64 Lakhs from ₹ 53079.52 Lakhs in previous year, up by 28.19%.

2. STATE OF COMPANY'S AFFAIRS

The Management has decided to focus on the Vakrangee Kendra business, for which it is recalibrating its strategies and business model, to evolve into an even stronger and more successful company. The year witnessed upgradation of Vakrangee Kendra to enable a highly consistent brand experience across all the Kendras and to become the world's top-notch multi-service, assisted digital convenience store with standardised, unified and one-look branding for infrastructure. Besides offering the same portfolio of services, each Kendra will be equipped with an ATM machine, CCTVs, digital signages, and also pin-pad devices to enable all kinds of payment mechanisms across services.

3. UPDATE ON CAPITAL ALLOCATION POLICY

The Board of Directors of the Company on February 12, 2018 had announced Capital Allocation Policy wherein the total available cash would be utilized through Share Buy-back, dividend payout and re-investment in the business.

Currently, the Company is focusing on upgradation on the 45,000+ Vakrangee Outlets to the Nextgen format. ATM is mandatory in the Nextgen Vakrangee Kendra Model and is key to standardization of the outlet. ATMs have to be provided to all the Nextgen Franchisees on Custodian Basis by the Company. Based on the current Capex plan and increased spend in marketing expenses, the company has put on hold the current Capital Allocation policy. However, the Capital allocation policy would be finalized based on the outcome of 5,000 operational Next gen outlets.

In order to maintain the proven track record of dividend distribution, your Directors are pleased to recommend a dividend of Rs. 0.25/- per equity share (previous year Rs. 2/- per equity share), subject to the approval by the shareholders at the forthcoming Annual General Meeting.

The total dividend payout will be of Rs. 3191.10Lakhs including Dividend Distribution tax of Rs. 544.10 Lakhs.

The Dividend Distribution Policy as adopted by the Company is annexed herewith as "Annexure 1". The policy is also available on the web-site of the Company, www.vakrangee.in.

Directors' Report

4. SHARE CAPITAL

During the year under review following changes took place in the Share Capital of the Company:

- On May 22, 2017 issued and allotted 1,69,125 equity shares having face value of ₹1/- each to the employees of the Company upon conversion of stock options.
- The Authorised Share Capital of the Company was increased from ₹ 75,00,00,000/- (Rupees Seventy Five Crores) to ₹ 125,00,00,000/- (Rupees One Hundred Twenty Five Crores) by creation of additional ₹ 50,00,00,000/- (Rupees Fifty Crores) equity shares of Re. 1/- (Rupee One each) and consequently clause V of the Memorandum of Association of the Company has been altered.
- On December 26, 2017, the Company issued and allotted 52,94,01,545 bonus Equity Shares in the ratio of 1:1 to the eligible shareholders of the Company holding equity shares as on record date on December 23, 2017.

Pursuant to the above, the paid-up Share Capital of the Company as on March 31, 2018 stood at ₹ 1,05,88,03,090 comprising of 1,05,88,03,090 equity shares of Re. 1/- each.

5. PUBLIC DEPOSITS

During the year under review, the Company has not accepted or renewed any deposits falling within the purview of provisions of Section 73 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014.

6. SUBSIDIARIES

As on March 31, 2018, the Company has three wholly owned subsidiaries viz, Vakrangee Finserve Limited, Vakrangee Logistics Private Limited and Vakrangee e-Solutions INC.

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company, which forms part of this Annual Report. Further, a statement containing the salient features of the Financial Statements of Subsidiary Companies in prescribed **Form AOC – 1** is annexed herewith as "**Annexure 2**". In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statements and related information of the Company and its subsidiaries are available on the website of the Company. These documents will also be available for inspection during the business hours at the Registered Office of the Company. Any Member desirous of obtaining a copy of the said Financial Statements may write to the Company. As on March 31, 2018, the Company does not have any material subsidiary companies. However, the Company has adopted Policy on determining Material Subsidiaries which is available on the website of the Company at www.vakrangee.in.

Vakrangee e-Solutions INC

The Company holds 100% of Equity Share Capital of Vakrangee e-Solutions INC which was incorporated in the financial year 2009-10 in Philippines for exploring various e-Governance opportunities in Philippines. The first contract under the initiative was "Land Titling Computerization Project", under which it completed scanning, digitization and encoding of more than 15 million title deeds for the Government of Philippines. The prestigious LTCP project was successfully executed, through deployment of world class technology and more than 8500 manpower resources to digitize land titles from 168 Districts of Philippines.

Vakrangee Logistics Private Limited

Vakrangee Logistics Private Limited, incorporated in March 2016, is a wholly owned subsidiary of Vakrangee Limited. Vakrangee Logistics is building for its alliance partners, an unparalleled last-mile delivery capabilities and thus expanding their reach to unserviceable pincodes, where the logistics challenges are the maximum for traditional logistics companies. Vakrangee Logistics leverages the physical presence of Vakrangee Kendras to offer the last-mile delivery services. Vakrangee Logistics is currently building delivery capabilities of more than 45,000 Vakrangee Kendras covering more than 5000 pincodes and is planning to setup and manage a total of 45,000+ centers covering all pincodes in India. The key services offered by Vakrangee Logistics include forward delivery, reverse pick-ups and courier booking. Vakrangee Logistics through its network ensures a hassle-free experience to its partners and end-customers.

Vakrangee Finserve Limited

Vakrangee Finserve Limited is a 100% Subsidiary of the Vakrangee Limited, incorporated in September 2011 with a focus on working as Business Correspondent for various Banks under the Business Correspondent (BC) Model of Reserve Bank of India (2006) in the area of Financial Inclusion. The Company has already signed agreements with various PSU Banks and their Rural Regional banks for carrying out BC services for these banks in identified Rural, Semi-Urban and Urban areas. The services include bank activities such as opening of Bank Accounts, Deposits, Withdrawals and Remittances,etc. Besides, the Company would provide Business Facilitator Services to these Banks which involve mobilization of deposits and loans.

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and Analysis Report, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR 2015), is forming part of this Annual Report.

Directors' Report

8. DIRECTORS' RESPONSIBILITY STATEMENT

Your Board of Directors hereby states that:

a) in the preparation of the annual accounts, for the financial year ended March 31, 2018, the applicable accounting standards have been followed and that no material departures have been made from the same;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

9. CORPORATE GOVERNANCE

The Report on Corporate Governance as per the requirement of SEBI LODR 2015 forms part of this Annual Report.

The requisite certificate from M/s. S.K. Jain & Co., Practicing Company Secretary, confirming the compliance with the conditions of Corporate Governance has been included in the said Report.

A Certificate from the CEO and CFO of the Company in terms of SEBI LODR 2015, inter alia, confirming the correctness of the Financial Statements and Cash Flow Statements, adequacy of the internal control for financial reporting, and reporting of matters to the Audit Committee, is also forming part of this Annual Report.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, required information relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given as hereunder:

- **Conservation of Energy**

  The Operations of the Company are not energy intensive. However, measures have been taken to reduce energy consumption by using efficient computers, IT Assets and other Equipments with latest technologies.

- **Technology Absorption**

  Since business and technologies are changing constantly, investment in research and development activities is of paramount importance. Your Company continues its focus on quality up-gradation of products and services development. It has helped maintain margins.

- **Foreign Exchange Earnings and Outgo**

Particulars	31st March, 2018	31st March, 2017
Foreign Exchange Earnings	₹ 594.41 Lakhs	₹ 571.72 Lakhs
Foreign Exchange Outgo	₹ 25.93 Lakhs	₹ 126.97 Lakhs

11. PARTICULARS OF EMPLOYEES AND OTHER DISCLOSURE

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith as "**Annexure 3**".

In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

(a) Board of Directors:

The Board of Directors of the Company is a perfect blend of Executive and Non-Executive Directors with one woman Independent Director. More than 50% or half of the Board is comprising of Independent Directors and Nominee Director who is representing Life Insurance Corporation of India.

The Independent Directors of the Company are highly competent, educated and qualified with relevant experience and expertise. They contribute in various

Directors' Report

ways in the growth and development of the Company.

None of the Independent Directors had any pecuniary relationship or transactions with the Company during Financial Year 2017-18. None of the Directors or Key Managerial Personnel (KMP) of the Company are related inter-se.

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013 Dr. Nishikant Hayatnagarkar, Whole Time Director, retires by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting.

The information as required to be disclosed under regulation 36 of SEBI LODR 2015 in case of reappointment is forming part of Notice.

As per the information available with the Company, none of the Directors of the Company are disqualified for being appointed as a Directors as specified in Section 164(2) of the Companies Act, 2013.

(b) Appointment/Resignation of Directors/KMP:

During the year under review, Mr. Mehul Raval has been appointed as the Company Secretary & Compliance Officer of the Company w.e.f. 21st September, 2017 in place of Ms. Darshi Shah, who resigned as a Company Secretary & Compliance Officer w.e.f. 21st September, 2017.

On 12th February, 2018, Mr. Ranbir Datt was appointed as Nominee Director of Life Insurance Corporation of India (LIC) in place of Mr. T. Sitharthan.

13. DECLARATION OF INDEPENDENCE

All Independent Directors have given declarations affirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI LODR 2015 and there has been no change in the circumstances which may affect their status as Independent Directors during the year.

14. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

a. BOARD MEETINGS

The Board met at least once in each quarter and 7 meetings of the Board were held during the year and the maximum time gap between two Board meetings did not exceed the time limit prescribed in the Act and SEBI LODR 2015. The details have been provided in the Corporate Governance Report.

b. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR 2015, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the Evaluation of the working of its various Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors at their separate meeting held on November 13, 2017.

c. AUDIT COMMITTEE

The Board has well-qualified Audit Committee, the composition of which is in line with the requirements of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI LODR 2015. All the Members, including the Chairman of the Audit Committee are Independent. They possess sound knowledge on Accounts, Audit, Finance, Taxation, Internal Controls etc. The details of the Composition of the Audit Committee are given in the Corporate Governance Report.

The Company Secretary of the Company acts as Secretary of the Committee.

d. NOMINATION & REMUNERATION AND COMPENSATION COMMITTEE

The Company has duly constituted Nomination & Remuneration and Compensation Committee as per the requirements prescribed under the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI LODR 2015.

The Board has framed a Nomination & Remuneration Policy and Policy on fixation of criteria for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel. The same has been annexed herewith as "**Annexure 4**".

The details of the Composition of the Nomination & Remuneration and Compensation Committee are given in the Corporate Governance Report.

Directors' Report

e. RISK MANAGEMENT

The Company has laid down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board has formulated Risk Management Policy to ensure that the Board, its Audit Committee and its Executive Management should collectively identify the risks impacting the Company's business and document their process of risk identification, risk minimization, risk optimization as a part of a risk management policy/ strategy.

The common risks inter alia are: Regulations, Credit Risk, Foreign Exchange and Interest Risk, Competition, Business Risk, Technology Obsolescence, Investments, Retention of Talent and Expansion of Facilities etc. The Board reviews the risk trend, exposure and potential impact analysis and prepares risk mitigation plans, if necessary.

f. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013 the Company has adopted a CSR Policy outlining various CSR activities to be undertaken by the Company. The CSR Policy of the Company is available on the Company's website www.vakrangee.in.

The Board has constituted a CSR committee inter-alia to define and monitor budgets to carry out CSR activities, to decide CSR projects or activities to be undertaken and to oversee such projects.

CSR Committee comprises of following:

Name	Designation
Mr. Dinesh Nandwana	Managing Director & CEO
Mr. Ramesh Joshi	Independent Director
Mr. Sunil Agarwal	Independent Director

Further, the disclosures as required under Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 has been enclosed to this Report in "**Annexure 5**".

15. AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

Statutory Auditor

During the year under review, in the 27th Annual General Meeting of the Company held on September 23, 2017, M/s. Price Waterhouse & Co Chartered Accountants LLP (PWC) were appointed as a Statutory Auditors of the Company in place of retiring Statutory Auditors M/s. S K Patodia & Associates, Chartered Accountants to hold office for a period of 5 years till the conclusion of the 32nd AGM subject to ratification by Members at every Annual General Meeting.

PWC had carried out Limited Review of financial results of the Company for half year ended September 30, 2017 and quarter ended December 31, 2017. In the Limited Review Reports filed with the Stock Exchanges, they had given un-qualified opinion on the financial results.

On 27th April, 2018, PWC resigned as a Statutory Auditors of the Company. The Board at its meeting held on May 5, 2018 appointed M/s. A.P. Sanzgiri & Co., Chartered Accountants (Firm Regn. No. 116293W) (APS) to fill up the casual vacancy caused due to resignation of PWC. Approval of the members was obtained via postal ballot process, the results of which were declared on June 13, 2018.

M/s. A.P. Sanzgiri & Co., Chartered Accountants shall hold office up to the conclusion of forthcoming Annual General Meeting.

The Board of Directors recommends appointment of M/s. A.P. Sanzgiri & Co., Chartered Accountants (Firm Regn. No. 116293W) as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the fourth consecutive Annual General Meeting.

M/s. A.P. Sanzgiri & Co., Chartered Accountants (Firm Regn. No. 116293W) being eligible under section 139(1) and other applicable provisions, has consented to act as the Statutory Auditors of the Company and has also confirmed that their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial Auditor

M/s. S. K. Jain & Co., Practicing Company Secretary, was appointed to conduct Secretarial Audit of the Company for the financial year 2017-2018 as required under Section 204 of the Companies Act, 2013 and the rules thereunder. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith as "**Annexure 6**" to this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

16. VIGIL MECHANISM / WHISTLE BLOWER POLICY

As per the provision of Section 177 (9) of the Companies Act, 2013, the Company is required to establish an effective Vigil Mechanism for Directors and Employees to report genuine concerns. In line with this, the Company has framed a Vigil Mechanism Policy through which the Directors and Employees may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee.

Directors' Report

The Whistle Blower Policy is placed on the website of the Company at http://www.vakrangee.in/pdf/company-policies/Whistle_Blower_and_Vigil_Mechanism.pdf

17. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All women employees (permanent, contractual, temporary and trainee) are covered under this Policy. During the year 2017-18, no complaints on sexual harassment were received.

We hereby state and confirm that, the Company has constituted an internal complain committee under provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

18. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the Company have occurred between the end of the Financial year of the Company to which the Financial Statement relate and the date of this report.

There was no change in company's nature of business during the FY 2017-18.

19. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, all contracts / arrangements / transactions entered by the Company were in Ordinary Course of the Business and on Arm's Length basis. There were no material transactions with any related party as defined under Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the Policy of the Company on materiality of related party transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. The members may refer Note. 43 to the Financial Statements which sets out Related Party disclosures pursuant to Ind AS. There are no materially significant related party transactions that may have potential conflict with interest of the Company at large.

The Policy on materiality of related party transactions and on dealing with related party transactions as approved by the Board may be accessed on the Company's website http://www.vakrangee.in/company_policies.php. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

20. BUSINESS RESPONSIBILTY REPORT

A separate section on Business Responsibility Report forms part of this Annual Report as required under Regulation 34(2) (f) of SEBI LODR 2015.

21. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITIES PROVIDED BY THE COMPANY

Particulars of Loans, Guarantees and Investments covered under provisions of section 186 of the Act, if any, are given in the notes to the Financial Statements.

22. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.
The internal control systems, comprising of policies and procedures are designed to ensure sound management of your Company's operations, safekeeping of its assets, optimal utilization of resources, reliability of its financial information and compliance. Based on the report of Internal Audit function, corrective actions are undertaken in the respective areas and thereby strengthen the controls.

The statutory auditors of the Company has audited the financial statements included in this annual report and has issued a report on our internal financial controls over financial reporting as defined in Section 143 of the Act.

23. EMPLOYEES STOCK OPTION SCHEME

The Company has in place two Employees Stock Option Scheme ("ESOP Scheme") namely, ESOP scheme 2008 and ESOP scheme 2014. The Company has implemented both the schemes in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ('the SEBI Guidelines').

Directors' Report

Both the ESOP Schemes of the Company are in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 ("the Regulations") and no material changes in both the scheme were carried out during the year under review.

The details required to be disclosed under SEBI Guidelines are available on Company's web-site www.vakrangee.in.

24. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended March 31, 2018 made under the provisions of Section 92(3) of the Companies Act, 2013 in **Form MGT-9** is annexed herewith as "**Annexure 7**".

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, no significant and material orders were passed by the Regulators, Securities Exchange Board of India, Stock Exchanges, Tribunal or Courts.

26. HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of Business.

The Company is committed to nurturing, enhancing and retaining top talent through superior Learning and Organizational Development. This is a part of Corporate HR function and is a critical pillar to support the Organisation's growth and its sustainability in the long run.

27. AFFIRMATION ON COMPLIANCE OF SECRETARIAL STANDARDS

The Company hereby affirms that during the year under review Company has complied with all the applicable secretarial standards (including any modifications or amendments thereto) issued by the Institute of Company Secretaries of India.

28. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder.

29. DISCLOSURE WITH RESPECT TO MAINTENANCE OF COST RECORDS

Your Company doesn't fall within the scope of Section 148(1) of the Companies Act, 2013 and hence does not require to maintain cost records as specified by the Central Government.

CAUTIONARY STATEMENT

Statements in the Board's Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply, input costs, availability, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

ACKNOWLEDGEMENT AND APPRECIATION

Your Directors acknowledge and thank all stakeholders of the Company viz. customers, members, employees, dealers, vendors, banks and other business partners for their valuable sustained support and encouragement. The Board also wishes to place on record their appreciation for the hard work, dedication and commitment of the employees at all levels. The Board looks forward to their continued support and understanding in the years to come.

On behalf of the Board of Directors

Dinesh Nandwana
Managing Director & CEO
(DIN:00062532)

Dr. Nishikant Hayatnagarkar
Whole-Time Director
(DIN:00062638)

Place: Mumbai
Date: August 10, 2018

Directors' Report

ANNEXURE TO THE DIRECTORS' REPORT

Annexure - 1

DIVIDEND DISTRIBUTION POLICY

The Company stands committed to create sustainable Shareholder wealth to all its shareholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business to the shareholders, in the form of **"Dividend"**.

1. Interpretation

1.1 "The Company" refers to Vakrangee Limited.

1.2 "Dividend (s)" refers to either an interim or final Dividend(s).

2. Introduction

The Corporate dividend policy of the Company shall be governed by the applicable provisions of Companies Act, 2013 and Companies (Declaration and Payment of Dividend) Rules, 2014 and any modifications made therein from time to time.

3. Objectives

To define the policy and procedures of the Company in relation to the calculation, declaration and settlement of Dividends and the determination of the form and time periods within which Dividends are paid.

To ensure that the Company has sufficient distributable profits and/or general reserves, as determined by a review of the Company's audited financial statements, prior to any declaration and/or payment of Dividends.

To create a transparent and methodological Dividend policy, adherence to which will be required on annual basis, with any deviations clearly identified and promptly communicated to appropriate stakeholders.

4. Provisions of Companies Act, 2013

Section 123 - Declaration of Dividend:

1. No dividend shall be declared or paid for any financial year except—
   (a) out of the profits of the company for that year arrived at after providing for depreciation, or out of the profits of the company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that sub-section and remaining undistributed, or out of both; or
   (b) out of money provided by the Central Government or a State Government for the payment of dividend by the company in pursuance of a guarantee given by that Government:
      - The company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company.
      - No dividend shall be declared or paid by a company from its reserves other than free reserves.
2. For the purposes of clause (a) of sub-section (1), depreciation shall be provided in accordance with the provisions of Schedule II.
3. The Board of Directors of a company may declare interim dividend during any financial year out of the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared.

5. FACTORS TO BE CONSIDERED

- The liquidity position of the Company.
- Need to repay debt – often times there are negative covenants that restrict the dividends that can be paid as long as the debt is outstanding.
- The rate of asset expansion – the greater the rate of expansion of the firm, the greater the need to retain earnings to finance the expansion.
- Control of the firm – if dividends are paid out today, equity may have to be sold in the future causing a dilution of ownership.

Directors' Report

Financial Parameters / Internal Factors:

The Board of Directors of the Company would consider the following financial parameters before declaring or recommending dividend to shareholders:

- Consolidated net operating profit after tax.
- Working capital requirements.
- Capital expenditure requirements.
- Resources required to fund acquisitions and / or new businesses.
- Cash flow required to meet contingencies.
- Outstanding borrowings.
- Past Dividend Trends.

External Factors:

The Board of Directors of the Company would consider the following external factors before declaring or recommending dividend to shareholders:

- Prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws; and
- Dividend pay-out ratios of companies in the same industry.

6. Circumstances under which the Shareholders may or may not expect Dividend

The Board of Directors of the Company, while declaring or recommending dividend shall ensure compliance with statutory requirements under applicable laws including the provisions of the Companies Act, 2013 and Listing Regulations. The Board of Directors, while determining the dividend to be declared or recommended shall take into consideration the advice of the executive management of the Company apart from other parameters set out in this Policy. The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

7. Utilization of retained earnings

The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year or years or out of the free reserves available for distribution of Dividend, after having due regard to the parameters laid down in this Policy.

This Policy will be reviewed periodically by the Board.

Directors' Report

ANNEXURE TO THE DIRECTORS' REPORT

Annexure - 2

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial statement of subsidiaries companies

(in lakhs)

Name of the Subsidiary Company	Vakrangee Finserve Limited	Vakrangee e-Solutions Inc.	Vakrangee Logistics Private Limited
Financials as on	March 31, 2018	March 31, 2018	March 31, 2018
Reporting Currency	INR (₹)	Pesos (P)	INR (₹)
Exchange Rate	-	*1P = 1.26570	-
Capital	1500.00	P 96.00	1200.00
Reserves	765.82	P 381.18	(238.11)
Total Assets	2858.93	P 3532.65	1009.94
Total Liabilities	593.11	P 3055.48	48.06
Investment Other than Investment in Subsidiary	NIL	NIL	NIL
Turnover	5174.86	P 5571.34	51.92
Profit before Taxation	1045.72	P 430.86	(169.07)
Provision for Tax	338.82	P 53.54	NIL
Profit after Tax	706.90	P 377.32	(169.07)
Proposed Dividend	NIL	NIL	NIL
% of Holding	100	100	100
Country	India	Philippines	India

*Exchange rate as on March 31, 2018

Note:

1. Names of Subsidiaries which are yet to commence operations - Nil
2. Names of Subsidiaries which have been liquidated or sold during the year - Nil

Directors' Report

ANNEXURE TO THE DIRECTORS' REPORT

Annexure - 3

DISCLOSURE UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016 ARE GIVEN BELOW:

1	The ratio of the remuneration of each Director to the median Remuneration of the employees of the company for the financial year;	**Executive Directors** Mr.Dinesh Nandwana (Managing Director & CEO) - 112.04:1 Dr. Nishikant Hayatnagarkar (Whole-time Director) -27.52:1 **Non-Executive Directors*** Mr. Ramesh Joshi -1.46:1 Mr. Babu Lal Meena -1.25:1 Mr. Avinash Vyas -1.23:1 Mr. Sunil Agarwal -1.35:1 Mrs. Sujata Chattopadhyay -1.27:1 Mr. Ranbir Datt (appointed as Nominee Director w.e.f. February 12, 2018)- # Mr. T. Sitharthan (ceased to be a Nominee Director w.e.f. February 12, 2018)- #
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year; $	Mr. Dinesh Nandwana – Managing Director & CEO -NIL Dr. Nishikant Hayatnagarkar - Whole-time Director - 54.76% **Mr. Mehul Raval – Company Secretary - 11.54% **Ms. Darshi Shah – Company Secretary -NIL Mr. Subhash Singhania – Chief Financial Officer - 88.68%
3	The percentage increase in the median remuneration of Employees in the financial year; $	32%
4	the number of Permanent Employees on the rolls of the Company;	1809 (excluding Managing Director & CEO and Whole-time Director)
5	Average percentile increase already made in the Salaries of Employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; $	The average percentile increase already made in the Salaries of Employees other than the Managerial Personnel in the last financial year is 28.36% and percentile increase in the managerial remuneration is 35.12%.
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company affirms remuneration is as per the remuneration policy of the Company.

*Non-Executive Directors of the Board were paid only sitting fees.

**Mr. Mehul Raval appointed as Company Secretary w.e.f. September 21, 2017 in place of Ms. Darshi Shah.

Since the remuneration of these Directors is only part of the year, the ratio of their remuneration to median remuneration is not comparable.

$ The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, median increase in remuneration after employees and average percentile increase have been calculated on the basis of increments made effective from March 1, 2018.

For and on behalf of the Board of Directors

Dinesh Nandwana
Managing Director & CEO

Mumbai, August 10, 2018

Directors' Report

ANNEXURE TO THE DIRECTORS' REPORT

Annexure - 4

A. Nomination and Remuneration and Compensation Policy

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations & Disclosure Requirements) 2015 as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration and Compensation Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"Key Managerial Personnel" means:

i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;

ii) Chief Financial Officer;

iii) Company Secretary; and

iv) such other officer as may be prescribed.

"Senior Managerial Personnel" mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objective:

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.

Directors' Report

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM / TENURE

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director / Whole-time Directors:

   a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

   b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

   a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

Directors' Report

b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

i) The Services are rendered by such Director in his capacity as the professional; and

ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

e) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

3) Remuneration to Key Managerial Personnel and Senior Management:

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.

c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

B. Appointment Policy

The Appointment Policy for Independent Directors, Key Managerial Personnel & Senior Executives will be as under-

(A) Independent Directors:

Independent Directors will be appointed based on the criteria mentioned under section 149(6) of the Companies Act, 2013 and in accordance with other applicable provisions of the Companies Act, 2013, rules made thereunder & Listing Agreements entered with Stock Exchanges.

(B) Key Managerial Personnel (KMP):

KMP will be appointed by the resolution of the Board of Directors of the Company, based on qualifications, experience and exposure in the prescribed field. Removal of the KMP will also be done by the resolution of Board of Directors of the Company. Appointment/ Removal will be in accordance with the provisions of the Companies Act, 2013, rules made thereunder and Listing Agreements entered with Stock Exchanges.

(C) Senior Executives:

Senior Executive will be appointed by the Chairman and the Managing Director and/or Executive Director of the Company based on their qualifications, experience and exposure. Removal of the Senior Executives will also be by Chairman, Managing Director and/or Executive Director. Further, appointment and removal will be noted by the Board as required under clause 8(3) of Companies (Meeting of Board and its Powers) Rules, 2014.

Directors' Report

ANNEXURE TO DIRECTOR'S REPORT

ANNEXURE - 5

STATEMENT CONTAINING INFORMATION AS PER SECTION 135 READ WITH THE RULE 8 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY) RULES, 2014

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The objectives of Company's CSR Policy are to demonstrate commitment to the common good through responsible business practices and good governance and to set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models. The projects the Company has undertaken / proposes to undertake is mainly in eradicating hunger, poverty and malnutrition, promoting preventive health care, promoting education including special education and employment enhancing vocation skills, ensuring environmental sustainability, ecology balance, agro forestry, conservation of natural resources. Ecology balances, protection of natural heritage, art and culture, measures of the benefit of the armed forces, training to promote rural sports etc.
2.	The Composition of the CSR Committee	1. Mr. Dinesh Nandwana (Chairman) 2. Mr. Ramesh Joshi (Member) 3. Mr. Sunil Agarwal (Member)
3.	Average net profit of the Company for last three financial years	₹ 63,467 Lakhs
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	₹ 1,269.34 Lakhs
5.	Details of CSR spent during the financial year.	
	(1) Total amount to be spent for the F.Y.2017-2018	₹ 1,269.34 Lakhs
	(2) Amount unspent	₹ 845.34 Lakhs

(6) Manner in which the amount spent during the financial year is detailed below:

(₹ in Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	**CSR project or activity identified**	**Sector in which the project is covered (Clause number of Schedule vii to the Companies Act, 2013, as amended)**	**Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs Sub-heads (1) Direct Expenditure on projects or programs (2) Overheads**	**Cumulative Expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency**
1	My Home India	Cl.(iii) Social Awareness	Mumbai (Maharashtra)	180.00	180.00	630.00	Direct
2	Indian Institute of Information Technology Kota	Cl. (ii) Education	Kota (Rajasthan)	160.00	160.00	160.00	Direct

Directors' Report

(₹ in Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	**CSR project or activity identified**	**Sector in which the project is covered (Clause number of Schedule vii to the Companies Act, 2013, as amended)**	**Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs Sub-heads (1) Direct Expenditure on projects or programs (2) Overheads**	**Cumulative Expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency**
3	Bharat Vikas Parishad Sewa Sanstha	Cl.(i) Medical Care	Mumbai (Maharashtra)	51.00	51.00	52.00	Direct
4	Keshab Smarak Samiti	Cl.(i) Health & Education Care	Tripura Hills, Mizoram and South Assam	25.00	25.00	25.00	Direct
5	Lions Club of (Bombay) Yogingar Charitable Trust	Cl.(i) Health Care	Mumbai (Maharashtra)	5.00	5.00	5.00	Direct
6	Rajasthani Seva Sanstha, Bhayandar	Cl.(i) Health Care	Thane (Maharashtra)	2.50	2.50	7.25	Direct
7	Lions Club of Juhu Service Fund	Cl.(ii) Infrastructure for Education	Mumbai (Maharashtra)	0.50	0.50	0.50	Direct

6.	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.	Due to unfeasibility of better project options for CSR contribution, the Company could not make contribution towards CSR as per the requirements of Section 135 of Companies Act, 2013. However, the Company is in the process of identifying fair options for making CSR contribution.

The implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

Dinesh Nandwana

Chairman of CSR Committee
(DIN:00062532)

Dr. Nishikant Hayatnagarkar

Whole-Time Director
(DIN:00062638)

Place: Mumbai
Date: August 10, 2018

Directors' Report

ANNEXURE TO DIRECTOR'S REPORT

Annexure - 6

Secretarial Audit Report

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANICAL YEAR ENDED MARCH 31, 2018

To,
The Members,
Vakrangee Limited
Vakrangee Corporate House, Plot No 93,
Road No. 16, M.I.D.C. Marol,
Andheri (East),
Mumbai - 400093

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by **M/S VAKRANGEE LIMITED** (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the **M/S VAKRANGEE LIMITED's** books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period 1st April, 2017 to 31st March, 2018 ("the reporting period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/S VAKRANGEE LIMITED** ("the Company") as given in **Annexure I**, for the period 1st April, 2017 to 31st March, 2018 according to the provisions of:
   - (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
   - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
   - (iii) The Depositories Act, 1996 and Regulations & the Bye-laws, 1996 thereunder;
   - (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment; **(Not applicable during the Financial Year 2017-18)**
   - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
     - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
     - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
     - iii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
     - iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
     - v. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
     - vi. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-
   - i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable as the Company has not issued/listed/propose to list its Debt Securities to any Stock Exchange during the Financial Year under review)**
   - ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as the Company has not listed/propose to delist its Equity Shares from any Stock Exchange during the Financial Year under review)**

Directors' Report

iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable as the Company has not bought back/propose to Buy-back any of its securities during the Financial Year under review)**

3. The Company has complied with following specific laws applicable to the Company

   i. Information Technology Act, 2000;

   ii. Payment and Settlement Systems Act, 2007;

   iii. Insurance Regulatory and Development Authority Act, 1999.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, guidelines, Standards etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate Notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the year/audit period under report, the Company has undertaken the following events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, Rules, Regulations, Guidelines, Standards, etc.

I further report that during the Audit period the Company has the following specific events:-

1) The Company has increased its Share Capital from ₹ 75,00,00,000/- (Rupees Seventy Five Crore) divided into 75,00,00,000 (Seventy Five Crore) Equity Shares of Re. 1/- (Rupee One) each to ₹ 125,00,00,000/- (Rupees One hundred and twenty five crore) divided into 125,00,00,000 (One hundred and twenty five crore) Equity Shares of Re. 1/- (Rupee One) each by obtaining Ordinary Resolution through Postal Ballot.

2) The Company has issued Bonus Shares in the ratio of 1:1 by obtaining Special Resolution through Postal Ballot.

Place: Mumbai
Date: 24.04.2018

For **S. K. Jain & Co.**

(Dr. S. K. Jain)
Practicing Company Secretary
FCS: 1473
COP: 3076

Directors' Report

ANNEXURE - I

In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished and representations made to me by the Company, its officers and agents, I report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules made thereunder the Memorandum & Articles of Association of the Company with regard to:-

1. Minutes of the Meetings of the Board of Directors, Committee meetings held during the Financial Year under Report;

2. Minutes of General Meetings held during the Financial Year under report;

3. Maintenance of various Statutory Registers and Documents and making necessary entries therein;

4. Notice and Agenda papers submitted to all the Directors for the Board Meetings;

5. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;

6. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Obligations and Disclosure Requirements during the financial year under Report;

7. Disclosure of Interest and Concerns in contracts and arrangement, shareholdings and Directorships in other Companies and interest in other entities by Directors;

8. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under Report;

9. Appointment and remuneration of Statutory Auditor;

10. Closure of Register of Members/record date for dividends;

11. Declaration and payment of dividend;

Place: Mumbai
Date: 24.04.2018

For **S. K. Jain & Co.**

(Dr. S. K. Jain)
Company Secretary
FCS: 1473
COP: 3076

Directors' Report

ANNEXURE TO DIRECTORS' REPORT

ANNEXURE - 7

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

as on the Financial year ended March 31, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L65990MH1990PLC056669
Registration Date	28/05/1990
Name of the Company	Vakrangee Limited
Category / Sub-Category of the Company	Public Company/ Indian Non-Government Company
Address of the Registered Office and Contact Details	Vakrangee Corporate House, Plot No. 93, Road No. 16, M.I.D.C. Marol, Andheri (E), Mumbai - 400 093. Tel No.: 022-67765100 Email Id: info@vakrangee.in Website: www.vakrangee.in
Whether Listed Company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai– 400 059 Tel No.: 022-62638200 Email Id: info@bigshareonline.com Website: www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sr. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Vakrangee Kendra	631, 639, 662, 461, 479, 791, 641, 661, 649	91.79
2	E-governance	631,639	8.21

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name of Company	Address of Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable section
1	Vakrangee Finserve Limited	Vakrangee Corporate House, Plot No. 93, Road No. 16, M.I.D.C. Marol, Andheri (East), Mumbai-400093	U74930MH2011PLC221655	Subsidiary	100	2(87)
2	Vakrangee e-Solutions INC	19th Floor, Octagon Center, San Miguel Avenue, Ortigas Center, Pasig City, Metro Manila, Philippines	-	Subsidiary	100	2(87)
3	Vakrangee Logistics Private Limited	Vakrangee Corporate House, Plot No. 93, Road No. 16, M.I.D.C. Marol, Andheri (East), Mumbai-400093	U60231MH2016PTC274618	Subsidiary	100	2(87)

Directors' Report

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category wise shareholding

Category of Shareholder		No. of Shares held at the beginning of the year: 01/04/2017				No. of Shares held at the end of the year :31/03/2018				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(A) Shareholding of Promoter and Promoter Group										
(1) Indian										
(a)	INDIVIDUAL / HUF	29865100	0	29865100	5.64	59930200	0	59930200	5.66	0.02
(b)	CENTRAL / STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	BODIES CORPORATE	190311414	0	190311414	35.96	382050070	0	382050070	36.08	0.12
(d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)									
(i)	GROUP COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
(iii)	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (A)(1) :	**220176514**	**0**	**220176514**	**41.60**	**441980270**	**0**	**441980270**	**41.74**	**0.14**
(2) Foreign										
(a)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
(b)	INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0.00
(c)	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (A)(2) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total holding for promoters									
	(A)=(A)(1) + (A)(2)	**220176514**	**0**	**220176514**	**41.60**	**441980270**	**0**	**441980270**	**41.74**	**0.14**
(B) Public shareholding										
(1) Institutions										
(a)	CENTRAL / STATE GOVERNMENT(S)	0	0	0	0.00	1914423	0	1914423	0.18	0.18
(b)	FINANCIAL INSTITUTIONS /BANKS	1760591	8000	1768591	0.33	776231	16000	792231	0.07	(0.26)
(c)	MUTUAL FUNDS / UTI	266462	0	266462	0.05	37560	0	37560	0.00	(0.05)
(d)	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
(e)	INSURANCE COMPANIES	34011295	0	34011295	6.43	68191981	0	68191981	6.44	0.01
(f)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
(g)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(h)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
(i)	FOREIGN PORTFOLIO INVESTOR / FII's	118767602	0	118767602	22.45	308290166	0	308290166	29.12	6.68
(j)	ALTERNATE INVESTMENT FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (B)(1) :	**154805950**	**8000**	**154813950**	**29.25**	**379210361**	**16000**	**379226361**	**35.82**	**6.56**

Directors' Report

Category of Shareholder		No. of Shares held at the beginning of the year: 01/04/2017				No. of Shares held at the end of the year :31/03/2018				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(2) Non-institutions										
(a)	BODIES CORPORATE	83486234	44000	83530234	15.78	104384983	64000	104448983	9.86	(5.92)
(b)	INDIVIDUAL									
(i)	(CAPITAL UPTO TO ₹ 1 Lakh)	17957190	2135000	20092190	3.80	42380623	2081059	44461682	4.20	0.40
(ii)	(CAPITAL GREATER THAN ₹ 1 Lakh)	26900651	0	26900651	5.08	65956649	0	65956649	6.23	1.15
(c)	ANY OTHERS (Specify)									
(i)	TRUSTS	471320	0	471320	0.09	558496	0	558496	0.05	(0.04)
(ii)	CLEARING MEMBER	19099012	0	19099012	3.61	13445404	0	13445404	1.27	(2.34)
(iii)	NON RESIDENT INDIANS (NRI)	432741	0	432741	0.08	1362165	0	1362165	0.13	0.05
(iv)	NON RESIDENT INDIANS (REPAT)	2006739	0	2006739	0.38	2722701	0	2722701	0.26	(0.12)
(v)	NON RESIDENT INDIANS (NON REPAT)	138384	0	138384	0.03	469333	0	469333	0.04	0.02
(vi)	FOREIGN PORTFOLIO INVESTOR	2635	0	2635	0.00	0	0	0	0.00	(0.00)
(vii)	CORPORATE BODY WITH NBFC	1568050	0	1568050	0.30	4171046	0	4171046	0.39	0.10
	SUB TOTAL (B)(2) :	**152062956**	**2179000**	**154241956**	**29.14**	**235451400**	**2145059**	**237596459**	**22.44**	**(6.70)**
	Total Public Shareholding									
	(B)=(B)(1) + (B)(2)	**306868906**	**2187000**	**309055906**	**58.40**	**614661761**	**2161059**	**616822820**	**58.26**	**(0.14)**
(C) Shares held by Custodians and against which Depository Receipts have been issued										
(a)	SHARES HELD BY CUSTODIANS									
(i)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (C)(1) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	(C)=(C)(1)		**0**		**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Grand Total (A) + (B) + (C)	**527045420**	**2187000**	**529232420**	**100.00**	**1056642031**	**0**	**1058803090**	**100.00**	**(0.00)**

(ii) Shareholding of Promoters

Sr. No	NAME	Shareholding at the beginning of the year 01/04/2017			Shareholding at the end of the year 31/03/2018			% Change in shareholding during the year
		Number of Shares	% Shares of the Company	% of Shares Pledged/ encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	DINESH NANDWANA (HUF)	98000	0.02	0.00	196000	0.02	0.00	0.00
2	DINESH NANDWANA	29767100	5.63	0.00	59734200	5.64	0.00	0.02
3	VAKRANGEE HOLDINGS PRIVATE LIMITED	125375194	23.69	0.00	250950388	23.70	0.00	0.16
4	NJD CAPITAL PRIVATE LIMITED (ERSTWHILE VAKRANGEE CAPITAL PRIVATE LIMITED)	64936220	12.27	0.00	131099682	12.38	0.00	0.11
		220176514	**41.60**	**0.00**	**441980270**	**41.74**	**0.00**	**0.14**

Directors' Report

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Name	Shareholding at the beginning of the year (As on 01-04-2017)		Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
Dinesh Nandwana	**Number of Shares**	**% of total shares of the company**	**Number of Shares**	**% of total shares of the company**
At the beginning of the year	2,97,67,100	5.62	2,97,67,100	5.62
Transactions (purchase / bonus) from April 01, 2017 upto March 31, 2018	2,99,67,100	0.02	5,97,34,200	5.64
At the end of the year (31-03-2018)	**5,97,34,200**	**5.64**	**5,97,34,200**	**5.64**

Name	Shareholding at the beginning of the year (As on 01-04-2017)		Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
Dinesh Nandwana (HUF)	**Number of Shares**	**% of total shares of the company**	**Number of Shares**	**% of total shares of the company**
At the beginning of the year	98,000	0.02	98,000	0.02
Transactions (bonus) from April 01, 2017 upto March 31, 2018	98,000	0.00	1,96,000	0.02
At the end of the year (31-03-2018)	**1,96,000**	**0.02**	**1,96,000**	**0.02**

Name	Shareholding at the beginning of the year (As on 01-04-2017)		Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
Vakrangee Holdings Private Limited	**Number of Shares**	**% of total shares of the company**	**Number of Shares**	**% of total shares of the company**
At the beginning of the year	12,53,75,194	23.69	12,53,75,194	23.69
Transactions (purchase / bonus) from April 01, 2017 upto March 31, 2018	12,55,75,194	0.01	25,09,50,388	23.70
At the end of the year (31-03-2018)	**25,09,50,388**	**23.70**	**25,09,50,388**	**23.70**

Name	Shareholding at the beginning of the year (As on 01-04-2017)		Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
NJD Capital Private Limited (Erstwhile Vakrangee Capital Private Limited)	**Number of Shares**	**% of total shares of the company**	**Number of Shares**	**% of total shares of the company**
At the beginning of the year	6,49,36,220	12.27	6,49,36,220	12.27
Transactions (purchase / bonus) from April 01, 2017 upto March 31, 2018	6,61,63,462	0.11	13,10,99,682	12.38
At the end of the year (31-03-2018)	**13,10,99,682**	**12.38**	**13,10,99,682**	**12.38**

Directors' Report

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name	Shareholding at the beginning of the year (As on 01-04-2017)		Cumulative Shareholding during the year (01-04-2017 to 31-3-2018)	
	Name of the Shareholder	Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company
1.	**LIFE INSURANCE CORPORATION OF INDIA**				
	At the beginning of the year	3,23,20,128	6.11	3,23,20,128	23.70
	Transactions (purchase / sale / bonus) from April 01, 2017 upto March 31, 2018	3,48,09,519	0.23	6,71,29,647	6.34
	At the end of the year (31-03-2018)	**6,71,29,647**	**6.34**	**6,71,29,647**	**6.34**
2.	**JAGDISHCHANDER RAMKUMAR BANSAL**				
	At the beginning of the year	0	0.00	0	0.00
	Transactions (purchase) from April 01, 2017 upto March 31, 2018	3,00,00,000	2.83	3,00,00,000	2.83
	At the end of the year (31-03-2018)	**3,00,00,000**	**2.83**	**3,00,00,000**	**2.83**
3	**GOVERNMENT OF SINGAPORE - E**				
	At the beginning of the year	0	0.00	0	0.00
	Transactions (purchase / sale / bonus) from April 01, 2017 upto March 31, 2018	1,22,62,932	1.16	1,22,62,932	1.16
	At the end of the year (31-03-2018)	**1,22,62,932**	**1.16**	**1,22,62,932**	**1.16**
4	**WELLINGTON TRUST COMPANY, NATIONAL ASSOCIATION MULTIPLE COMMON TRUST FUNDS TRUST, EMERGING MARKETS OPPORTUNITIES PORTFOLIO**				
	At the beginning of the year	64,37,315	1.22	64,37,315	1.22
	Transactions (purchase / sale / bonus) from April 01, 2017 upto March 31, 2018	53,21,730	(0.11)	1,17,59,045	1.11
	At the end of the year (31-03-2018)	**1,17,59,045**	**1.11**	**1,17,59,045**	**1.11**
5	**GLOBE CAPITAL MARKET LIMITED**				
	At the beginning of the year	72,09,169	1.36	72,09,169	1.36
	Transactions (purchase / sale / bonus) from April 01, 2017 upto March 31, 2018	32,41,829	(0.37)	1,04,50,998	0.99
	At the end of the year (31-03-2018)	**1,04,50,998**	**0.99**	**1,04,50,998**	**0.99**
6	**KUWAIT INVESTMENT AUTHORITY FUND**				
	At the beginning of the year	0	0.00	0	0.00
	Transactions (purchase / sale / bonus) from April 01, 2017 upto March 31, 2018	91,48,029	0.86	91,48,029	0.86
	At the end of the year (31-03-2018)	**91,48,029**	**0.86**	**91,48,029**	**0.86**
7	**VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY**				
	At the beginning of the year	39,33,000	0.74	39,33,000	0.74
	Transactions (purchase / sale / bonus) from April 01, 2017 upto March 31, 2018	47,88,926	0.08	87,21,926	0.82
	At the end of the year (31-03-2018)	**87,21,926**	**0.82**	**87,21,926**	**0.82**
8	**PRAHALAD TRADING PRIVATE LIMITED**				
	At the beginning of the year	12,05,750	0.23	12,05,750	0.23
	Transactions (purchase / sale / bonus) from April 01, 2017 upto March 31, 2018	71,19,950	0.56	83,25,700	0.79
	At the end of the year (31-03-2018)	**83,25,700**	**0.79**	**83,25,700**	**0.79**

Directors' Report

Sr. No.	Name	Shareholding at the beginning of the year (As on 01-04-2017)		Cumulative Shareholding during the year (01-04-2017 to 31-3-2018)	
	Name of the Shareholder	Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company
9	**ABU DHABI INVESTMENT AUTHORITY**				
	At the beginning of the year	0	0.00	0	0.00
	Transactions (purchase / sale / bonus) from April 01, 2017 upto March 31, 2018	81,78,578	0.77	81,78,578	0.77
	At the end of the year (31-03-2018)	**81,78,578**	**0.77**	**81,78,578**	**0.77**
10	**BNY MELLON INVESTMENT FUNDS NEWTON REAL RETURN FUND**				
	At the beginning of the year	0	0.00	0	0.00
	Transactions (purchase / sale / bonus) from April 01, 2017 upto March 31, 2018	75,65,693	0.71	75,65,693	0.71
	At the end of the year (31-03-2018)	**75,65,693**	**0.71**	**75,65,693**	**0.71**

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding at the beginning of the year (As on 01-04-2017)		Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company
1	**Mr. Dinesh Nandwana**				
	At the beginning of the year	2,97,67,100	5.63	2,97,67,100	5.63
	Transactions (purchase / bonus) from April 01, 2017 upto March 31, 2018	2,99,67,100	0.01	5,97,34,200	5.64
	At the end of the year (31-03-2018)	**5,97,34,200**	**5.64**	**5,97,34,200**	**5.64**
2	**Mr. Ramesh Joshi**				
	At the beginning of the year	0	0	0	0
	Transactions (purchase / bonus) from April 01, 2017 upto March 31, 2018	300	0	300	0
	At the end of the year (31-03-2018)	**300**	**0**	**300**	**0**
3	**Dr. Nishikant Hayatnagarkar**				
	At the beginning of the year	37,144	0	37,144	0
	Transactions (bonus / options) from April 01, 2017 upto March 31, 2018	62,144	0	99,288	0
	At the end of the year (31-03-2018)	**99,288**	**0**	**99,288**	**0**
4	**Mr. Sunil Agarwal**				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year (31-03-2018)	**-**	**-**	**-**	**-**
5	**Mrs. Sujata Chattopadhyay**				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year (31-03-2018)	**-**	**-**	**-**	**-**
6	**Mr. Babu Lal Meena**				
	At the beginning of the year	6,060	0	6,060	0
	Transactions (purchase / sale / bonus) from April 01, 2017 upto March 31, 2018	8,610	0	14,670	0
	At the end of the year (31-03-2018)	**14,670**	**0**	**14,670**	**0**

Directors' Report

Sr. No.	Name	Shareholding at the beginning of the year (As on 01-04-2017)		Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company
7	**Mr. Avinash Chandra Vyas**				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year (31-03-2018)	**-**	**-**	**-**	**-**
8	**Mr. Ranbir Datt**				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year (31-03-2018)	**-**	**-**	**-**	**-**
9	**Mr. Subhash Singhania**				
	At the beginning of the year	50	0	50	0
	Transactions (bonus) from April 01, 2017 upto March 31, 2018	50	0	100	0
	At the end of the year (31-03-2018)	**100**	**0**	**100**	**0**
10	**Mr. Mehul Raval**				
	At the beginning of the year	-	-	-	-
	Transactions (purchase) from April 01, 2017 upto March 31, 2018	750	0	750	0
	At the end of the year (31-03-2018)	**750**	**0**	**750**	**0**

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in Lakhs)

Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	14,401.89	-	-	14,401.89
ii)	Interest accrued and due	-			
iii)	Interest accrued but not due	13.26	-	-	13.26
Total (i+ii+iii)		**14,415.15**	**-**	**-**	**14,415.15**
Change in Indebtedness during the financial year					
Addition		-	-	-	-
Reduction		14,415.15	-	-	14,415.15
Net Change		**(14,415.15)**	**-**	**-**	**(14,415.15)**
Indebtedness as at the end of the financial year					
i)	Principal Amount	-	-	-	-
ii)	Interest accrued and due	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		**-**	**-**	**-**	**-**

Directors' Report

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Dinesh Nandwana (Managing Director & CEO)	Dr. Nishikant Hayatnagarkar (Whole-time Director)	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	266.66	42.64	309.30
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	-	35.57	35.57
	(c) Profits in lieu of Salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Options	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission (as % of profit)	-	-	-
5.	Others (Leave Encashment)	-	-	-
	Total (A)	**266.66**	**78.21**	**344.87**
	Ceiling as per the Act (being 10% of the Net Profit computed in the manner laid down in Section 198 of Companies Act, 2013)	10,027.5 Lakhs		

B. Remuneration to other Directors

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
1.	**Independent Directors**	Mr. Ramesh Joshi	Mr. Sunil Agarwal	Mrs. Sujata Chattopadhyay	Mr. Babu Lal Meena	Mr. Avinash Chandra Vyas	Mr. Ranbir Datt	
	Sitting fee for attending Board / Committee Meetings	3.45	3.20	3.00	2.95	2.90	-	15.50
	- Commission	-	-	-	-	-	-	-
	- Others	-	-	-	-	-	-	-
	Total (1)	**3.45**	**3.20**	**3.00**	**2.95**	**2.90**	**-**	**15.50**
2.	**Other Non-Executive Directors**							
	Sitting fee for attending Board / Committee meetings	-	-	-	-	-	0.50	0.50
	- Commission	-	-	-	-	-	-	-
	- Others	-	-	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	**-**	**0.50**	**0.50**
	Total (B)=(1+2)	**3.45**	**3.20**	**3.00**	**2.95**	**2.90**	**0.50**	**16.00**
	Total Managerial Remuneration							NIL
	Overall Ceiling as per the Act (being 1% of the Net Profit computed in the manner laid down in Section 198 of Companies Act, 2013)							N.A.

Directors' Report

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel				Total Amount
		CEO	Mr. Subhash Singhania CFO	Company Secretary		
				Mr. Mehul Raval*	Ms. Darshi Shah**	
1.	Gross Salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	266.66	33.11	12.44	3.73	315.94
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of Salary under Section 17(3) Income Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission (as % of profit)	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (C)	**266.66**	**33.11**	**12.44**	**3.73**	**315.94**

*Appointed as Company Secretary and Compliance Officer w.e.f. September 21, 2017.
** Resigned as Company Secretary and Compliance Officer w.e.f. September 21, 2017.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (UNDER THE COMPANIES ACT, 2013):

There were no penalties, punishment or compounding of offences during the year ended March 31, 2018.

On behalf of the Board of Directors

Dinesh Nandwana
Managing Director & CEO
(DIN:00062532)

Dr. Nishikant Hayatnagarkar
Whole-Time Director
(DIN:00062638)

Place: Mumbai
Date: August 10, 2018

Corporate Governance Report

PHILOSOPHY OF THE COMPANY ON THE CODE OF CORPORATE GOVERNANCE

Vakrangee's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices. Corporate Governance is that crucial muscle which encourages and moves a viable and accessible financial reporting structure and which enables a transparent system. Through the Governance mechanism in the Company, the Board along with its Committees undertake its fiduciary responsibilities to all its stakeholders by ensuring transparency, fairplay and independence in its decision making.

Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as the true owners of the organization and of their own role as trustees on behalf of the shareholders. Strong corporate governance is indispensable to resilient and vibrant capital markets and is an important instrument of investor protection.

At Vakrangee, our aspirations have always been of protecting, strengthening and aligning together the interest of all the stakeholders and to satisfy that we strive hard to implement and continue to follow our core values which are "Belief in people, Entrepreneurship, Customer orientation and pursuit of excellence". Your Company endeavors to put in the right pedestal blocks for future growth and ensuring that we achieve our ambitions in a prudent and sustainable manner with strict adherence to best corporate governance practices.

Corporate Governance is a set of systems and practices to ensure that the affairs of the company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations.

At Vakrangee, we are committed to meeting the aspirations of all our stakeholders. This is demonstrated in shareholder returns, our credit ratings, governance processes and an entrepreneurial and performance focused work environment.

The Board of Directors manages the affairs of the company in the best interest of the shareholders, providing necessary guidance and strategic vision.The Board is also responsible to ensure that the Company's management and employees operate with the highest degree of ethical standards.

Over the years, governance processes and systems have been strengthened and institutionalized at Vakrangee. Your Company is committed to maintain the highest standards of Corporate Governance. Your directors adhere to the stipulations set out in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR 2015).

Your Board of Directors present the Corporate Governance Report for the year 2017-18:

BOARD OF DIRECTORS

Composition:

The Board comprised of a majority of Independent Directors. It has a good mix of Executive and Non-Executive Directors including Independent Directors with more than fifty percent of the board comprising of non-executive Independent Directors. As on date of this Report, the Board consists of Eight Directors comprising five non-executive Independent Directors (including one women director), one Nominee Director and two Executive Directors. None of the Directors of your Company are inter-se related to each other. The composition of Board is in conformity with the SEBI LODR 2015.

Corporate Governance Report

The Board consists of 8 directors. The details of the Board of Directors as on March 31, 2018 are given below:

Name	Category	Designation	Date of appointment	No. of other Directorship held #	Chairmanship in Committees of Boards of other companies $	Membership in Committees of Boards of other companies
Mr. Dinesh Nandwana	Promoter & Executive	Managing Director & CEO	28/05/1990	3	NIL	NIL
Dr. Nishikant Hayatnagarkar	Executive	Whole-Time Director	27/08/1999	2	NIL	NIL
Mr. Sunil Agarwal	Non Executive, Independent	Director	28/06/2002	NIL	NIL	NIL
Mr. Ramesh Joshi	Non Executive, Independent	Director	20/10/2006	2	1	1
Mr. B. L. Meena	Non Executive, Independent	Director	25/10/2010	NIL	NIL	NIL
Mr. Ranbir Datt*	Non Executive Director	Nominee Director	12/02/2018	NIL	NIL	NIL
Mr. Avinash Chandra Vyas	Non Executive, Independent	Director	14/11/2014	NIL	NIL	NIL
Mrs. Sujata Chattopadhyay	Non Executive, Independent	Director	31/03/2015	5	1	1
Mr. Thangavelu Sitharthan*	Non Executive Director	Nominee Director	14/12/2016	N.A.	N.A.	N.A.

* Mr. Ranbir Datt was appointed as Nominee Director of Life Insurance Corporation of India (LIC)in place of Mr. Thangavelu Sitharthan w.e.f. February 12, 2018.

Excludes alternate directorship and directorship in Foreign Companies, Private Companies and Companies governed by Section 8 of the Companies Act, 2013

$ for the purpose of calculating total membership and chairmanship, only Audit Committee and Stakeholders Relationship Committee in public limited companies, whether listed or not are considered as per Regulation 26(1) of the SEBI LODR 2015.

BOARD MEETINGS

During the financial year 2017-18, your Board met seven times on May 30, 2017; July 31, 2017; September 21, 2017; November 13, 2017; January 22, 2018; February 12, 2018 and March 31, 2018 with a maximum time gap not exceeding one hundred and twenty (120) days intervening between two consecutive board meetings as per Section 173 of Companies Act, 2013 read with Regulation 17 of SEBI LODR 2015. All the Board meetings were held at the Company's registered office at Mumbai, India.

The attendance of the directors at the Board Meeting and Annual General Meeting (AGM) held during the year is given below:

Name of the Director	Number of meetings attended	Attended Last AGM	Shareholding in the Company as of March 31, 2018 (no. of shares)
Mr. Dinesh Nandwana	6	Yes	59734200
Mr. Ramesh Joshi	7	Yes	300
Dr. Nishikant Hayatnagarkar	7	Yes	99288
Mr. Sunil Agarwal	7	Yes	NIL
Mr. B. L. Meena	6	Yes	14670
Mr. Avinash Chandra Vyas	6	Yes	NIL
Mrs. Sujata Chattopadhyay	6	Yes	NIL
Mr. Ranbir Datt*	1	N.A.	NIL
Mr. Thangavelu Sitharthan*	0	No	NIL

* Mr. Ranbir Datt was appointed as Nominee Director of LIC in place of Mr. Thangavelu Sitharthan w.e.f. February 12, 2018.

MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI LODR 2015, a separate meeting of the Independent Directors of the Company was held on November 13, 2017 to review the performance of Non-Independent Directors, Chairman and the Board as whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

Corporate Governance Report

BOARD COMMITTEES

The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The constitution of the committees and their terms of reference are set out as below:

AUDIT COMMITTEE

The constitution of Audit Committee is in compliance with the requirements of Section 177 of Companies Act, 2013 read with Regulation 18 of SEBI LODR 2015.

Terms of reference

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

- overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- reviewing and examining with management the quarterly financial results before submission to the Board;
- reviewing and examining with management the annual financial statements before submission to the Board and the auditors' report thereon before submission to the board for approval with particular reference to:
  - (a) matters required to be included in the director's responsibility statement in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
- scrutiny of inter-corporate loans and investments made by the Company;
- reviewing with management the annual financial statements as well as investments made by the unlisted subsidiary companies;
- reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- discussing with Statutory Auditors, before the commencement of audit, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any;
- reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems;
- reviewing the financial statements, in particular, the investments made by the unlisted subsidiaries;
- recommending appointment, remuneration and terms of appointment of Internal Auditor of the Company;
- reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- evaluating internal financial controls and risk management systems;
- evaluating 'undertaking or assets' of the Company, wherever it is necessary;
- reviewing the functioning of the Whistle Blowing mechanism;

Composition

The current composition of Audit Committee is as follows:

Sr. No.	Name of the Director	Designation
1.	Mr. B. L. Meena	Independent Director (Chairman)
2.	Mr. Ramesh Joshi	Independent Director
3.	Mr. Avinash Vyas	Independent Director

Corporate Governance Report

Meetings & Attendance during the year

There were five meetings of the Audit Committee viz. on May 30, 2017, July 31,2017, November 13, 2017, January 22, 2018 and February 12, 2018 and following is the table showing attendance for the same. The Company Secretary acts as the Secretary to the Committee. The gap between two consecutive meetings were not more than 120 days. The details of meeting attended by its members is as follows:

Name of the Director	Category	No. of meetings held	No. of meetings attended
Mr. B. L. Meena	Independent Director (Chairman)	5	5
Mr. Ramesh Joshi	Independent Director	5	5
Mr. Avinash Vyas	Independent Director	5	4

The Chairman of the Audit Committee was present at the last Annual General Meeting.

NOMINATION AND REMUNERATION AND COMPENSATION COMMITTEE

The Nomination and Remuneration and Compensation Committee (NRC Committee) of the Company consists of all non-executive Independent Directors and its composition is as per the requirements of Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI LODR 2015. Its current composition is as follows:

Sr. No.	Name of the Director	Designation
1.	Mr. B.L.Meena	Independent Director (Chairman)
2.	Mr. Sunil Agarwal	Independent Director
3.	Mr. Ramesh Joshi	Independent Director

Terms of Reference of the committee inter-alia includes:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other functions as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Meetings & Attendance during the year

There were five meetings of the NRC Committee held on May 22, 2017, September 21,2017, October 25, 2017, January 8, 2018 and February 12, 2018 and following is the table showing attendance for the same. The details of meeting attended by its members is as follows:

Name of the Director	Category	No. of meetings held	No. of meetings attended
Mr. B. L. Meena	Independent Director (Chairman)	5	5
Mr. Ramesh Joshi	Independent Director	5	5
Mr. Sunil Agarwal	Independent Director	5	5

The Board of Directors has framed the Nomination and Remuneration Policy on Nomination and remuneration of Directors, Key Managerial Personnel and Senior Management and the same has been annexed herewith the Directors Report. The remuneration paid to the Executive Directors is in accordance with the provisions of Section 197 and Part II of Schedule V of Companies Act, 2013.

Non-Executive Directors have been paid sitting fee as per the limit prescribed under the Companies Act, 2013 for attending Board Meetings and the meetings of the committees thereof.

The Directors, whether whole-time or not, but excluding Independent Directors and Promoters of the Company and its subsidiaries, working in India or abroad shall be eligible to participate in the ESOP Schemes of the Company, provided

Corporate Governance Report

that a director holding, either by himself or through his relative or through any body corporate, directly or indirectly, more than 10% of the outstanding equity shares of the company shall not be entitled to participate in the ESOP Schemes of the company. The details of the options granted or exercised by the Directors other than those mentioned herein above have been given in the Directors' Report forming part of this Annual report. Apart from this, the ESOP schemes of the Company is applicable to all the permanent employees of the company and its subsidiaries.

Performance Evaluation of Board of Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors at their separate meeting held on November 13, 2017.

Remuneration of Directors

The details of remuneration paid to Directors during the financial year 2017-2018 are as under:

(a) Non Executive Directors

(₹. in Lakhs)

Name of Directors	Sitting Fees
Mr. Ramesh Joshi	3.45
Mr. Sunil Agarwal	3.20
Mr. B. L. Meena	2.95
Mr. Thangvelu Sitharthan*	NIL
Mr. Avinash Vyas	2.90
Mrs. Sujata Chattopadhyay	3.00
Mr. Ranbir Datt**	0.50

* Ceased to be a Director w.e.f. February 12, 2018
**Appointed as Director w.e.f. February 12, 2018

(a) Executive Directors

(₹. in Lakhs)

Particulars	Mr. Dinesh Nandwana	Dr. Nishikant Hayatnagarkar
Basic	96.00	21.23
Allowances	96.00	0.37
HRA	48.00	8.64
Others (Bonus & Leave Encashment)	26.66	12.40
Stock Options	NA	Nil
Total	266.66	42.64

The service contract for Mr. Dinesh Nandwana and Dr. Nishikant Hayatnagarkar is for a period of five years effective from October 1, 2014 and October 1, 2015 respectively. The notice period is three months and there is no severance fees.

STAKEHOLDERS RELATIONSHIP COMMITTEE

As per the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI LODR 2015, the Company has constituted Stakeholders Relationship Committee.

The current composition of the Committee is as follows:

Sr. No.	Name of the Director	Designation
1.	Mr. Ramesh Joshi	Independent Director (Chairman)
2.	Mr. B. L. Meena	Independent Director
3.	Dr. Nishikant Hayatnagarkar	Executive Director

The Terms of Reference of the committee include:

- Transfer of Shares
- Dividends
- De-materialization of Shares
- Replacement of lost/stolen/mutilated share certificates
- Non-receipt of right/bonus/split share certificates
- Any other related issue.

The Company Secretary also functions as Compliance Officer.

During the financial year under review, 63 complaints were received from the shareholders. All complaints have been redressed to the satisfaction of the shareholders and none of them were pending as on March 31, 2018.

The Company had no transfers pending at the close of 31.03.2018.

Corporate Governance Report

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As per the requirements of Section 135 of the Companies Act, 2013, the Company has, constituted a Corporate Social Responsibility Committee (the "CSR Committee"). The Company has adopted a CSR Policy which is available on the website of the Company.

The current composition on the committee is as follows:

Sr. No.	Name of the Director	Designation
1.	Mr. Dinesh Nandwana	Managing Director & CEO (Chairman)
2.	Mr. Ramesh Joshi	Independent Director
3.	Mr. Sunil Agarwal	Independent Director

The role of Corporate Social Responsibility Committee is as follows:

- formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company;
- recommending the amount of expenditure to be incurred on CSR activities of the Company;
- reviewing the performance of Company in the area of CSR;
- monitoring CSR Policy of the Company from time to time;
- monitoring the implementation of the CSR projects or programs or activities undertaken by the Company.

General Body Meetings

Date, Venue and Time for the last three Annual General Meetings.

Date	Venue	Time	Special Resolutions passed
September 23, 2017	Hotel Sofitel Mumbai BKC, C 57 Bandra Kurla Complex Bandra East, Mumbai, Maharashtra 400051	11.00 AM	NIL
September 30, 2016	The Leela Mumbai, Andheri Kurla Road, Sahar, Mumbai 400 059	11.00 AM	NIL
September 29, 2015	Chancellor Suite, Hotel Hilton, Mumbai, Sahar Airport Road, Andheri (East), Mumbai 400 099	11.00 AM	NIL

RESOLUTION(S) PASSED THROUGH POSTAL BALLOT

During the year, members of the Company have approved the resolutions, stated in the below table by requisite majority, by means of Postal Ballot, including Electronic Voting (e-voting). The Postal Ballot Notice dated November 13, 2017 along with the Postal Ballot Form was sent in electronic form to the members whose e-mail addresses were registered with the Company / respective Depository Participants. In case of physical shareholding, copies of the Postal Ballot Notice along with Postal Ballot Form was sent in physical, by permitted mode along with self-addressed postage pre-paid Business Reply Envelope.

The Company had published a notice in the newspaper on November 17, 2017 in The Free press Journal and Navshakti in compliance with the provisions of the Companies Act, 2013 and Secretarial Standard - 2. The voting period commenced from Friday, November 17, 2017 at 9:00 a.m. (IST) and ended on Saturday, December 16, 2017 at 05.00 p.m. (IST).

The voting rights of members were reckoned on the paid-up value of shares registered in the name of member / beneficial owner (in case of electronic shareholding) as on Friday, November10, 2017.

The Board had appointed Dr. S.K. Jain proprietor of S.K. Jain & Co., Practising Company Secretary, as Scrutinizer to conduct the postal ballot process in a fair and transparent manner and had engaged the services of Central Depository Services (India) Limited as the agency for the purpose of providing e-voting facility.

Dr. S.K. Jain, Scrutinizer, had submitted his report on the Postal Ballot on December 16, 2017. The resolutions were passed on December 16, 2017.

Corporate Governance Report

The Company passed following Resolution through postal ballot:

Sr. No.	Description	Votes in favour of the resolution (%)	Votes against the resolution (%)
1.	Ordinary Resolution for increase in authorised share capital of the Company from ₹75,00,00,000/- (Rupees Seventy Five Crores only) to ₹ 125,00,00,000 (Rupees One Hundred Twenty Five Crores only).	99.48	0.52
2.	Special Resolution for issue of Bonus Shares in the proportion of 1 (One) Bonus Equity Share of Re. 1/- each for every 1 (One) fully paid-up Equity Share of Re. 1/- each held by them.	99.99	0.01

No Special Resolution is proposed to be passed through postal ballot.

MEANS OF COMMUNICATION:

Quarterly, half-yearly and annual financial results of the Company are communicated to the stock exchanges immediately after the same are approved by the Board and those are published in prominent English (Free Press Journal) and Marathi (Nav Shakti) newspapers. The results and other news releases are also posted on the Company's website, www.vakrangee.in.

Detailed Investor's presentations on the Company's quarterly, half - yearly as well as annual financial results are available on the Company's website,www.vakrangee.in.and are also sent to the Stock Exchanges.

EQUITY SHARES IN THE SUSPENSE ACCOUNT

As on March 31, 2018, no shares are lying in suspense account.

GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting

The 28th Annual General Meeting of the Company will be held on Friday, September 28, 2018 at The Lalit Plaza, Sahar Airport Road, Andheri (East), Mumbai 400059, Maharashtra, India.

Financial Year

The financial year of the company is April 1 to March 31.

Financial Calendar for 2018-19

Tentative Schedule	Likely Board Meeting Schedule
Financial reporting for the quarter ending June 30, 2018	On or before August 14, 2018
Financial reporting for half year ended September 30, 2018	On or before November 14, 2018
Financial reporting for the quarter ending December 31, 2018	On or before February 14, 2019
Financial reporting for the year ended March 31, 2019	On or before May 30, 2019
Annual General Meeting for the year ending March 31, 2019	On or before September 30, 2019

Book Closure:

The Company's Register of Members and Share transfer books shall remain closed from September 22, 2018 to September 28, 2018(both days inclusive).

Dividend payment:

i. **Payment date:**
Dividend, when declared at the AGM, will be paid within 30 days from the date of AGM i.e. September 28, 2018.

ii. **Payment Entitlement:**
Dividend will be paid to those members whose name would appear;

Corporate Governance Report

a. For shares in demat form: As beneficial owner as at the end of the business hours on September 21st, 2018 as per the list to be provided by the Depositories to the Company.

b. For shares in physical form: As a member in the Register of Member of the Company as on September 21st, 2018.

Listing on Stock Exchanges:

Your company's securities are listed on the following stock exchanges.

BSE Ltd.

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra East, Mumbai - 400 051.

Listing fees for the year 2017-18 have been paid to the above Stock Exchanges.

Stock Code

Stock Exchange	Code
BSE Ltd.	511431
National Stock Exchange of India Ltd.	VAKRANGEE
ISIN no. for Equity Shares (NSDL & CDSL)	INE051B01021

Stock Market Data relating to Equity Shares listed in India:

Month (2017-18)	Price on BSE during each month		Volume traded	Price on NSE during each month		Volume traded
	High	Low		High	Low	
April	354.45	327.00	13,74,855	354.70	326.00	11,115,043
May	365.00	338.50	36,96,971	366.60	338.00	32,497,381
June	362.50	456.75	34,31,398	456.30	365.05	36,159,864
July	458.75	432.25	10,31,932	457.95	426.80	15,074,020
August	515.00	365.35	22,77,090	515.00	439.50	23,640,941
September	520.00	457.50	44,62,586	520.60	457.00	30,066,399
October	564.10	483.00	18,00,006	564.90	481.55	21,379,589
November	737.90	516.00	80,49,627	742.60	515.90	94,395,298
December	776.70	381.25	67,58,251	776.00	381.00	50,161,337
January	515.40	365.35	84,83,888	515.00	364.75	111,140,232
February	355.00	162.95	1,29,79,281	357.50	162.70	115,324,551
March	293.85	147.15	1,56,03,516	293.40	146.90	163,949,409

Corporate Governance Report

Stock Performance of Vakrangee Limited v/s. BSE Sensex & NIFTY:

Month (2017-18)	Price on Sensex during each month		Volume traded	Sensex	Price on NSE during each month		Volume traded	Nifty
	High	Low			High	Low		
April	354.45	327.00	13,74,855	29918.40	354.70	326.00	11,115,043	9304.05
May	365.00	338.50	36,96,971	31145.80	366.60	338.00	32,497,381	9621.25
June	362.50	456.75	34,31,398	30921.61	456.30	365.05	36,159,864	9520.90
July	458.75	432.25	10,31,932	32514.94	457.95	426.80	15,074,020	10077.1
August	515.00	365.35	22,77,090	31730.49	515.00	439.50	23,640,941	9917.90
September	520.00	457.50	44,62,586	31283.72	520.60	457.00	30,066,399	9788.90
October	564.10	483.00	18,00,006	33213.13	564.90	481.55	21,379,589	10335.30
November	737.90	516.00	80,49,627	33149.35	742.60	515.90	94,395,298	10226.55
December	776.70	381.25	67,58,251	34056.83	776.00	381.00	50,161,337	10530.70
January	515.40	365.35	84,83,888	35965.02	515.00	364.75	111,140,232	11027.70
February	355.00	162.95	1,29,79,281	34184.04	357.50	162.70	115,324,551	10492.85
March	293.85	147.15	1,56,03,516	32966.68	293.40	146.90	163,949,409	10113.70

Registrar and Share Transfer Agent:

Bigshare Services Pvt. Ltd.

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,
Makwana Road, Marol, Andheri (East), Mumbai,
Maharashtra - 400059.
Telephone No. : 022-62638200
Fax No. : 022-28475207
Email : info@bigshareonline.com

Share Transfer System

Transfers in physical form are registered by the Registrar and Share Transfer Agent immediately on receipt of completed documents and certificates are issued within stipulated time. All requests for dematerialisation of shares are processed and the confirmation is given to respective Depositories i.e., National Securities Depository Limited and Central Depository Services (India) Limited, generally within 21 days.

The Company obtains half-yearly certificate from a Company Secretary in Practice to the effect that all certificates have been issued within thirty days of the date of lodgement of the transfer, sub division, consolidation and renewal as required under Regulation 40(9) of SEBI LODR 2015 and files a copy of the said certificate with the concerned Stock Exchanges.

Corporate Governance Report

Distribution of shareholding: - (Face Value Re. 1/- per Share)

As on March 31, 2018

Category (No. of Shares)	No. of shareholders	% of shareholders	No. of shares	% total equity
0-5000	77761	96.8574	22150798	2.0921
5001-10000	886	1.1036	6665027	0.6295
10001-20000	532	0.6626	7873363	0.7436
20001-30000	212	0.2641	5265131	0.4973
30001-40000	119	0.1482	4284861	0.4047
40001-50000	84	0.1046	3852643	0.3639
50001-100000	189	0.2354	13901007	1.3219
100001- above	501	0.6240	994810260	93.9561
Total	80284	100.0000	1058803090	100.0000

Category wise Shareholding as on March 31, 2018

Category	No. of Shares	%
Promoters	44,19,80,270	41.74
Central/State Government institutions	19,14,423	0.18
Financial Institutions/Banks	7,92,231	0.07
Insurance Companies	6,81,91,981	6.44
Mutual Fund	37,560	0.00
Foreign Portfolio Investors	30,82,90,166	29.12
Public	23,75,96,459	22.45
Total	**1,05,88,03,090**	**100.00**

Dematerialization of Shares and Liquidity:

The Company's shares are traded in dematerialized form and are available for trading with both the depositories, namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Mode of Holding	No. of shares (as on March 31,2018)	%
Held with NSDL	960952622	90.76
Held with CDSL	95689409	9.04
Held in Physical Form	2161059	0.20
Total	1058803090	100.00

Outstanding GDRs, ADRs, warrants

The Company has not issued any GDRs/ADRs/Warrants.

Commodity Price Risks or Foreign Exchange Risks and Hedging Activities:

The details of foreign currency exposure have been disclosed in standalone notes to accounts of the Annual Report.

Plant Locations:

In view of the nature of the Company's business viz. Speciality Retail, the Company operates from various offices in India and does not have any manufacturing plant.

Corporate Governance Report

Address of Correspondence:

The address of correspondence:

Vakrangee Limited
"Vakrangee Corporate House", Plot No.- 93,
Road No. 16, M.I.D.C. Marol, Andheri (E),
Mumbai – 400 093.

Shareholders can contact the following officials for Secretarial matters related to the company:

Name	Telephone No.	Email ID	Fax No.
Mehul Raval	022 - 67765100	info@vakrangee.in	022-28502017

DISCLOSURES

Disclosure on materially significant Related Party Transactions with its Promoter, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.

During the year there were no material significant transactions with the related parties viz. Promoters, Directors and their relatives, their Subsidiaries, conflicting with the Company's interest. The policy as to Related Party Transactions as approved by the Board, is available on the Company's website, www.vakrangee.in.

Necessary disclosures as to Related Party Transactions, as required have been made in the standalone notes to accounts of the Annual Report.

Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

During the last three years, there were no strictures or penalties imposed by either the Securities and Exchange Board of India or the Stock Exchanges or any statutory authorities for non-compliance of any matter related to the capital markets.

VIGIL MECHANISM / WHISTLE BLOWER

In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and Employees may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and no personnel has been denied direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is placed on the website of the Company, www.vakrangee.in.

Compliance with Discretionary requirements of SEBI LODR:

The Company has complied with all the mandatory requirements of SEBI LODR 2015. The status of compliance with discretionary requirements under Regulation 27(1) and Part E Schedule II of SEBI LODR 2015 is provided below:

- Shareholders' Rights: As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not sent to the shareholders.
- Audit Qualifications: The Company's standalone financial statement for the financial year 2017-18 does not contain any audit qualification.
- Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee.

MATERIAL SUBSIDIARIES

As on date the company do not have any material subsidiaries as stipulated under the SEBI LODR 2015. The company has adopted a policy for determining Material subsidiaries and is available on the website of the company, www.vakrangee.in.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company at its various meetings held during the Financial year 2017-18 had familiarize the Independent Directors with regard to the roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the Business models of the Company etc. The Independent Directors have been provided with necessary documents, reports and internal policies to familiarize them with the Company's policies, procedures and practices.

Corporate Governance Report

Periodic presentations are made to the Board and Board Committee meeting on Business and performance updates of the Company, Business strategy and risks involved.

Quarterly updates on relevant statutory changes and judicial pronouncements and encompassing important amendments are briefed to the Directors.

The Familiarization Policy along with the details of familiarization program imparted to the Independent Directors is available on the website of the Company at www.vakrangee.in.

Vakrangee's Code of Conduct:

The Board of Directors of the Company has laid down a code of conduct for the Board and all senior management employees of the Company. The same has been posted on the website of the Company www.vakrangee.in. The Company confirms that all Board members and senior management personnel shall have and shall continue to affirm compliance with the code on an annual basis.

Vakrangee's Code for Preventing Insider Trading:

Vakrangee Ltd has Code of Conduct for Prevention of Insider Trading ('VL Code') in the shares of the Company which is in line with SEBI (Prohibition of Insider Trading) Regulations, 2015 and followed in spirit.

Disclosure on Compliance:

The Company is in Compliance with,

- The Corporate Governance Requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46.
- all the requirements mentioned in sub- paras (2) to (10) of section C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Compliance Certificate:

The Certificate dated April 24, 2018 issued by Dr. S.K. Jain proprietor of S.K. Jain & Co., Practicing Company Secretary on Compliance with the Corporate Governance requirements by the Company is annexed herewith.

I, hereby, confirm and declare that in terms of Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Board members and Senior Management Personnel of the Company have affirmed compliance with the "Code of Conduct for the Board of Directors and the Senior Management Personnel", for the financial year 2017-18.

Dinesh Nandwana
Managing Director & CEO
(DIN:00062532)

Compliance Certificate on Corporate Governance Report

To The Members of
VAKRANGEE LIMITED
Vakrangee Corporate House,
Plot No.93, Road No.16,
M.I.D.C. Marol, Andheri East,
Mumbai - 400093

We have examined the compliance of conditions of Corporate Governance by **VAKRANGEE LIMITED** for the year ended on **31st March, 2018**

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clause (b) and (i) of Regulation 46 and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements Responsibility

The Compliance of conditions of Corporate Governance is responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring Compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clause (b) and (i) of Regulation 46 and Para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2018.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on Use

The certification is addressed to and provided to the members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations, and should not be used by any other person for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

FOR S. K. JAIN & CO.
Practicing Company Secretary

(Dr. S. K. JAIN)
Proprietor
C. P. NO. 3076

Place : Mumbai
Dated: 24.04.2018

CEO / CFO Certificate

To the Board of Directors of
Vakrangee Limited

Dear Sirs,

Sub: CEO / CFO Certificate

(Issued in accordance with provisions of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have reviewed the financial statements, read with cash flow statement of Vakrangee Limited for the year ended March 31, 2018 and that to the best of our knowledge and belief, we state that;

(a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, and steps taken or proposed to be taken for rectifying these deficiencies.

(d) We have indicated to the auditors and the Audit committee-

(i) significant changes in internal control over financial reporting during the year;

(ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Yours sincerely,
For **Vakrangee Limited**

Dinesh Nandwana
Managing Director & CEO
(DIN : 00062532)

Subhash Singhania
Chief Financial Officer

Place: Mumbai
Date: June 14, 2018

Business Responsibility Report

Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L65990MH1990PLC056669
2	Name of the Company	Vakrangee Limited
3	Registered address	Vakrangee Corporate House, Plot No.93, Road No.16, M.I.D.C. Marol, Andheri (E), Mumbai - 400093
4	Website	www.vakrangee.in
5	E-mail id	info@vakrangee.in
6	Financial Year reported	2017-18
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	631 - Data processing, hosting and related activities; web portals 639 - Other information service activities 662 - Activities auxiliary to insurance and pension funding 461 - Wholesale on a fee or contract basis 479 - Retail trade not in stores, stalls or markets 791 - Travel agency and tour operator activities 641 - Monetary intermediation 661 - Activities auxiliary to financial service activities, except insurance and pension funding 649 - Other financial service activities, except insurance and pension funding activities
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	E-governance, E-commerce, Banking, Financial Services and Insurance (BFSI)
9	Total number of locations where business activity is undertaken by the Company i. Number of International Locations (Provide details of major 5) ii. Number of National Locations	i. Company undertakes its business only in India. ii. Company has 45000+ Vakrangee Kendras across 20 States
10	Markets served by the Company – Local/State/ National/International	Local/State/National

Section B: Financial Details of the Company

1	Paid up Capital (INR)	10588.03Lakhs
2	Total Turnover (INR)	6,37,930.84 Lakhs
3	Total profit after taxes (INR)	66,262.10 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	0.64%
5	List of activities in which expenditure in 4 above has been incurred	a) Social and Community Development b) Education c) Health Care d) Livelihood enhancement

Business Responsibility Report

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?

   Yes. Company has three Subsidiary Companies, two are Indian subsidiaries and one is a Foreign Subsidiary.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

   Yes. Both the Indian Subsidiaries participate in BR Initiatives of Vakrangee Limited.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

   No.

Section D: BR Information

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies

The Corporate Governance Committee and Corporate Social Responsibility Committee ("CSR") of the Board of Directors is responsible for implementation of BR policies.

The members of the Corporate Governance Committee and CSR Committee are as follows:

Corporate Governance Committee:

DIN	Name	Designation
00002683	Mr. Ramesh Joshi	Independent Director (Chairman)
00062532	Mr. Dinesh Nandwana	Managing Director & CEO (Member)
00062638	Dr. Nishikant Hayatnagarkar	Whole Time Director (Member)

CSR Committee

DIN	Name	Designation
00062532	Mr. Dinesh Nandwana	Managing Director & CEO (Chairman)
00002683	Mr. Ramesh Joshi	Independent Director & Member
00062767	Mr. Sunil Agarwal	Independent Director & Member

b) Details of the BR head

S.No.	Particulars	Details
1	DIN	00062532
2	Name	Mr. Dinesh Nandwana
3	Designation	Managing Director & CEO
4	Telephone number	022 67765100
5	e-mail id	info@vakrangee.in

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

S.No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify? (50 words) Refer Note 1	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Indicate the link for the policy to be viewed online?	Y[1]	Y[2]	Y[3]	Y[4]	Y[3]	Y[2]	Y[2]	Y[3]	Y[2]
8	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
11	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y[$]	Y[$]	Y[$]	Y[$]	Y[$]	Y[$]	Y	Y[$]	Y[$]

Business Responsibility Report

Y[1]: http://www.vakrangee.in/pdf/company-policies/Ethics_and_Bribery_And_Corruption.pdf

Y[2]: http://www.vakrangee.in/pdf/code-of-conduct/code-of-conduct-for-directors.pdf

Y[3]: Code of Conduct and HR Manual

Y[4]: http://www.vakrangee.in/pdf/company-policies/Corporate_Social_Responsibility_Policy.pdf

$ Policies are evaluated internally.

Note 1: (The policies are based on NVG, in addition to conformance to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000, UNGC guidelines and ILO principles)

3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

  The Corporate Governance Committee & CSR Committee reviews the Business Responsibility performance of the Company on annual basis.

- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

  BR report is published on annual basis. Business Responsibility Report for the financial year ended 31st March, 2018 is forming part of the Annual Report for the Financial Year 2017 – 18 which is available on the website of the Company www.vakrangee.in

Section E: Principle-wise performance

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?

   No, Human Resource manual of the Company relating to Ethics, Bribery and Corruption applies to the all individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed term or temporary), consultants, contractors, trainees, seconded staff, homeworkers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with the Company, its subsidiaries and group companies. This policy is available on the website - http://www.vakrangee.in/pdf/company-policies/Ethics_and_Bribery_And_Corruption.pdf

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so. –

   For details on investor complaints and resolution, refer to the Corporate Governance section which is a part of this Annual Report.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   i. Promoting Financial Inclusion in underserved and unserved area through business correspondent Banking model. 30% of country's population is illiterate and does the most advanced form of banking which is biometric enabled and does not require form filling.

   ii. Promoting skill development of franchisees in underserved and unserved areas as they have to obtain certification for providing banking services, insurance services and various trainings to offer services such as, ecommerce, e-governance, financial services, logistics etc at the Vakrangee Kendras.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

   – Not Applicable

   i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   – Not Applicable

3. Does the company have procedures in place for sustainable sourcing (including transportation)? i. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so. – Hardware taken from reputed players and ensure take only from ones that follow good practices

   – Not Applicable

Business Responsibility Report

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   – Not Applicable

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.

   – Not Applicable

Principle 3

1. Please indicate the Total number of employees - **1809 (as on March 31, 2018)**

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis - **2**

3. Please indicate the Number of permanent women employees - **77**

4. Please indicate the Number of permanent employees with disabilities - **1**

5. Do you have an employee association that is recognized by management - **No**

6. What percentage of your permanent employees is members of this recognized employee association? **Not Applicable**

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

   - Permanent Employees – **100%**
   - Permanent Women Employees – **100%**
   - Casual/Temporary/Contractual Employees –**100%**
   - Employees with Disabilities – **100%**

Principle 4

1. Has the company mapped its internal and external stakeholders? Yes/No -

   Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

   Yes

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

   Vakrangee is providing variety of goods and services to the most underserved and unserved locations of the country. The franchisees associated in these areas are disadvantaged and vulnerable due to absence of basic services in their region. With brick-and-morter outlets present in the rural locations, the company does not charge extra from the franchisees but charges them only for the hardware and branding. Also, a major percentage (65-80%) of commissions obtained from partners are shared with franchisees in a fair and transparent manner. In this way, the franchisee can provide services and goods to local underserved and unserved population in his/her vicinity at a very low CAPEX and OPEX. This also provides them with a constant and reliable source of livelihood and gives them an opportunity to develop their skills.

   Apart from this, Vakrangee also carries out CSR activities for various disadvantaged, vulnerable and marginalized stakeholders. The details of these activities can be obtained in CSR Report attached as annexure 5 to the Directors Report.

Business Responsibility Report

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

   It covers the company and its group.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   No Complaints have been received on Human Rights violation in the past financial year.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.

   It covers the company and its group

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   Vakrangee has a huge positive environmental impact in areas where it has its Kendras. All services and goods required by citizens of the area are easily available at one location which saves a lot of transportation cost as well as time for citizens. Also, banking services provided at these outlets are paperless and biometric enabled. Due to this there is no usage of paper and ink for carrying out these activities. This helps in significantly reducing the carbon footprints. Further the Vakrangee Outlets have ATM machines due to which the people do not have to travel and they have easy access to cash. For detailed information, refer to Strategy 7: The Vakrangee Effect. forming part of this Annual Report.

3. Does the company identify and assess potential environmental risks?

   Yes

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   Not Applicable

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   Yes. Few of our Vakrangee Kendras run the outlet completely on solar power.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   We have a technology based business model in which we leverage the digitization of services. Due to this, the amount of emissions/waste generated are significantly low.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   Not Applicable

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   a. Associated Chambers of Commerce and Industry of India (AASOCHAM)

   b. Confederation of ATM Industry (CATMi)

   c. National Association of Software and Services Companies (NASSCOM)

   d. CSC e-Governance Services India Limited

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Yes. The Company participates in consultations on Economic Reforms, Tax and other Legislations.

Principle 8

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   We are the biggest equalizer providing services and products to the underserved and unserved population at

Business Responsibility Report

par with their urban peers. Being a technology platform, these services are available to the customer at the same cost, of the same quality and in the same time. This provide an opportunity to customers to avail the services available at Vakrangee Kendras.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization? –

   The programmes are undertaken by Company's in house team.

3. Have you done any impact assessment of your initiative?

   Morgan Stanley Capital International Inc. (MSCI), a leading provider of global indices and benchmark related products and services to investors worldwide has provided an ESG Rating Report dated July 23, 2018.

4. What is your company's direct contribution to community development projects Amount in INR and the details of the projects undertaken.

   Apart from company's daily initiatives as mentioned in Principle 4 above, the company is also involved in CSR initiatives, detail of which is given in Annexure to the Directors' Report annexed with this Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Yes. Initiatives conducted under CSR are tracked to determine the outcomes achieved and the benefits to the community. The Company has engaged highly trained employees to drive and monitor the CSR activities.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

   0.46%.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

   Most of the services provided at the Vakrangee Kendra are free of cost for the customer. For services where the customer has to be charged, we display the actual costs chargeable to the customer at each Vakrangee Kendra. These rates are as per respective mandates and are included as a part of the branding at each Kendra. A helpline number is also provided to the customer to raise any complaints related to services provided.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   No

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   Yes. The Company have appointed Grant Thornton India LLP as consultant to carry Outlet Quality Analysis of Vakrangee Kendras.

Independent Auditors' Report

To the Members of Vakrangee Limited,

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **VAKRANGEE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income and the Statement of Changes in Equity and Cash Flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We conducted our audit of the Standalone Financial Statements 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 Standalone Financial Statements are free from material misstatement.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of affairs of the Company as at March 31, 2018, and its Profits including Other Comprehensive Income and the Statement of Changes in Equity and its Cash Flows for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2017, prepared in accordance with Indian Accounting Standards, included in these Standalone Financial Statements, have been audited by another Firm of Chartered Accountants who, vide their report dated May 30, 2017, expressed an unmodified opinion. Our opinion is not modified in respect of above matter.

Report on Other Legal and Regulatory Requirements

1. As required by Companies (Auditor's Report) Order,2016 ("the Order") issued by the Central Government in terms of sub-section (11) of Section 143 of the Act, we give in the **"Annexure A"**, a statement on the matter specified in Paragraphs 3 and 4 of the Order.

Independent Auditors' Report

2. As required by the section 143 (3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

   d. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

   e. On the basis of the written representations received from the directors of the Company as on March 31, 2018, taken on record by the Board of Directors, none of the directors 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer to Note 40 to the Standalone Financial Statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **A. P. Sanzgiri & Co.**
Chartered Accountants
FRN: 116293W

Ankush Goyal
Partner
M.No :146017

Mumbai
June 14, 2018

Annexure A to The Auditors' Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2018, we report that:

i. FIXED ASSET

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

b. As explained to us, fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

c. According to the information and explanations given by the management, the title deeds/ Lease deeds of immovable properties are held in the name of the Company except the following:

(Amount in ₹ lakhs)

Particulars	No. of cases	Gross Block as on 31st March 2018	Net Block as on 31st March 2018	Remarks
Leasehold Land & Building	1	3,150.30	3,145.32	Leasehold Land & Building acquired by the entity during the year for which the letter of allotment is received and supplementary agreement entered, however, lease deeds is pending execution.

ii. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

iii. The Company has granted loans to body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act");

a. In our opinion, the rate of interest and other terms and conditions on which the loans have been granted to the body corporate listed in the register maintained under Section 189 of the Act were not, prejudicial to the interest of the Company.

b. In the case of the loan granted to the body corporate listed in the register maintained under Section 189 of the Act, the borrower has been regular in the payment of the principal and interest as stipulated.

c. There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under Section 189 of the Act.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans, securities, guarantee, and investment made.

v. The Company has not accepted any deposits from the public.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

vii. STATUTORY DUES

a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, employees' state insurance, value added tax, goods and service tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

Annexure A to The Auditors' Report

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, employees' state insurance, value added tax, duty of customs, service tax, goods and service tax, cess and other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, there are no dues of duty of customs, goods and service tax and Income tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Service Tax and Value-added Tax have not been deposited by the Company on account of disputes:

Name of the statute	F.Y. to which the matter pertains	Amount in (₹) lakhs*	Forum where the dispute is pending
The Finance Act, 1994	2009-2013	144.47	Customs Excise and Service Tax Appellate Tribunal
Maharashtra Value Added Tax Act, 2002	2011-12	444.47	Joint Commissioner of Sales Tax (Appeals)

* Net of Amount paid under Protest.

viii. In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, and government. The Company has not issued any debentures.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3 (ix) of the Order is not applicable in all these respects.

x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations give to us, the Company has paid /provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the Section 177 and 188 of the Companies Act, 2013 where applicable and the details of transactions with the related parties have been disclosed in the standalone financial statements as required by applicable Indian Accounting Standard.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **A. P. Sanzgiri & Co.**
Chartered Accountants
FRN: 116293W

Ankush Goyal
Partner
M.No :146017

Mumbai
June 14, 2018

Annexure B to The Auditors' Report

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

We have audited the internal financial controls over financial reporting of Vakrangee Limited ("the Company") as of March 31, 2018, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

Annexure B to The Auditors' Report

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

Opinion

In our opinion, to best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **A. P. Sanzgiri & Co.**
Chartered Accountants
FRN: 116293W

Ankush Goyal
Partner
M.No :146017

Mumbai
June 14, 2018

Balance Sheet
as at March 31, 2018

(Amount in ₹ lakhs)

Particulars	Note No.	As at March 31, 2018		As at March 31, 2017	
I ASSETS					
1 Non - Current Assets					
Property Plant and Equipment	4		8,966.94		2,861.84
Capital Work-in-Progress	4		315.45		-
Investment Property	5		8.51		8.68
Financial Assets					
(i) Investments	6	5,606.83		1,924.52	
(ii) Trade Receivables	7	-		-	
(iii) Loans	8	3,223.40		4,056.95	
(iv) Other Financial Assets	9	112.53	8,942.76	83.61	6,065.08
Deferred Tax Assets (net)	10		1,061.57		-
Other Non - Current Assets	11		847.55		439.75
Total Non-current Assets			**20,142.78**		**9,375.35**
2 Current Assets					
Inventories	12		1,714.63		44,112.07
Financial Assets					
(i) Investments	13	88.66		56.30	
(ii) Trade Receivables	14	1,27,658.36		83,969.61	
(iii) Cash and Cash equivalents	15	70,244.69		57,732.88	
(iv) Bank Balances other than (iii) above	15	73,661.10		1,641.44	
(v) Loans	16	93.45		77.37	
(vi) Other Financial Assets	17	585.70	2,72,331.96	1,068.22	1,44,545.82
Current Tax Assets (Net)	18		201.46		81.55
Other Current Assets	19		3,224.07		28,635.06
Total Current Assets			**2,77,472.12**		**2,17,374.50**
TOTAL			**2,97,614.90**		**2,26,749.85**
II EQUITY AND LIABILITIES					
1 Equity					
Equity Share Capital	20		10,588.03		5,292.32
Other Equity	21		2,47,637.12		2,00,758.06
Total Equity			**2,58,225.15**		**2,06,050.38**
2 Liabilities					
i Non - Current Liabilities					
Financial Liabilities					
(i) Trade Payables	22	354.13		98.89	
(ii) Other Financial Liabilities	23	38.10	392.23	38.10	136.99
Employee Benefit Obligations	24		354.82		231.46
Total Non-Current Liabilities			**747.05**		**368.45**
ii Current Liabilities					
Financial Liabilities					
(i) Borrowings	25	-		14,401.89	
(ii) Trade Payables	26	34,127.77		1,946.36	
(iii) Other Financial Liabilities	27	1,244.37	35,372.14	62.97	16,411.22
Other Current Liabilities	28		3,046.20		1,068.47
Provisions	29		209.06		248.65
Employee Benefit Obligations	30		15.30		7.75
Current Tax Liabilities	31		-		2,594.93
Total Current Liabilities			**38,642.70**		**20,331.02**
Total Liabilities (i + ii)			**39,389.75**		**20,699.47**
TOTAL			**2,97,614.90**		**2,26,749.85**
Significant Accounting Policies and Notes forming Part of the Standalone Financial Statements	1-50				

As per our report of even date

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. : 116293W

Ankush Goyal
Partner
Membership No.: 146017

Place : Mumbai
Date : June 14, 2018

For and on behalf of the Board of Directors

Dinesh Nandwana
Managing Director & CEO
DIN : 00062532

Subhash Singhania
Chief Financial Officer

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Mehul Rawal
Company Secretary

Statement of Profit and Loss
for the year ended March 31, 2018

(Amount in ₹ lakhs)

	Particulars	Note No.	For the year ended March 31, 2018		For the year ended March 31, 2017	
I	**Income**					
	Revenue from Operations	32	6,37,930.84		3,94,894.72	
	Other Income	33	3,382.96		1,612.15	
	Total Income			**6,41,313.80**		**3,96,506.87**
II	**Expenses**					
	Operating Expenses	34	5,05,751.58		2,93,787.81	
	Purchase of Stock-in-Trade		2,011.37		992.53	
	Changes in Inventories	35	(678.23)		(491.55)	
	Employee Benefit Expenses	36	6,714.18		4,233.94	
	Finance Costs	37	787.15		4,978.93	
	Depreciation and Amortization Expense	4,5	416.41		7,295.52	
	Impairment Loss	4	277.61		-	
	Other Expenses	38	25,836.75		3,740.21	
	Total Expenses			**5,41,116.82**		**3,14,537.39**
III	**Profit Before Tax**			**1,00,196.98**		**81,969.48**
IV	**Tax Expense:**					
	(a) Current Tax		34,992.08		30,954.26	
	(b) Deferred Tax		(1,057.20)		(1,279.38)	
				33,934.88		**29,674.88**
V	**Profit for the year**			**66,262.10**		**52,294.60**
VI	**Other Comprehensive Income**					
	Items that will be reclassified subsequently to profit or loss					
	i) Exchange difference on translation of foreign exchange			-		-
	Items that will not be reclassified subsequently to profit or loss					
	i) Fair value gain on financial instruments at fair value through OCI		(3,086.34)		-	
	ii) Remeasurement of net defined benefit obligations (net of taxes)		(8.12)	(3,094.46)	(16.64)	(16.64)
	Other Comprehensive Income net of tax			**(3,094.46)**		**(16.64)**
	Total Comprehensive Income for the period			**63,167.64**		**52,277.96**
VII	**Weighted Average No. of equity shares for computing EPS (in lakhs)**	39				
	(1) Basic			10,587.79		10,584.21
	(2) Diluted			10,622.41		10,607.03
VIII	**Earnings Per Equity Share (Face Value ₹ 1/- Per Share):**	39				
	(1) Basic (₹)			6.26		4.94
	(2) Diluted (₹)			6.24		4.93
	Significant Accounting Policies and Notes forming Part of the Standalone Financial Statements	1-50				

As per our report of even date

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. : 116293W

Ankush Goyal
Partner
Membership No.: 146017

Place : Mumbai
Date : June 14, 2018

For and on behalf of the Board of Directors

Dinesh Nandwana
Managing Director & CEO
DIN : 00062532

Subhash Singhania
Chief Financial Officer

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Mehul Rawal
Company Secretary

Cash Flow Statement
for the year ended March 31, 2018

(Amount in ₹ lakhs)

S. No	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
I	**Cash flow from operating activities**		
	Profit before tax from continuing operations	1,00,196.98	81,969.48
	Profit before tax	**1,00,196.98**	**81,969.48**
	Non-cash adjustment to reconcile profit before tax to net cash flows		
	Depreciation of property, plant and equipment	416.24	7,295.34
	Depreciation of investment properties	0.17	0.17
	Impairment of Property, Plant and Equipment	277.61	-
	Employee share based payment expenses	1,626.37	326.74
	Net foreign exchange differences	9.28	155.66
	Allowance for credit losses	(961.88)	853.96
	Fair value gain on financial instrument at fair value through Profit and loss	(77.89)	(35.02)
	Remeasurement of defined benefit obligations	(12.49)	(25.45)
	Gain on disposal of property, plant and equipment	-	(630.23)
	Finance costs	787.15	4,978.93
	Interest income	(3,253.19)	(931.38)
	Dividend income	(49.28)	-
	Operating profit before working capital changes	**98,959.07**	**93,958.20**
	Movements in assets and liabilities :		
	Decrease / (increase) in inventories	42,397.44	2,335.31
	Decrease / (increase) in trade receivables	(42,767.31)	3,028.33
	Decrease / (increase) in loans and other financial assets	(70,400.73)	61.12
	Decrease / (increase) in other current assets	25,410.99	8,998.43
	Decrease / (increase) in other non-current assets	(64.64)	1,066.85
	Increase / (decrease) in trade payables	32,436.65	(8,747.02)
	Increase / (decrease) in employee benefit obligations	130.90	53.65
	Increase / (decrease) in provisions	(39.59)	(3,363.74)
	Increase / (decrease) in other current liabilities	1,977.73	(146.51)
	Cash generated from operations	**88,040.51**	**97,244.62**
	Income taxes paid (net of refunds)	(38,050.07)	(29,279.75)
	Net cash flow generated from operating activities (A)	**49,990.44**	**67,964.88**
II	**Cash flow from investing activities**		
	Purchase of property, plant and equipment	(7,114.40)	(1,107.57)
	Proceeds from sale of property, plant and equipment	-	4,752.28
	Purchase of investments	(41,127.62)	(12.00)
	Proceeds from sale of investments	35,404.51	12.15
	Investment in subsidiaries	(1,000.00)	(1,675.00)
	Loans of subsidiaries	865.05	1,017.14
	Interest received	3,253.19	931.38
	Dividends received	49.28	-
	Net cash flow generated from / (used in) investing activities (B)	**(9,669.99)**	**3,918.38**

Cash Flow Statement
for the year ended March 31, 2018

(Amount in ₹ lakhs)

S. No	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
III	**Cash flow from financing activities**		
	Proceeds from issue of shares	1.69	0.36
	Proceeds towards securities premium on issue of shares	122.57	6.89
	Repayment of borrowings	-	(1,221.98)
	Interest paid	(787.15)	(4,978.93)
	Dividends paid to company's shareholders	(10,588.03)	(6,614.95)
	Dividend Distribution Tax paid	(2,155.47)	(1,346.65)
	Net cash flow (used in) in financing activities (C)	**(13,406.39)**	**(14,155.26)**
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	**26,914.04**	**57,727.99**
	Effects of exchange rate changes on cash and cash equivalents	(0.34)	(0.16)
	Cash and cash equivalents at the beginning of the year	43,330.99	(14,396.84)
	Cash and cash equivalents at the end of the year	**70,244.69**	**43,330.99**

Significant Accounting Policies and Notes forming Part of the Standalone Financial Statements 1-50

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. : 116293W

Ankush Goyal
Partner
Membership No.: 146017

Place : Mumbai
Date : June 14, 2018

For and on behalf of the Board of Directors

Dinesh Nandwana
Managing Director & CEO
DIN : 00062532

Subhash Singhania
Chief Financial Officer

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Mehul Rawal
Company Secretary

Statement of changes in equity
for the year ended March 31, 2018

(Amount in ₹ lakhs)

Particulars	Equity Share Capital	Other Equity						Total equity attributable to equity holders of the Company
		Reserves and surplus				Other Comprehensive Income		
		Securities premium reserve	Retained earnings	General Reserve	Share Options Outstanding Account	Equity instruments through other comprehensive income	Other items of other comprehensive income	
Balance as at March 31, 2016	**5,291.96**	**41,995.65**	**1,05,985.95**	**7,791.68**	**372.48**	**-**	**(37.69)**	**1,61,400.03**
Increase in share capital on account of conversion of share warrants	-	-	-	-	-	-	-	**-**
Increase in share capital on account of conversion of ESOPs	0.36	-	-	-	-	-	-	**0.36**
Amount received on shares issued during the year	-	6.89	-	-	-	-	-	**6.89**
Transferred from Share Options Outstanding Account	-	7.29	-	-	(7.29)	-	-	**-**
Profit for the year	-	-	52,294.60	-	-	-	-	**52,294.60**
Dividends (including corporate dividend tax)	-	-	(7,961.60)	-	-	-	-	**(7,961.60)**
Transfer to General Reserve	-	-	(3,914.71)	3,914.71	-	-	-	**-**
Share-based payments (net)	-	-	-	-	326.74	-	-	**326.74**
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	(16.64)	**(16.64)**
Balance as at March 31, 2017	**5,292.32**	**42,009.83**	**1,46,404.24**	**11,706.39**	**691.93**	**-**	**(54.33)**	**2,06,050.38**
Increase in share capital on account of conversion of share warrants	-	-	-	-	-	-	-	**-**
Increase in share capital on account of conversion of ESOPs	1.69	-	-	-	-	-	-	**1.69**
Amount received on shares issued during the year	-	122.57	-	-	-	-	-	**122.57**
Transferred from Share Options Outstanding Account	-	186.12	-	-	(186.12)	-	-	**-**
Profit for the year	-	-	66,262.10	-	-	-	-	**66,262.10**
Dividends (including dividend distribution tax)	-	-	(12,743.50)	-	-	-	-	**(12,743.50)**
Transfer to General Reserve	-	-	(5,229.46)	5,229.46	-	-	-	**-**
Transfer from General Reserve for issue of Bonus Shares	5,294.02	-	-	(5,294.02)	-	-	-	**-**
Share-based payments (net)	-	-	-	-	1,626.37	-	-	**1,626.37**
Fair value gain on financial instruments at fair value through OCI	-	-	-	-	-	-	-	**-**
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	(8.12)	**(8.12)**
Fair value gain on financial instruments at fair value through OCI						(3,086.34)	-	**(3,086.34)**
Balance as at March 31, 2018	**10,588.03**	**42,318.52**	**1,94,693.38**	**11,641.83**	**2,132.18**	**(3,086.34)**	**(62.45)**	**2,58,225.15**

Significant Accounting Policies and Notes forming Part of the Standalone Financial Statements 1-50

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. : 116293W

Ankush Goyal
Partner
Membership No.: 146017

Place : Mumbai
Date : June 14, 2018

For and on behalf of the Board of Directors

Dinesh Nandwana
Managing Director & CEO
DIN : 00062532

Subhash Singhania
Chief Financial Officer

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Mehul Rawal
Company Secretary

Notes to Standalone Financial Statements
for the year ended March 31, 2018

Note 1 - Corporate Information

Vakrangee Limited (hereinafter referred to as "the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 'Vakrangee Corporate House', Plot No. 93, Road No. 16, M.I.D.C., Andheri (East), Mumbai – 400 093, Maharashtra, India. The Company's shares are listed on two stock exchanges in India- the Bombay Stock Exchange (BSE) and National Stock Exchange of India (NSE).

The Company is engaged in providing diverse solutions, activities in e-governance and e-commerce sector, including bullion and jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and e-governance enrollment projects, data digitization.

The financial statements were authorized for issue by the Company's Board of Directors on June 14, 2018.

Note 2 - Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These accounting policies have been consistently applied to all the years presented by the Company unless otherwise stated.

A. Basis of preparation

i. Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as "Ind AS") under the provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted the Ind AS standards in accordance with Ind AS 101 First time adoption of Indian Accounting Standards during the year ended March 31, 2017.

The accounting policies have been consistently applied by the Company unless otherwise stated or where a newly issued accounting standard is initially adopted.

ii. Basis of Preparation

The financial statements have been prepared on historical cost basis except the following assets and liabilities which have been measured at fair value amount:

- certain financial assets and liabilities (including derivative instruments)
- defined benefit plans- plan assets ; and
- Equity-settled Share Based Payments

The Financial statements of the Company are presented in Indian Rupees (₹),which is also its functional currency and all values are rounded off to Lakhs , except when otherwise indicated.

B. Summary of significant accounting policies

i. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current /non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Notes to Standalone Financial Statements
for the year ended March 31, 2018

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non–current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and services offered by the Company, operating cycle determined is 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents,

ii. Segment Reporting

The company identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

iii. Foreign Currencies

Transaction and balances

Transactions in foreign currencies are initially recorded by the company in their functional currency at the exchange rate prevailing on the date of transaction..

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency using rate of exchange prevailing on the balance sheet date.

Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit or loss except where:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain

Notes to Standalone Financial Statements
for the year ended March 31, 2018

or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

iv. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Sale of services

The Company recognizes revenue on accrual basis when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method of recognizing the revenues and costs depends on the nature of the services rendered. Revenue is recognized when no significant uncertainty exists as to its realization or collection. Commission income is recognized on earned basis for activities performed in different services delivered at Vakrangee Kendra.

The Company executes the delivery in various e-governance projects at its Vakrangee Kendra's. Revenue for the Company accrues on successful delivery and confirmation by the business associate involved. The Company estimates successful delivery based on past trends and complexities involved in delivery and revenue is accounted accordingly till the confirmation is received. Any deviation with the actual confirmation is accounted in the period in which the actual results are known to the Company.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

The amount recognised as revenue in its Statement of Profit and Loss is exclusive of Indirect tax (Service Tax, Goods & Service Tax (GST) and Value Added Taxes (VAT)) and is net of discounts.

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

v. Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are

Notes to Standalone Financial Statements
for the year ended March 31, 2018

stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognizes such parts as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the straight- line method ("SLM"). Management, based on a technical evaluation, believes that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Useful lives
Buildings	60 years
Computers and Printers, including Computer Peripherals	3 years
Office Equipments	5 years
Furniture & Fixtures	10 years
Motor Vehicles	8 years
Plant & Machinery	15 years
ATM Machine	10 years
Leasehold Land and Building, including leasehold improvements (Also refer Note 4)	51 years
Project Assets (comprising of Computers and Printers, including Computer Peripherals, Furniture and Fixtures and Office Equipments)	3-4 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Notes to Standalone Financial Statements
for the year ended March 31, 2018

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

vi. Intangible Asset

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences which are amortised over license period which equates the useful life ranging between 2-5 years on a straight-line basis.

vii. Taxation

Income tax expense comprises current tax expense and the net charge in the deferred tax asset or liability during the year. Current and deffered taxes are recognized statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity in which case it is recognized in other comprehensive income or equity respectively.

Current taxes

Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax relating to items recognised outside the profit and loss is recognised (either in other comprehensive income or in equity)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

viii. Fair Value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique

Notes to Standalone Financial Statements
for the year ended March 31, 2018

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

ix. Investment property

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful life has been determined based on technical evaluation performed by the management expert.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

x. Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current

Notes to Standalone Financial Statements
for the year ended March 31, 2018

market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

xi. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

a) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

Debt Instruments at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognised or impaired.

Debt instrument at Fair Value through Other Comprehensive Income (OCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment gains or losses and foreign exchange gains and losses in the statement of profit and loss. On derecognition of the asset, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss.

Debt instrument at Fair Value through Profit or Loss (FVTPL)

A financial asset which does not meet the criteria for categorization as at amortized cost or as fair value through other comprehensive income is classified as fair value through profit or loss. Debt instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Notes to Standalone Financial Statements
for the year ended March 31, 2018

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Dividends from such investments are recognized in profit or loss as other income. There is no recycling of the amounts from OCI to Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in subsidiaries is carried at cost less impairment in the financial statements.

c) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company'-s continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

d) Impairment of financial assets

The Company recognises impairment loss applying the expected credit loss (ECL) model on the financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual right to receive cash or other financial asset and financial guarantee not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses.

Notes to Standalone Financial Statements
for the year ended March 31, 2018

For trade receivables or any contractual right to receive cash or other financial assets that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company applies 'simplified approach' permitted by Ind AS 109 Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Such amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the

Notes to Standalone Financial Statements
for the year ended March 31, 2018

guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xii. Inventories

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

xiii. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease.

Finance Lease as a lessee

Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating Lease as a lessee

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

Notes to Standalone Financial Statements
for the year ended March 31, 2018

xiv. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

xv. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xvi. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

xvii. Provisions

Provisions are recognised when the Company has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

xviii. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

xix. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.

xx. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), and highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

xxi. Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's

Notes to Standalone Financial Statements
for the year ended March 31, 2018

services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in Other comprehensive income..

The obligations are presented as current in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post- employment obligations

The Company operates the following post-employment schemes:

I. Defined benefit plans such as gratuity

II. Defined contribution plans such as provident fund.

Defined benefit plan - Gratuity Obligations

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows outflows by reference to market yields at the end of the reporting period on government bonds that have a terms approximating to the terms of the obligation.

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Notes to Standalone Financial Statements
for the year ended March 31, 2018

xxii. Share-based Payments

Shared based compensation benefits are provided to employees via Vakrangee Limited Employee Stock Option Plan.

Employee options

The cost of equity-settled transactions is determined by the fair value of the options granted at the date when the grant is made. The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the Company's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employee to save or holding shares for a specific period of time.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of options that are expected to be vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Note 3 (a) - Critical Accounting Judgements and Estimates

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made by the management of the Company that affect the reported amount of assets, liabilities, revenue, expenses, accompanying disclosures and the disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periodds presented.

The estimates and associates assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from those estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

Application of accounting policies that require critical accounting estimates and the use of assumptions in the financial statements are as follows:

- **Share-based payments**

  Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 45.

- **Defined benefit plans**

  The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

  The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

Notes to Standalone Financial Statements
for the year ended March 31, 2018

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 44.

- **Fair value measurement of financial instruments**

  When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 47 for further disclosures.

- **Depreciation and useful lives of Property, Plant and Equipment**

  Property, Plant and Equipment are depreciated over the estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and taken into account anticipated technological changes. The depreciation for future periods is revised if there are significant changes from previous estimates.

- **Provision and Contingent Liabilities**

  A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Note 3 (b) : Indian Accounting Standards issued but not effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2018:

Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 - Revenue, Ind AS 11 - Construction Contracts when it becomes effective.

Ind AS 21 – The Effect of Changes in Foreign Exchange Rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company is evaluating the impact of this amendment on its financial statements.

Note 4 - Property, Plant and Equipment

(Amount in ₹ lakhs)

(a) Description	Buildings	Plant and Machinery	Furnitures and Fixtures	Motor Vehicle	Office Equipments	Computers including Computer Peripherals	Leasehold Land & Building	Leasehold Improvement	Total	Capital Work-In-Progress	Grand Total
Cost or Valuation											
At March 31, 2016	**1,025.29**	**1,342.47**	**5,440.86**	**57.25**	**1,521.86**	**96,442.32**	**-**	**-**	**1,05,830.05**	**-**	**1,05,830.05**
Additions	396.26	361.45	34.00	123.63	44.43	147.81	-	-	1,107.57	-	1,107.57
Disposals/Transfers	-	2.10	5,090.38	34.11	1,399.95	94,819.05	-	-	1,01,345.59	-	1,01,345.59
At March 31, 2017	**1,421.55**	**1,701.82**	**384.48**	**146.77**	**166.34**	**1,771.07**	**-**	**-**	**5,592.03**	**-**	**5,592.03**
Additions	551.42	1,182.86	218.01	-	328.57	315.16	3,150.30	1,052.63	6,798.95	315.45	7,114.40
Disposals/Transfers	-	-	-	-	-	-			-	-	-
At March 31, 2018	**1,972.97**	**2,884.69**	**602.49**	**146.77**	**494.90**	**2,086.23**	**3,150.30**	**1,052.63**	**12,390.97**	**315.45**	**12,706.42**
Depreciation and Impairment											
At March 31, 2016	**146.72**	**414.76**	**5,270.29**	**27.77**	**1,483.35**	**85,315.49**	**-**	**-**	**92,658.39**	**-**	**92,658.39**
Depreciation charged for the year	20.06	104.18	130.60	10.17	26.95	7,003.37	-	-	7,295.35	-	7,295.35
Impairment during the year	-	-	-	-	-	-	-	-	-	-	-
Disposals/Transfers	-	0.28	5,090.38	17.90	1,396.74	90,718.24	-	-	97,223.55	-	97,223.55
At March 31, 2017	**166.78**	**518.67**	**310.52**	**20.04**	**113.57**	**1,600.62**	**-**	**-**	**2,730.19**	**-**	**2,730.19**
Depreciation charged for the year	25.73	220.25	29.25	18.04	24.32	85.18	4.98	8.49	416.24	-	416.24
Impairment during the year	-	277.61	-	-	-	-	-	-	277.61	-	277.61
Disposals/Transfers	-	-	-	-	-	-			-	-	-
At March 31, 2018	**192.51**	**1,016.52**	**339.77**	**38.08**	**137.89**	**1,685.80**	**4.98**	**8.49**	**3,424.04**	**-**	**3,424.04**
Net Book Value											
At March 31, 2018	1,780.46	1,868.17	262.72	108.69	357.01	400.43	3,145.32	1,044.14	**8,966.94**	315.45	**9,282.39**
At March 31, 2017	1,254.76	1,183.16	73.97	126.73	52.77	170.45	-	-	**2,861.84**	-	**2,861.84**

(b) **Disposal of Assets :** During the previous year, the company had identified and disposed off certain project assets which had become obsolete due to continuous utilisation for project delivery and frequent movement of those assets from one project delivery centre to another since their acquisition. The carrying amount of majority of those assets was fully amortised and those assets were not in usable condition and hence, the Company has discarded those assets.

(c) **Impairment of Assets :** Impairment loss mainly pertains to one high speed printer categorised under Plant & Machinery. Based on technical valuation the recoverable amount is less than the carrying value of the asset.

(d) **Change in Estimate :** During the year, Management has analysed the remaining useful life of assets and based on technical valuation of one class of Property, Plant and Equipment viz. ATM, life expectation has been changed from previous estimates. The change in life expectation has been accounted as per Para 38 of Ind-AS 8, Accounting Policies, Change in Estimates and Errors.

(e) **Details of Charges**

The above assets were given as first pari-passu charge security for working capital facilities availed from banks. There are no working capital facilities outstanding as at March 31, 2018.

(f) **Finance Lease arrangement (Leasehold Land and Building)**

The net carrying amount of Property, Plant and Equipment under finance lease arrangements are as follows:

(Amount in ₹ lakhs)

	As at March 31, 2018	As at March 31, 2017
Leasehold Land & Building	3,145.32	-

During the current year, the company has entered into a long term finance lease arrangement for a land and building situated at Plot No.93, Road No.16, MIDC, Marol, Andheri (East) Mumbai 400093 for the remaining period of 51 years out of the total lease term of 95 years in consideration of a lump sum premium amounting to ₹ 3,000.00 lakhs.
In consideration to the provisions of Ind AS 17 - Leases, the leasehold land and building have been assessed for classification as finance lease based on the evaluation of the facts and circumstances of the lease arrangement. The lease arrangement does not contain any clause for renewal or escalation.
Consideration paid shall be equally amortized over the period of leases and the company is not subject to any other future minimum lease rental commitments.

Notes Forming Part of Standalone Financial Statements

Note 5 - Investment Property

(Amount in ₹ lakhs)

(a)	Description	Amount
	Gross Block	
	At March 31, 2016	**11.73**
	Additions	-
	Disposal	-
	At March 31, 2017	**11.73**
	Additions	-
	Disposal	-
	At March 31, 2018	**11.73**
	Depreciation and Impairment	
	At March 31, 2016	**2.88**
	Depreciation Charged for the year	0.17
	Impairment during the year	-
	Disposal	-
	At March 31, 2017	**3.05**
	Depreciation Charged for the year	0.17
	Impairment during the year	-
	Disposal	-
	At March 31, 2018	**3.22**
	Net Book Value	
	At March 31, 2018	8.51
	At March 31, 2017	8.68

(b) Amounts recognised in statement of profit and loss for Investment property

(Amount in ₹ lakhs)

Particulars	At March 31, 2018	At March 31, 2017
Rental income derived from investment properties	2.30	1.50
Less - Depreciation	0.17	0.17
Profit arising from investment properties before indirect expenses	**2.13**	**1.33**

(c) Details of charges

The above assets were given as first pari-passu charge security for working capital facilities availed from banks. There are no working capital facilities outstanding as at March 31, 2018.

(d) Fair Value

As at March 31, 2018 and March 31, 2017, the fair value of property is ₹ 173.88 lakhs and ₹ 179.59 lakhs respectively.

Notes Forming Part of Standalone Financial Statements

Note 6 - Investments
(Non - Current)

(Amount in ₹ lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017
(a)	**Unquoted**		
	Investment carried at Cost		
	- Investments in Equity Instruments of Subsidiaries		
	96,000 Equity Shares of Vakrangee e-Solutions Inc., Philippines of Peso 100/- each fully paid up	96.00	96.00
	(March 31, 2017 : 96,000 Equity shares)		
	1,20,00,000 Equity Shares of Vakrangee Logistics Private Limited of ₹ 10/- each fully paid up	1,200.00	200.00
	(March 31, 2017 : 20,00,000 Equity shares)		
	1,50,00,000 Equity Shares of Vakrangee Finserve Limited of ₹ 10/- each fully paid up	1,500.00	1,500.00
	(March 31, 2017 : 1,50,00,000 Equity shares)		
	(A)	**2,796.00**	**1,796.00**
	Investment carried at Fair value through Profit or Loss (FVTPL)		
	- In Equity Shares		
	2,500 Equity Shares of CSC e-Governance Services India Limited of ₹ 1000/- each fully paid up	96.20	44.30
	(March 31, 2017 : 2,500 Equity shares)		
	(B)	**96.20**	**44.30**
(b)	**Quoted**		
	Investment carried at Fair value through Profit or Loss (FVTPL)		
	Investments in Mutual Funds		
	24.9375 units of Aditya Birla Real Estate Fund - I of ₹1,00,000/- each partly paid up ₹ 60,000/- per unit (March 31, 2017 : ₹ 60,000/- per unit, 24.9375 units)	10.26	11.72
	1,20,000 units of Union Capital Protection Oriented Fund Series 7 (March 31, 2017 : 1,20,000 units)	12.71	12.05
	99,990 units of Union Asset Allocation Fund - Moderate Plan Growth (March 31, 2017 : 99,990 units)	15.12	14.18
	3,35,077.757 units of Union Small & Midcap Fund - Regular Plan (March 31, 2017 : 3,35,077.757 units)	53.01	46.27
	20,00,000 units of Union Capital Protection Oriented Fund Series 8 (March 31, 2017 : Nil units)	204.28	-
	50,00,000 units of Axis Multicap Fund - Regular Plan Growth (March 31, 2017 : Nil units)	501.50	-
	8,209.844 units of Aditya Birla Sun Life Equity Fund - Growth (March 31, 2017 : Nil units)	56.52	-
	4,59,632.7530 units of Aditya Birla Sun Life Short Term Fund - Regular Growth (March 31, 2017 : Nil units)	305.25	-
	6,961.7130 units of Franklin India Short Term Income Plan - Growth (March 31, 2017 : Nil units)	255.51	-
	21,28,529.1010 units of IDFC Corporate Bond Fund - Direct Growth (March 31, 2017 : Nil units)	254.64	-

Notes Forming Part of Standalone Financial Statements

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
1,97,818.3460 units of Kotak Select focus Fund - Direct Growth (March 31, 2017 : Nil units)	66.22	-
2,47,509 units of Motilal Oswal Multicap 35 Fund - Direct Growth (March 31, 2017 : Nil units)	67.63	-
1,13,093.174 units of Motilal Oswal Multicap 35 Fund - Regular Growth (March 31, 2017 : Nil units)	29.75	-
18,557.179 units of Aditya Birla Sun Life Frontline Equity Fund - Growth (March 31, 2017 : Nil units)	38.82	-
5,50,180.092 units of Kotak Treasury Advantage Fund - Direct Growth (March 31, 2017 : Nil units)	152.91	-
91,738.898 units of Kotak Select Focus Fund - Growth Plan (March 31, 2017 : Nil units)	29.18	-
7,26,501.315 units of DHFL Pramerica Ultra Short Term Fund - Growth (March 31, 2017 : Nil units)	153.20	-
5,63,907.654 units of IDFC Money Manager Fund - Treasury Plan (March 31, 2017 : Nil units)	152.42	-
10,61,069.877 units of HDFC Short Term Opportunity Fund (March 31, 2017 : Nil units)	203.46	-
7,88,340.963 units of HDFC Medium Term Opportunity Fund (March 31, 2017 : Nil units)	152.24	-
(C)	**2,714.63**	**84.22**
TOTAL (A + B + C)	**5,606.83**	**1,924.52**
Aggregate amount of quoted investments	2,714.63	84.22
Aggregate market value of quoted investments	2,714.63	84.22
Aggregate amount of unquoted investments	2,892.20	1,840.30

Investment at fair value through profit and loss reflect investment in quoted and unquoted equity securities and quoted mutual fund units.

The strategic investments in subsidiaries have been taken at cost.

The fair value of the unquoted equity shares have been estimated using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable.

The fair value of quoted mutual fund units are based on quoted net asset value at the reporting date.

Note 7 - Trade Receivables
(Non Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured)		
Considered Good	-	-
Considered Doubtful	357.66	-
	357.66	**-**
Less: Allowance for credit losses	357.66	-
TOTAL	**-**	**-**

Notes Forming Part of Standalone Financial Statements

Note 8 - Loans
(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Loan to Related Parties		
(Unsecured, considered good)		
Dues from subsidiaries	3,223.40	4,056.95
TOTAL	**3,223.40**	**4,056.95**

Note 9 - Other Financial Assets
(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Deposits with bank		
- with maturity period of more than 12 months	112.53	83.61
TOTAL	**112.53**	**83.61**
* Amount held as margin money or security against borrowings, guarantee, other commitments	111.98	83.61

Note 10 - Deferred Tax Assets (net)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
Assets				
(i) On account of difference in depreciation on Property, Plant and Equipment	680.58		748.55	
(ii) Provision for Employees' obligations	136.53		94.25	
(iii) On account of Expected Credit Losses	244.46	1,061.57	-	842.80
(A)		1,061.57		842.80
Liabilities				
(i) Temporary differences on Tax Provisions	-	-	-	-
(B)		**-**		**-**
TOTAL (A - B)		**1,061.57**		**842.80**
Add : Impact on deferred tax asset carrying value*		-		(842.80)
Balance carried to Balance Sheet		**1,061.57**		**-**

* The temporary differences arising as at year-end are deferred tax assets. There were no items for which there was deferred tax liability as at the previous year-end. Hence, on the basis of reasonable certainty, such deferred tax assets had not been recognised and carried forward in previous year.

Notes Forming Part of Standalone Financial Statements

(a) Movement in deferred tax account during the year is as follows:

(Amount in ₹ lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balances
For the year ended March 31, 2018 :				
Deferred tax (liabilities)/assets in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	-	680.58	-	680.58
Expenses provided but allowable in Income Tax on payment	-	132.17	4.36	136.53
Allowance for expected credit losses	-	244.46	-	244.46
	-	1,057.21	4.36	1,061.57
Others	-	-	-	-
	-	-	-	-
TOTAL	**-**	**1,057.21**	**4.36**	**1,061.57**
For the year ended March 31, 2017 :				
Deferred tax (liabilities)/assets in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	-	-	-	-
Expenses provided but allowable in Income Tax on payment	20.40	(20.40)	-	-
Allowance for expected credit losses	-	-	-	-
Others	-	-	-	-
	20.40	(20.40)	-	-
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	(1,294.44)	1,294.44	-	-
Others	(14.15)	5.34	8.81	-
	(1,308.59)	1,299.78	8.81	-
TOTAL	**(1,288.19)**	**1,279.38**	**8.81**	-

The analysis of Deferred Tax Assets is as follows:

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred Tax Assets to be recovered after more than 12 months	793.15	-
Deferred Tax Assets to be recovered within 12 months	268.42	-
	1,061.57	**-**

(b) Explanation of changes in the applicable tax rate(s) compared to the previous accounting period

Particulars	As at March 31, 2018	As at March 31, 2017
Applicable Tax rate considered for deferred tax asset or liability	34.94%	34.61%

The applicable tax rates have been changed on the basis of using the tax rates that have been enacted as at the end of the each reporting period

Notes Forming Part of Standalone Financial Statements

Note 11 - Other Non-Current Assets

(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
Capital Advances		10.00		34.12
Balances with statutory / revenue authorities				
- Income Tax (net of provision for taxation)	748.79		405.63	
- Sales Tax	27.05		-	
- Service Tax	61.71	837.55	-	405.63
TOTAL		**847.55**		**439.75**

Note 12 - Inventories

(Amount in ₹ lakhs)

(a)	Particulars	As at March 31, 2018	As at March 31, 2017
(i)	Project Material	-	43,097.87
(ii)	Work in Progress	-	-
(iii)	Stock-in-Trade	1,682.98	1,004.75
(iv)	Consumables	9.99	7.39
(v)	Stores & Spares	21.66	2.06
TOTAL		**1,714.63**	**44,112.07**

(b) Basis of valuation of Inventories

Inventories are valued at lower of cost or net realizable value on FIFO basis which is in accordance with Ind AS-2.

Note 13 - Investments

(Current)

(Amount in ₹ lakhs)

(a)	Particulars	As at March 31, 2018	As at March 31, 2017
	Quoted		
	Investment carried at Fair value through Profit and Loss (FVTPL)		
	Investments in Mutual Funds		
	Nil units of Union Trigger Fund Series 2 - Regular Plan of ₹ 10/- each fully paid up (March 31, 2017 : 4,99,990 units)	-	56.30
	Investment through Portfolio services		
	Kotak PMS Value Series 2	88.66	-
	TOTAL	**88.66**	**56.30**
	Aggregate amount of quoted investments	88.66	56.30
	Aggregate market value of quoted investments	88.66	56.30

Investment at fair value through profit and loss reflect investment in quoted and unquoted equity securities and quoted mutual fund units.

The fair value of quoted mutual fund units are based on quoted net asset value at the reporting date.

Notes Forming Part of Standalone Financial Statements

Note 14 - Trade Receivables

(Current)

(Amount in ₹ lakhs)

(a) Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured)		
Considered Good	1,27,658.36	83,969.61
Considered Doubtful	341.91	1,661.44
	1,28,000.27	**85,631.05**
Less: Allowance for credit Losses	341.91	1,661.44
TOTAL	**1,27,658.36**	**83,969.61**

(b) Debts due from related parties

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Subsidiaries	583.46	2,536.51
TOTAL	**583.46**	**2,536.51**

Note 15 - Cash and Cash equivalents and Other Bank Balances

(Amount in ₹ lakhs)

(a) Particulars		As at March 31, 2018	As at March 31, 2017
(A)	**Cash and Cash Equivalents**		
(i)	Balances with Banks :		
	- Current Accounts	2,143.90	51,720.52
	- Deposit Accounts	8,695.00	6,000.48
(ii)	Cheques-in-hand *	58,977.16	-
(iii)	Cash-in-hand	152.19	11.88
(iv)	Remittance in Transit	276.44	-
TOTAL		**70,244.69**	**57,732.88**
(B) Bank Balances other than above			
(i)	Earmarked balances in unclaimed dividend account	89.34	49.71
(ii)	Fixed Deposits with maturity period of more than 3 months but less than 12 months **	73,571.76	1,591.73
TOTAL		**73,661.10**	**1,641.44**
* The amounts disclosed as cheques-in-hand are amounts of cheques received upto March 31, 2018 and the same have been presented in the bank and cleared during the month of April, 2018.			
** Amount held as margin money or security against borrowings, guarantee, other commitments		1,205.42	1,585.92

Notes Forming Part of Standalone Financial Statements

(b) For the purpose of cash flow statement

(Amount in ₹ lakhs)

Particulars			As at March 31, 2018		As at March 31, 2017	
(A)	Cash & Cash Equivalents					
	(i)	Balances with Banks :				
	-	Current Accounts	2,143.90		51,720.52	
	-	Deposit Accounts	8,695.00		6,000.48	
(ii)	Cheque-in-hand		58,977.16		-	
(iii)	Cash-in-hand		152.19		11.88	
(iv)	Remittance in Transit		276.44	70,244.69	-	57,732.88
Less : - Cash Credit				-		14,401.89
TOTAL				**70,244.69**		**43,330.99**

Note 16 - Loans

(Amount in ₹ lakhs)

Particulars		As at March 31, 2018	As at March 31, 2017
(i)	**Other Loans**		
	(Unsecured, considered good)		
	Security Deposit	43.18	26.54
	Earnest Money Deposit	41.00	41.00
	Loans to others	9.27	9.83
TOTAL		**93.45**	**77.37**

Note 17 - Other Financial Assets

(Current)

(Amount in ₹ lakhs)

Particulars			As at March 31, 2018		As at March 31, 2017	
(i)	**Others**					
	Other Receivables		585.70		1,095.63	
	Less : - Allowance for credit losses		-	585.70	27.41	1,068.22
TOTAL				**585.70**		**1,068.22**

Note 18 - Current Tax Assets (Net)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Income Tax (net of provision for taxation)	201.46	81.55
TOTAL	**201.46**	**81.55**

Notes Forming Part of Standalone Financial Statements

Note 19 - Other Current Assets

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
Advances to Vendors		175.72		28,218.87
Prepaid Expenses		89.50		235.39
Other Receivable		2,765.67		-
Balances with statutory / revenue authorities				
- Sales Tax	-		48.57	
- Service Tax	-		132.23	
- Goods & Service Tax	193.18	193.18	-	180.80
TOTAL		**3,224.07**		**28,635.06**

Note 20 - Equity Share Capital

Equity share capital

(i) Authorised share capital

(Amount in ₹ lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2017	7,500.00	7,500.00
Increase during the year	5,000.00	5,000.00
As at March 31, 2018	12,500.00	12,500.00

(ii) Paid up Equity share capital

(Amount in ₹ lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2017	**5,292.32**	**5,292.32**
Bonus Share issued during the year	5,294.02	5,294.02
Exercise of options	1.69	1.69
As at March 31, 2018	**10,588.03**	**10,588.03**

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares (in lakhs)	% Holding	Number of shares (in lakhs)	% Holding
Vakrangee Holdings Private Limited	2,509.50	23.70%	1,253.75	23.69%
NJD Capital Private Limited	1,311.00	12.38%	649.36	12.27%
Life Insurance Corporation of India	671.30	6.34%	323.20	6.11%
Dinesh Nandwana	597.34	5.64%	297.67	5.62%

(iv) Detailed note on the terms of the rights, preferences and restrictions relating to each class of shares including restrictions on the distribution of dividends and repayment of capital.

The Company has only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2018, the amount of per share dividend recognised as distributions to Equity Shareholders is ₹ 2/- per share of ₹ 1/- each for the year ended March 31, 2017.

Notes Forming Part of Standalone Financial Statements

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

(v) Aggregate details for five immediately previous reporting periods for each class of shares

(No. of shares in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
- No. of shares allotted as fully paid up pursuant to contracts without payment being received in cash	-	-
- No. of shares allotted as fully paid by way of Bonus Shares	5,294.02	2,502.40
- No. of shares bought back	-	-
- No. of shares issued on exercise of options granted under the ESOP scheme.	19.02	37.53

(vi) Capital Management

The Company's objectives when managing capital are to :

(i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(ii) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet, including non-controlling interests).

The Company's strategy is to maintain a gearing ration within 1:1. The gearing ratios were as follows :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Net debt	-	14,401.89
Total equity	2,58,225.15	2,06,050.38
Net debt to equity ratio	**-**	**0.07**

Note 21 - Other Equity

(i) Reserves and surplus

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Securities Premium Reserve	42,318.52	42,009.83
Share Options Outstanding Account	9,442.83	2,063.68
Deferred Employee Compensation Expense	(7,310.65)	(1,371.75)
General Reserve	11,641.83	11,706.39
Surplus in Statement of Profit and Loss	1,94,693.38	1,46,404.24
Total (A)	**2,50,785.92**	**2,00,812.39**

Notes Forming Part of Standalone Financial Statements

(a) Securities Premium Reserve (Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	42,009.83	41,995.65
Add:- On share issued during the year	122.57	6.89
Add:- Transfer from shares options outstanding account	186.12	7.29
Closing balance	**42,318.52**	**42,009.83**

(b) Share Options Outstanding Account (Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	2,063.68	2,265.82
Add:- On further grant of options	8,734.56	-
Less:- Reversal due to Lapsation of option	(1,169.29)	(194.85)
Less: Transfer to Securities premium account	(186.12)	(7.29)
Closing balance	**9,442.83**	**2,063.68**

(c) Deferred Employee Compensation Expense (Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	(1,371.75)	(1,893.34)
Add:- On further grant of options	(8,734.56)	-
Less:- Reversal due to Lapsation of option	1,082.23	150.98
Less:- Amortised during the year	1,713.43	370.61
Closing balance	**(7,310.65)**	**(1,371.75)**

(d) General Reserve (Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	11,706.39	7,791.68
Add:- Transfer from Profit & Loss account	5,229.46	3,914.71
Less:- Utilisation for issue of bonus shares	(5,294.02)	-
Closing balance	**11,641.83**	**11,706.39**

(e) Surplus in Statement of Profit & Loss (Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	1,46,404.24	1,05,985.95
Add:- Profit for the year	66,262.10	52,294.60
Less:- Transfer to General Reserve	(5,229.46)	(3,914.71)
Less:- Dividend declared and paid	(10,588.03)	(6,614.95)
Less:- Dividend distribution tax	(2,155.47)	(1,346.65)
Closing balance	**1,94,693.38**	**1,46,404.24**

Notes Forming Part of Standalone Financial Statements

(ii) Other Comprehensive Income

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	(54.33)	(37.69)
Remeasurement of net defined benefit obligations (net of taxes)	(8.12)	(16.64)
Fair value gain on financial instruments at fair value through OCI	(3,086.34)	-
Closing balance Total (B)	**(3,148.79)**	**(54.33)**
Total (A+B)	**2,47,637.12**	**2,00,758.06**

Nature of reserves

(a) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

(b) General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, Items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Note 22 - Trade Payables

(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Trade Payables*	354.13	98.89
TOTAL	**354.13**	**98.89**
* Includes dues to micro, small and medium enterprises	-	-

Note 23 - Other Financial Liabilities

(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Security Deposit	38.10	38.10
TOTAL	**38.10**	**38.10**

Note 24 - Employee Benefit Obligations

(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for Employees' benefits	354.82	231.46
TOTAL	**354.82**	**231.46**

Notes Forming Part of Standalone Financial Statements

Note 25 - Borrowings
(Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Secured Loans		
Loans repayable on demand		
- From Banks	-	14,401.89
TOTAL	**-**	**14,401.89**

Nature of security of each type of secured loans.

a) Loans repayable on demand from Banks (March 31, 2017) :

The Company had entered into a Security Trustee Agreement for availing the working capital facilities under the consortium banking arrangement and the limit sanctioned is aggregating to ₹ 75,000.00 lakhs vide agreement dated June 5, 2015. The Lead Bank vide their letter dated March 27, 2017 had approved the assessment of working capital requirements at the reduced level of ₹ 33,200.00 lakhs.

These facilities are secured against the following charge on various assets of the Company :

1. Primary : First pari-passu charge on the entire current assets of the Company, both present & future.
2. Collateral :
   - First pari-passu charge on the entire movable fixed assets of the Company, both present & future.
   - First pari-passu charge on all the immovable assets of the company acquired after 31.03.2011, both present and future.
   - First pari-passu charge on entire lands & office premises of the company, situated at Marol Co-Operative Industrial Estate & Hind Saurashtra Industries Co-Operative Society Limited, Marol, Andheri (East), Mumbai.
   - First pari-passu charge on office premises, situated at Marol Co-Operative Industrial Estate, Marol, Andheri (E), Mumbai of Vakrangee Technologies Limited
   - First Pari-passu charge on residential house at Chandigarh.
3. Corporate Guarantee of Company, Vakrangee Technologies Limited to the extent of value of property.
4. Personal Guarantee of Mr. Dinesh Nandwana, Managing Director & CEO of the Company.

b) Details of the aggregate of each loan guaranteed by directors or others, each head-wise.

All the loans repayable on demand from banks amounting to ₹ Nil (March 31, 2017 : ₹ 14,401.89 lakhs) guaranteed by Mr. Dinesh Nandwana, Managing Director & CEO of the Company.

c) Details of continuing default in the repayment of loans and interest, specifying the period and amount separately in each case.

There has been no default in the repayment of loans or interest thereon as on date.

Note 26 - Trade Payables
(Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Trade Payables*	34,127.77	1,946.36
TOTAL	**34,127.77**	**1,946.36**
* Includes dues to micro, small and medium enterprises	9.56	42.92

Notes Forming Part of Standalone Financial Statements

Note 27 - Other Financial Liabilities

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Interest accrued but not due on borrowings	-	13.26
Payable to Franchisee under WLA	417.16	-
Payable for acquisition of Property, Plant & Equipments	737.87	-
Unpaid Dividend	89.34	49.71
TOTAL	**1,244.37**	**62.97**

Note 28 - Other Current Liabilities

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Statutory dues	214.05	96.45
Advance from customers	2,146.76	758.68
Staff Emoluments Payable	614.57	154.43
Other Liabilities	70.82	58.91
TOTAL	**3,046.20**	**1,068.47**

Note 29 - Provisions

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for Expenses for Goods & services	209.06	248.65
TOTAL	**209.06**	**248.65**

Note 30 - Employee Benefit Obligations

(Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for Employees' benefits	15.30	7.75
TOTAL	**15.30**	**7.75**

Note 31 - Current Tax Liabilities

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for Taxation (net of taxes paid)	-	2,594.93
TOTAL	**-**	**2,594.93**

Notes Forming Part of Standalone Financial Statements

Note 32 - Revenue from Operations

(Amount in ₹ lakhs)

Particulars		For the year ended March 31, 2018		For the year ended March 31, 2017	
(a)	Revenue from e-governance activities, including Vakrangee Kendra		629,871.06		392,886.78
(b)	Revenue from Sale of Products				
	- Computer consumables & peripherals	1,976.97	1,976.97	391.43	391.43
(c)	Revenue from Sale of Services				
	- Information Technology-enabled Services (ITeS)	6,081.47		1,607.00	
	- Others	-	6,081.47	-	1,607.00
(d)	Other Operating Revenues				
	- Scrap Sales	1.34	1.34	9.51	9.51
TOTAL			**6,37,930.84**		**3,94,894.72**

Note:- The amount of revenues are exclusive of indirect taxes (service tax, value added tax, GST etc.).

Note 33 - Other Income

(Amount in ₹ lakhs)

Particulars		For the year ended March 31, 2018		For the year ended March 31, 2017	
(i)	**Interest Income**				
	(a) Interest Income on the financial assets at amortized cost				
	- Bank Deposits	2,614.07		149.92	
	- Loan to Subsidiary	594.41		772.00	
	(b) Other Interest Income	44.71	3,253.19	9.46	931.38
(ii)	Dividend income		49.28		-
(iii)	**Other non-operating income**				
	- Rent Received	2.30		1.50	
	- Net gain on disposal of Property plant and equipment	-		630.23	
	- Fair value gain on financial instrument at fair value through Profit and loss*	77.89		35.02	
	- Miscellaneous Income	0.30	80.49	14.02	680.77
TOTAL			**3,382.96**		**1,612.15**

*Total Fair value gain on financial instrument at fair value through profit and loss includes ₹ 5.74 lakhs (previous year ₹ 2.14 lakhs) as ' Net Gain/(Loss) on sale of Investments'

Notes Forming Part of Standalone Financial Statements

Note 34 - Operating Expenses

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
Project Delivery Cost				
- Opening Stock	43,107.33		45,934.19	
- Add : Purchase of goods and services	4,58,867.76		2,86,651.13	
- Less : Closing Stock	31.65	5,01,943.44	43,107.33	2,89,477.99
Project Expenses		898.74		2,066.54
Commission Expenses		2,666.74		2,003.23
Printing Charges		-		22.86
Communication Costs		24.75		19.45
Conveyance & Travelling Expenses		75.19		67.34
Transportation, Octroi and Loading / Unloading Charges		26.33		14.33
Rent, Rates and Taxes		116.38		116.07
TOTAL		**5,05,751.58**		**2,93,787.81**

Note 35 - Changes in Inventories

(Amount in ₹ lakhs)

Particulars		For the year ended March 31, 2018		For the year ended March 31, 2017	
(a)	**At the beginning of the period**				
(i)	Work-in-Progress	-		-	
(ii)	Stock-in-Trade	1,004.75	1,004.75	513.20	513.20
	Less : at the end of the period				
(i)	Work-in-Progress	-		-	
(ii)	Stock-in-Trade	1,682.98	1,682.98	1,004.75	1,004.75
TOTAL			**(678.23)**		**(491.55)**

Note 36 - Employee Benefits Expenses

(Amount in ₹ lakhs)

(a)	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(i)	Salaries & Wages	4,712.92	3,627.57
(ii)	Contribution to Provident & Other Funds	272.89	200.58
(iii)	Share-based Payment Expenses	1,626.37	326.74
(iv)	Staff Welfare Expenses	102.00	79.05
TOTAL		**6,714.18**	**4,233.94**

(b) Detailed note on disclosure as required by Ind AS-19

For details, refer Note No. 44.

Notes Forming Part of Standalone Financial Statements

Note 37 - Finance Costs

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
Interest Expenses				
- Banks	513.83		4,524.60	
- Others	57.21	571.04	119.77	4,644.37
Other Borrowing Costs		216.11		334.56
TOTAL		**787.15**		**4,978.93**

Note 38 - Other Expenses

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
Repairs & Maintenance :				
- Building	9.19		39.06	
- Vehicle	2.04		3.68	
- Others	29.18	40.41	21.55	64.29
Advertisement and Publicity Expenses		497.24		342.08
Business Promotion Expenses		314.06		257.14
Sponsorship Fees		15.90		108.00
Commission & Brokerage		0.28		1.71
Rates & Taxes		50.03		24.35
Insurance		21.07		16.04
Electricity Expenses		78.74		50.28
Printing and Stationery		46.43		32.80
Communication Costs		168.23		160.75
Fees & Subscriptions		7.76		29.66
Listing, Registrar & Share Issue/Transfer Expenses		57.50		39.26
Loss on Foreign Exchange Fluctuation		9.49		254.86
Directors' Remuneration		313.17		211.98
Directors' Sitting Fees		16.00		5.75
Legal & Professional Fees - Other than payments to Auditor:				
- Legal & Professional Fees	557.66		691.86	
- Filing Stamp Duty and Franking Charges	56.24		3.74	
- Registration charges	-	613.90	0.19	695.79
Payments to Auditors :				
- Audit fees	71.00		35.55	
- Tax Audit fees	7.50		8.08	
- For Other Services	0.31		6.71	
- For Reimbursement of Expenses	0.63	79.44	-	50.34

Notes Forming Part of Standalone Financial Statements

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
Conveyance & Travelling		242.75		239.25
Vehicle Expenses		12.13		9.81
Corporate Social Responsibility Expenditure (Refer Note 41)		424.00		211.09
Office & General Expenses		104.49		48.93
Bad debts written off		23,640.81		-
Allowance for credit losses				
- Opening Allowances	(1,661.44)		(807.48)	
- Less : Closing Allowances	(699.57)	(961.87)	(1,661.44)	853.96
Miscellaneous Expenses		44.82		32.09
TOTAL		**25,836.75**		**3,740.21**

Note 39 - Earnings Per Equity Share

(Amount in ₹ lakhs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a)	Net profit after tax attributable to equity shareholders for		
	Basic EPS	66,262.10	52,294.60
	Add/Less: Adjustment relating to potential equity shares	-	-
	Net profit after tax attributable to equity shareholders for Diluted EPS	66,262.10	52,294.60
(b)	Weighted average no. of equity shares (in lakhs) outstanding during the year		
	For Basic EPS	10,587.79	10,584.21
	For Diluted EPS	10,622.41	10,607.03
(c)	Face Value per Equity Share (₹)	1	1
	Basic EPS (₹) (Refer note (i) below)	6.26	4.94
	Diluted EPS (₹) (Refer note (i) below)	6.24	4.93
(d)	**Reconciliation between no. of shares (in lakhs) used for calculating basic and diluted EPS**		
	No. of shares used for calculating Basic EPS	10,587.79	10,584.21
	Add: Potential equity shares	34.62	22.82
	No. of shares used for calculating Diluted EPS	**10,622.41**	**10,607.03**

Note (i) :

The Board of Directors in its meeting held on November 13, 2017 had recommended issue of Bonus shares in the ratio of one Equity share of ₹ 1 each for one existing equity share of ₹ 1 each held. The issue of Bonus share approved by the Shareholder on December 16, 2017 and accordingly the Company allotted 52,94,01,545 number of fully paid equity shares on December 26, 2017. The Earnings Per Share (both basic and diluted) for the year ended March 31, 2017 have been restated to give effect to the aforesaid bonus shares as per Ind AS-33.

Notes Forming Part of Standalone Financial Statements

Note 40 - Contingent Liabilities and Commitments (to the extent not provided for)

(Amount in ₹ lakhs)

Particulars			As at March 31, 2018		As at March 31, 2017	
(A)	**Contingent Liabilities**					
	(i)	Claims against the company not acknowledged as debts	45.78		63.30	
	(ii)	Company has provided Counter Guarantee in relation to Bank Guarantee to various parties which is not acknowledged in books of accounts	856.08		926.66	
	(iii)	Company has provided Counter Guarantee in relation to Bank Guarantee to various parties on behalf of subsidairy company which is not acknowledged in books of accounts	360.00		163.52	
	(iv)	Disputed liabilities pertaining to Service Tax with CESTAT	156.19		156.19	
	(v)	Disputed liabilities pertaining to Sales Tax with appellate authorities	449.47		449.47	
	(vi)	Income Tax demand paid recoverable against appeal filed with Income Tax ITAT and Commissioner of Income Tax (Appeals)	-	1,867.52	409.81	2,168.95
(A)				1,867.52		2,168.95
(B)	**Commitments**					
(i)		Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	435.50	435.50	53.78	53.78
(B)				435.50		53.78
TOTAL (A + B)				**2,303.02**		**2,222.73**

Note :

The amount of liabilities, which may occur on levying of penalty and/or charges by clients for delays in execution of contracts within the time prescribed in the agreement, is unascertained.

Note 41 - Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act.

a) Gross amount required to be spent by the company during the year is ₹ 1,269.34 lakhs.

(Amount in ₹ lakhs)

Particulars		In Cash	Yet to be paid in Cash	Total
i)	Construction / acquisition of any asset	-	-	-
ii)	On purposes other than (i) above	424.00	-	424.00

Note 42 - Segment Reporting

The Company's activities predominantly revolve around providing the e-governance related activities of Mission Mode Projects covered under "National e-Governance Plan" (NeGP). Considering the nature of Company's business and operations, there is

Notes Forming Part of Standalone Financial Statements

only one reportable segment (business and / or geographical) in accordance with the requirements of the Indian Accounting Standard 108 – "Operating Segments". However, on the basis of delivery modes, the Company's business operations has been classified into two business segments, viz. e-Governance Projects and Vakrangee Kendra.

Revenue and identifiable operating expenses in relation to these segments are categorised based on items that are individually identifiable to those segments. Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably to utilise the resources optimally. The management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as 'unallocated' and adjusted against the total income of the Company. Fixed assets or liabilities contracted have not been identified to any of the segments as the fixed assets and services are used interchangeably between segments.

(Amount in ₹ lakhs)

Particulars	e-Governance Projects	Vakrangee Kendra	Total
Revenue from Operations	**52,343.99**	**585,586.85**	**637,930.84**
	(1,42,213.87)	(2,52,680.85)	(3,94,894.72)
Segmental Results (Profit before Depreciation, Interest and Tax)	**13,534.77**	**84,760.42**	**98,295.19**
	(39,430.98)	(53,455.65)	(92,886.63)
Less :			
Depreciation			**416.41**
			(7,295.52)
Impairment Loss			**277.61**
			(0.00)
Finance Costs			**787.15**
			(4,978.93)
Unallocable expenses (net of unallocable income)			**(3,382.96)**
			(-1,357.29)
Profit Before Tax			**1,00,196.98**
			(81,969.47)
Less : Tax Expense			**33,934.88**
			(29,674.88)
Profit After Tax			**66,262.10**
			(52,294.59)

(Amount in ₹ lakhs)

Particulars	e-Governance Projects	Vakrangee Kendra	Total
Segment Assets	**-**	**1,27,074.89**	**1,27,074.89**
	(14,605.92)	(66,827.18)	(81,433.10)
Add : Unallocable Assets			**1,70,540.01**
			(1,45,316.75)
Total Assets			**2,97,614.90**
			(2,26,749.85)
Segment Liabilities	**-**	**32,193.97**	**32,193.97**
	-	-	-
Add : Unallocable Liabilities			**7,195.76**
			(20,699.47)
Total Liabilities			**39,389.73**
			(20,699.47)

Note : Figures in brackets pertains to previous year.

Notes Forming Part of Standalone Financial Statements

The company identifies operating segments based on the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors committee that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Note 43 - Related Party Details

(a) Key Management Personnel and Directors

Mr. Dinesh Nandwana	Managing Director & Chief Executive Officer
Dr. Nishikant Hayatnagarkar	Whole-Time Director
Mr. Ramesh Joshi	Director
Mr. Sunil Agarwal	Director
Mr. Babulal Meena	Director
Mrs. Sujata Chattopadhyay	Director
Mr. Avinash Chandra Vyas	Director
Mr. Thangavelu Sitharthan	Nominee Director (upto February 12, 2018)
Mr. Ranbir Datt	Nominee Director (w.e.f. February 12, 2018)
Mr. Subhash Singhania	Chief Financial Officer (w.e.f. May 11, 2016)
Ms. Darshi Shah	Company Secretary and Compliance Officer (upto September 21, 2017)
Mr. Mehul Rawal	Company Secretary and Compliance Officer (w.e.f. September 21, 2017)

(b) Relative of key management personnel and Name of the enterprises having same key management personnel and/ or their relatives as the reporting enterprises with whom the Company has entered into transactions during the year

- Vakrangee Technologies Limited	Significant Influence of Mr. Dinesh Nandwana and through Vakrangee Holding Private Limited
- Mr. Manoj Nandwana	Nephew of Director
- Mr. Shelendra Nandwana	Nephew of Director
- Ms. Divya Nandwana (w.e.f. August 29, 2016)	Daughter of Director
- Mr. Vedant Nandwana (w.e.f. February 12, 2018)	Son of Director

(c) Subsidiary Companies with whom the Company has entered into transactions during the year

Name of subsidiaries	Country of Incorporation	Holding as at	
		March 31, 2018	March 31, 2017
Vakrangee e-Solutions Inc.	Phillipines	100%	100%
Vakrangee Finserve Limited	India	100%	100%
Vakrangee Logistics Private Limited (incorporated on March 18, 2016 as wholly-owned subsidiary)	India	100%	100%

Notes Forming Part of Standalone Financial Statements

Related Party Transactions

- In relation to (a)

(Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
Remuneration to Key Managerial Personnel		
- Dinesh Nandwana	271.66	171.25
- Dr. Nishikant Hayatnagarkar	41.51	40.74
- Subhash Singhania	33.11	26.57
- Darshi Shah	4.63	8.16
- Mehul Rawal	12.49	-
Post-employment benefits to Key Managerial Personnel		
- Dinesh Nandwana	13.88	6.55
- Dr. Nishikant Hayatnagarkar	12.48	7.63
- Subhash Singhania	2.01	0.58
- Darshi Shah	1.63	0.96
- Mehul Rawal	0.22	-
ESOP Perquisites		
- Dr. Nishikant Hayatnagarkar	35.57	-
Directors' Sitting Fees		
- Ramesh Mulchand Joshi	3.45	1.00
- Sunil Agarwal	3.20	0.80
- Babulal Meena	2.95	1.00
- Sujata Chattopadhyay	3.00	2.00
- Avinash Chandra Vyas	2.90	0.95
- Ranbir Datt	0.50	-
Balance outstanding as on March 31 :		
(Salaries Payable)		
- Dinesh Nandwana	13.14	-
- Dr. Nishikant Hayatnagarkar	3.47	-
- Subhash Singhania	3.19	-
- Mehul Rawal	2.17	-

- In relation to (b)

(Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
Reimbursement of Expenses Paid		
- Vakrangee Technologies Limited	-	7.93
- Manoj Nandwana	0.65	1.42
- Shelendra Nandwana	0.30	0.11
- Divya Nandwana	2.41	-
Employee Benefit Expenses		

Notes Forming Part of Standalone Financial Statements

- In relation to (b) (Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
- Manoj Nandwana	6.13	5.88
- Shelendra Nandwana	4.96	4.42
- Divya Nandwana	11.06	5.73
- Vedant Nandwana	0.75	-
ESOP Perquisites		
- Manoj Nandwana	3.56	-
Balance outstanding as on March 31 :		
(Expenses and Salaries Payable)		
- Manoj Nandwana	0.83	0.36
- Shelendra Nandwana	3.36	-
- Divya Nandwana	1.14	-
- Vedant Nandwana	0.60	-

Note : Corporate Guarantee given by Vakrangee Technologies Limited for working capital facilities availed by the Company :

- There are no working capital facilities outstanding as at March 31, 2018.
- March 31, 2017: Guarantee given to the extent of value of property, situated at Vakrangee House Bldg. No. 124, Marol Co-Op. Industrial Estate Ltd., Marol, Andheri (E), Mumbai.

- In relation to (c) (Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
Purchase of goods and services		
- Vakrangee Logistics Private Limited	9.71	30.71
Realisation from debtors		
- Vakrangee e-Solutions Inc.	1,950.54	-
Loans granted		
- Vakrangee e-Solutions Inc.	8.12	0.62
- Vakrangee Finserve Limited	-	16.75
- Vakrangee Logistics Private Limited	-	30.43
Interest on loan granted		
- Vakrangee e-Solutions Inc.	594.41	571.72
- Vakrangee Finserve Limited	-	199.88
- Vakrangee Logistics Private Limited	-	0.41
Loan received back		
- Vakrangee e-Solutions Inc.	1,429.52	-
- Vakrangee Finserve Limited	-	1,796.57
- Vakrangee Logistics Private Limited	-	40.37
Loans received		

Notes Forming Part of Standalone Financial Statements

- In relation to (c) (Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
- Vakrangee Finserve Limited	390.00	-
Interest on loan received		
- Vakrangee Finserve Limited	4.81	-
Loans repaid		
- Vakrangee Finserve Limited	390.00	-
Investments in Subsidiaries		
- Vakrangee Finserve Limited	-	1,475.00
- Vakrangee Logistics Private Limited	1,000.00	200.00
Margin Money against Guarantee issued by Bank		
- Vakrangee Finserve Limited	360.00	-
Balance Outstanding as on March 31 :		
- Vakrangee Logistics Private Limited (Trade Payables)	7.03	-
- Vakrangee e-Solutions Inc. (Loans Receivable, including foreign exchange fluctuation as at year end)	3,223.40	4,056.95
- Vakrangee e-Solutions Inc. (Trade Receivables; including foreign exchange fluctuation as at year end)	583.46	2,536.51

Note 44 - Employee Benefit Obligations

(i) Leave obligations

The leave obligations cover the Company's liability for earned leave.

The amount of provision of ₹ 131.49 lakhs (March 31, 2017 - ₹ 101.06 lakhs) is presented as current and non-current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employee to take the full amount of accrued leave or require payment within the next 12 months. The Company has accounted for provision of leave encashment as per Ind-AS 19 based on acturial valuation undertaken by a registered valuer.

(ii) Gratuity (post-employment benefits)

The Company provides for gratuity to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised/ approved funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. The Company has accounted for provision of gratuity as per Ind-AS 19 based on acturial valuation undertaken by a registered valuer.

(iii) Defined contribution plans

The Company also has ceratin defined benefit obligations. Contributions are made to provident fund in India for employees at the specified rate of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 160.12 lakhs (March 31, 2017 - ₹ 134.78 lakhs).

Notes Forming Part of Standalone Financial Statements

Gratuity

The following table sets out the amount recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

(Amount in ₹ lakhs)

Particulars	Present value of obligation	Fair value of Plan assets	Net amount
1-Apr-16	**145.44**	**(56.02)**	**89.41**
Current Service cost	60.29	-	60.29
Interest expense/(income)	10.91	(4.20)	6.71
Total amount recognised in profit and loss	**71.20**	**(4.20)**	**67.00**
Remeasurements			
Return on plan assets, excluding amounts included in interest	-	(0.25)	(0.25)
(Gain)/loss from change in financial assumptions	9.38	-	9.38
Experience (gains)/losses	(27.38)	-	(27.38)
Total amount recognised in other comprehensive income	**(18.00)**	**(0.25)**	**(18.25)**
Employer contributions	-	-	-
Benefit payments	(1.05)	1.05	-
31-Mar-17	**197.59**	**(59.43)**	**138.16**

(Amount in ₹ lakhs)

Particulars	Present value of obligation	Fair value of Plan assets	Net amount
1-Apr-17	**197.59**	**(59.43)**	**138.16**
Current Service cost	70.98	-	70.98
Past Service Cost	9.75	-	9.75
Interest expense/(income)	16.58	(3.69)	12.88
Total amount recognised in profit and loss	**97.31**	**(3.69)**	**93.62**
Remeasurements			
Return on plan assets, excluding amounts included in interest	-	5.90	5.90
(Gain)/loss from change in financial assumptions	(12.47)	-	(12.47)
Experience (gains)/losses	19.06	-	19.06
Total amount recognised in other comprehensive income	**6.59**	**5.90**	**12.49**
Employer contributions	-	(5.64)	(5.64)
Benefit payments	(17.67)	17.67	-
31-Mar-18	**283.82**	**(45.20)**	**238.62**

The net liability disclosed above relates to funded plans are as follows

(Amount in ₹ lakhs)

Particulars	31-Mar-18	31-Mar-17
Present value of funded obligations	283.82	197.59
Fair value of plan assets	(45.20)	(59.43)
Deficit/(Surplus) of gratuity plan	**238.62**	**138.16**

Notes Forming Part of Standalone Financial Statements

Significant estimates- actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows

	31-Mar-18	31-Mar-17
Discount rate	7.75%	7.50%
Salary growth rate (per annum)	5.00%	5.00%
Withdrawal rate (per annum) (18 to 30 years)	5.00%	2.00%
Withdrawal rate (per annum) (30 to 44 years)	3.00%	2.00%
Withdrawal rate (per annum) (44 to 60 years)	2.00%	2.00%
Expected rate of return	7.75%	7.50%
Mortality Table	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption		Impact on defined benefit obligation Increase in assumption		
	31-Mar-18	31-Mar-17		31-Mar-18	31-Mar-17
Discount rate	1%	1%	Decrease by	11%	13%
Salary growth rate	1%	1%	Increase by	13%	16%
Withdrawal rate	1%	1%	Increase by	3%	3%

Particulars	Change in assumption		Impact on defined benefit obligation Decrease in assumption		
	31-Mar-18	31-Mar-17		31-Mar-18	31-Mar-17
Discount rate	1%	1%	Increase by	13%	16%
Salary growth rate	1%	1%	Decrease by	11%	13%
Withdrawal rate	1%	1%	Decrease by	3%	4%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

***The major categories of plans assets are as follows :**

	In Percentage %	
	31-Mar-18	31-Mar-17
Equity instruments	5.55	7.71
Debt instruments	91.83	89.43
Government bonds	74.55	63.10
Corporate bonds/debentures	17.28	26.33
Asset backed securities	0.85	0.03
Cash and cash equivalents	1.77	2.83
TOTAL	**100.00**	**100.00**

*The Company contributes all the ascertained liabilities towards gratuity to Life Insurance Corporation of India (LIC) which is the insurer- managed fund. Since the investments in the plan assets is managed by LIC the detailed breakup of the investments is not made available to the Company.

Notes Forming Part of Standalone Financial Statements

Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed

Investment risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Most of the plan asset investment is in fixed income securities with high grades and in government securities which are subject to interest rate risk. A portion of the funds are invested in equity securities. The Company intends to maintain the above investment mix in the continuing years.
Interest risk	A decrease in the market yields in the government bond will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Maturity profile of gratuity liability and Employer contribution

Expected contributions to post-employment benefit plans for the year ending March 31, 2019 are ₹ 103.88 lakhs (as at March 31, 2018 : ₹ 81.32 lakhs).

The weighted average duration (based on discounted cash flows) of the defined benefit obligation is 21 years (Year ended March 31, 2017- 21 years). The expected maturity analysis of undiscounted gratuity is as follows :

Particulars	Amount in ₹ lakhs
Less than one year	8.44
Between 1-2 years	12.63
Between 2-5 years	77.36
Over 5 years	334.73
TOTAL	**433.16**

Note 45 - Share based payments

The company has formulated Employee Stock Option Scheme, 2008 (ESOP Scheme) which was approved by the members/ shareholders of the Company at their annual general meeting held on September 23, 2008, as modified on January 10, 2011 and June 01, 2012 annual report general meeting. Further the company has formulated the new "ESOP Scheme 2014" approved by the members of the company through postal ballot on May 23, 2014. The Employee Option Plan is designed to provide incentives to all the existing employees serving with the Company. Under the plan, employees are granted options which vest proportionately from 2 – 6 years from the grant date which includes lock in period.

Once vested, the options remain exercisable for a period of 4 years.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. The exercise price of the options is a price which is determined at 50% of market price of the scrip of the company (on the highest traded Stock Exchange) or at any other price as decided by the Nomination and Remuneration and Compensation Committee.

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Set out below is a summary of options granted under the plan:

Particulars	31-Mar-18		31-Mar-17	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	90.29	15,62,775	90.09	20,48,530
Granted during the year	127.71	30,09,000	-	-
Grant of options on issue of bonus shares during the year	88.93	35,35,025	-	-
Exercised during the year	36.74	1,69,125	243.95	36,250
Forfeited during the year	101.78	4,10,225	95.01	4,49,505
Expired during the year	-	-	-	-
Closing Balance	**95.81**	**75,27,450**	**90.29**	**15,62,775**
Vested and exercisable	43.24	7,60,450	110.77	6,98,375

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2018 was ₹ 46.50 (March 31, 2017 : ₹ 243.95).

No options expired during the periods in the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price (₹)	Share options 31-Mar-18	Share options 31-Mar-17
20/0 7/2012	19/07/2021	10.00	52,250	27,875
26/11/2014	26/11/2023	32.35	10,10,300	6,82,400
11/03/2016	10/03/2025	56.54	14,99,900	8,52,500
26/07/2017	25/07/2026	109.40	38,78,600	-
26/10/2017	25/10/2026	137.33	6,29,000	-
09/01/2018	08/01/2027	202.28	4,57,400	-
TOTAL			**75,27,450**	**15,62,775**

Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2018 was ₹ 284.58, ₹ 362.48 and ₹ 260.00 per option respectively for the three grants issued during the year (March 31, 2017 : ₹ Nil). The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2018 included:

a) Options are granted for consideration and vest upon completion of service for a period of one / two years. Vested options are exercisable for a period of one / two years after vesting.

Particulars		Year ended March 31, 2018			Year ended March 31, 2017
b)	(i) Exercise price - Pre Bonus issue (₹)	218.80	274.65		Nil
b)	(ii) Exercise price - Post bonus issue (₹)	109.40	137.33	202.38	Nil
c)	Grant date	26/07/2017	25/10/2017	08/01/2018	Nil
d)	Expiry date	26/07/2026	25/10/2026	08/01/2027	Nil
e)	Share price at grant date (₹)	437.60	549.30	405.40	Nil

Notes Forming Part of Standalone Financial Statements

Particulars		Year ended March 31, 2018			Year ended March 31, 2017
f)	Expected price volatility of the company's shares	39.83%	38.53%	71.40%	Nil
g)	Expected dividend yield	0.40%	0.40%	0.40%	Nil
h)	Risk free interest rate	6.55%	6.75%	6.60%	Nil
h)	Fair value (₹)	284.58	362.48	260.00	Nil

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

b) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognized in profit or loss as part of employee benefit expense were as follows:

(Amount in ₹ lakhs)

Particulars	March 31, 2018	March 31, 2017
Employee Stock Option Plan	1,626.37	326.74

Note 46 - Financial Instruments

(i) Mehtod and assumptions used to estimate the fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial as well as non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 : Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 : Inputs other than prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : Unobservable inputs for the asset or liability.

The carrying value and fair value by each classification as at March 31, 2018 were as follows:-

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	3,223.40	-	-	3,223.40	-	-
Trade Receivables	1,27,658.35	-	-	1,27,658.35	-	-

Notes Forming Part of Standalone Financial Statements

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Cash & Cash equivalents	70,244.69	-	-	70,244.69	-	-
Other Bank Balances	73,661.10	-	-	73,661.10	-	-
Short Term Loans	93.45	-	-	93.45	-	-
Other Financial Assets	698.23	-	-	698.23	-	-
Investments*	-	2,899.49		2,899.49	2,803.29	96.20
TOTAL	**2,75,579.22**	**2,899.49**	**-**	**2,78,478.71**	**2,803.29**	**96.20**

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Trade Payables	34,481.90	-	-	34,481.90	-	-
Other Financial Liabilities	1,282.47	-	-	1,282.47	-	-
TOTAL	**35,764.37**	**-**	**-**	**35,764.37**	**-**	**-**

The carrying value and fair value by each classification as at March 31, 2017 were as follows:-

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	4,056.95	-	-	4,056.95	-	-
Trade Receivables	83,969.61	-	-	83,969.61	-	-
Cash & Cash equivalents	57,732.88	-	-	57,732.88	-	-
Other Bank Balances	1,641.44	-	-	1,641.44	-	-
Short term Loans	77.37	-	-	77.37	-	-
Other financial assets	1,151.83	-	-	1,151.83	-	-
Investments*	-	184.82	-	184.82	140.52	44.30
TOTAL	**1,48,630.08**	**184.82**	**-**	**1,48,814.90**	**140.52**	**44.30**

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	14,401.89	-	-	14,401.89	-	-
Trade Payables	2,045.25	-	-	2,045.25	-	-
Other Financial Liabilities	101.07	-	-	101.07	-	-
TOTAL	**16,548.21**	**-**	**-**	**16,548.21**	**-**	**-**

*excluding Investments in Subsidiary Companies (₹ 2,796.00 lakhs (March 31, 2017 : ₹ 1,796.00 lakhs) measured at cost.

(ii) Financial Risk Management

The Board of Directors has overall responsibility for the establishment and overview of the company's risk management framework. The Board of Directors has established a risk management policy to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the company's activities. The Audit

Notes Forming Part of Standalone Financial Statements

Committee oversees how management monitors compliances with the company's risk management policies and procedures, and reviews the risk management framework. The Audit Committee is assisted in its role by Internal Audit. Internal Audit covers review of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company's activities are exposed to various risk viz. Credit Risk, Liquidity Risk and Market Risk. In order to minimise any adverse effects on the financial performance of the Company, it uses various instruments and follows policies set up by the Board of Directors / Management of the Company.

a) Credit Risk :

Credit risk is the risk of financial loss arising from counter party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by credit rating agencies.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks and other counter parties for the facilities availed by subsidiary. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Table showing age of gross trade receivables and movement in expected credit loss allowance:

(Amount in ₹ lakhs)

Age of receivables	March 31, 2018	March 31, 2017
Within the credit period	1,25,995.00	63,642.45
1-90 days past due	674.87	17,667.04
91-180 days past due	35.17	90.71
181-270 days past due	328.81	206.10
More than 270 days past due	1,324.07	4,024.75
TOTAL	**1,28,357.92**	**85,631.05**

Movement in the expected credit loss allowance	March 31, 2018	March 31, 2017
Balance at beginning of the year	1,661.44	807.48
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(961.87)	853.96
TOTAL	**699.57**	**1,661.44**

b) Liquidity Risk :

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation, typically the company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

Notes Forming Part of Standalone Financial Statements

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities :

(Amount in ₹ lakhs)

As on March 31, 2018	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	-	-	-	-
Current borrowings	-	-	-	-

(Amount in ₹ lakhs)

As on March 31, 2017	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	-	-	-	-
Current borrowings	14,401.89	-	-	14,401.89

c) Market Risk :

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments.

(i) Market Risk - Foreign Exchange

Foreign currency Risk is that risk in which fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company operates internationally and a portion of its business is transacted in several currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company hedges the receivables as well as payables by forming view after discussion with Forex consultant and as per policies by Management. The Company is also exposed to the Foreign currency loans availed from various banks to reduce the overall interest cost.

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows:

(Amount in ₹ lakhs)

Currency	Liabilities		Assets	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
US Dollar (USD)	-	-	3,806.86	6,593.46

Foreign Currency Exposure

(Amount in USD lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Trade Receivables	8.97	39.12
Loans Receivable	49.56	62.57
TOTAL	**58.53**	**101.69**

Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and impact on Equity

(Amount in ₹ lakhs)

Currency	Impact of Profit and Loss / Equity			
	For year ended March 31, 2018		For year ended March 31, 2017	
	1% increase	1 % decrease	1% increase	1 % decrease
US Dollar (USD)	38.07	(38.07)	65.93	(65.93)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Notes Forming Part of Standalone Financial Statements

ii) Market Risk - Interest Rate

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company does not have any borrowings outstanding as at March 31, 2018 and in absence of exposure to interest rates on borrowings, the impact of interest rate sensitivity analysis is not required.

Note 47 - Disclosure under Section 186 (4) of the Companies Act, 2013 pertaining to subsidiaries and associates

(i) Details of loans to subsidiaries

(Amount in ₹ lakhs)

Name of Subsidiaries	As at March 31, 2018	As at March 31, 2017
- Vakrangee e-Solutions Inc. (Purpose of loan is to provide financial assistance to the subsidiary company)	3,223.40	4,056.95
TOTAL	**3,223.40**	**4,056.95**

(ii) Details of Investment in Subsidiaries

Name of Subsidiaries	No. of Shares as at year-end	% of shareholding
Vakrangee e-Solutions Inc. (Incorporated in Philippines)	96,000	100%
Vakrangee Finserve Limited	1,50,00,000	100%
Vakrangee Logistics Private Limited	1,20,00,000	100%

Note 48 - Income Taxes

(a) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before income taxes	1,00,196.98	81,969.47
Enacted tax rates in India	34.61%	34.61%
Computed expected tax expense	34,678.17	28,369.64
Effect of non-deductible expenses	315.91	2,584.93
Others	-	(0.31)
Income Tax expense	**34,992.08**	**30,954.26**

(b) The following table provides the details of income tax liabilities and income tax assets as of March 31, 2018 and March 31, 2017 :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Current Income Tax Liabilities	-	2,594.93
Income Tax Assets	950.25	487.18
Net current income tax liabilities / (assets) at the end	**(950.25)**	**2,107.75**

Notes Forming Part of Standalone Financial Statements

The gross movement in the current income tax liability / (asset) for the year ended March 31, 2018 and March 31, 2017 is as follows:

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Net current income tax liability / (asset) at the beginning	**2,107.75**	**433.23**
Income Tax paid	(38,050.07)	(29,279.75)
Current Income Tax expense	34,992.08	30,954.26
Net current income tax liability / (asset) at the end	**(950.25)**	**2,107.75**

(c) The gross movement in the deferred income tax account for the year ended March 31, 2018 and March 31, 2017, are as follows:

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Net deferred income tax liability at the beginning	**0.00**	**1,288.19**
Movements relating to temporary differences	(1,057.20)	(1,279.38)
Temporary differences on other comprehensive income	(4.36)	(8.81)
Net deferred income tax liability at the end	**(1,061.56)**	**0.00**

The timing differences arising as at year-end are deferred tax assets. There are no items for which there is deferred tax liability as at year-end. Hence, on the basis of reasonable certainty, such deferred tax assets have not been recognised and carried forward during the year ended on March 31, 2017.

Note 49 - Other Comprehensive Income

During the year, Company has made an irrevocable election to present the subsequent changes in the fair value of equity instruments, not held for trading, in the Other Comprehensive Income. The cumulative loss recognised on disposal of equity instruments for the year ended March 31, 2018 is ₹ 3,086.34 lakhs. Dividend recognised during the year for the investment disposed off is ₹ 46.96 lakhs.

Note 50 - Previous year figures

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and polices to the extent applicable. The previous year's figures have been regrouped / reclassified wherever necessary, to make them comparable.

As per our report of even date

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. : 116293W

Ankush Goyal
Partner
Membership No.: 146017

Place : Mumbai
Date : June 14, 2018

For and on behalf of the Board of Directors

Dinesh Nandwana
Managing Director & CEO
DIN : 00062532

Subhash Singhania
Chief Financial Officer

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Mehul Rawal
Company Secretary

Independent Auditors' Report

TO THE MEMBERS OF VAKRANGEE LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of **VAKRANGEE LIMITED** ("the Holding Company"), its Subsidiaries (the Holding company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "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 the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance (including Other Comprehensive Income), Consolidated Changes in Equity and Consolidated Cash Flows of the Group in accordance with the Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principle generally accepted in India..

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 Consolidated 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. In conducting our Audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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 Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's 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 the other auditor in terms of their report referred to in the sub-paragraph (i) and (ii) of the '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 and based on the consideration of reports of other auditors on the separate financial statements and on the other financial information of subsidiaries, 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 Company as at March 31, 2018, and its Consolidated profits including Other Comprehensive Income, the Consolidate Statement of Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

Other Matters

(i) We did not audit the financial statements of two subsidiaries included in the Consolidated Financial Statements, whose financial statements reflect total assets of ₹ 3,880.77 Lakhs as at March 31, 2018, total revenues of ₹ 5,289.17 Lakhs and net cash inflow amounting to ₹ 918.71 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the management.

Independent Auditors' Report

(ii) The Standalone Financial Statement of one subsidiary located outside India whose separate financial statement reflects total assets of ₹ 4,390.35 Lakhs as at March 31, 2018, total revenue of ₹ 7,051.64 Lakhs for the year then ended, has been prepared in accordance with accounting principles generally accepted in such country and which has been reviewed by the other auditor under generally accepted auditing standard applicable in that country. The Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. Our conclusion in so far relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor, conversion adjustments prepared by the management of the Company and reviewed by another Chartered Accountant whose report has been furnished to us on which we placed reliance.

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 matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the management.

(iii) The comparative financial information of the Group for the year ended March 31, 2017, prepared in accordance with Indian Accounting Standards, included in these Consolidated Financial Statements, have been audited by another Firm of Chartered Accountants who, vide their report dated May 30, 2017, expressed an unmodified opinion.

Report on Other Legal and Regulatory Requirements

As required by the section 143 (3) of the Act, based on our report and on consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as referred in the 'Other Matters' paragraph, 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 have been relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

c. The Consolidated Balance sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Financial Statements;

d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors of Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary Company incorporated in India, none of the directors of the Group Companies are 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 and operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiaries, refer to our separate report in **"Annexure A"** to this report;

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 explanation given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other Matters' paragraph:

   i. The Consolidated Financial Statements disclose the impact of pending litigation on the Consolidated Financial Position of the Group. Refer to Note 39 to the Consolidated Financial Statements;

   ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2018;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2018.

For **A. P. Sanzgiri & Co.**
Chartered Accountants
FRN: 116293W

Ankush Goyal
Partner
M.No :146017

Mumbai
June 14, 2018

Annexure A to The Independent Auditors' Report

(Referred to in the paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Vakrangee Limited of even date).

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

In conjunction with our audit of the Consolidated Financial Statements of the Vakrangee Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Vakrangee Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary Companies, which are Companies incorporated in India, are responsible for establishing and maintaining internal financial controls 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 ('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 respective 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company and its subsidiaries, which are Companies incorporated in India, 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by the other auditor in terms of their report referred to in the 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

The 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 authorisations 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.

Annexure A to The Independent Auditors' Report

(Referred to in the paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Vakrangee Limited of even date).

Opinion

In our opinion, to best of our information and according to the explanation given to us, and based on the consideration of report of other auditor, as referred to in 'Other Matter' paragraph the Holding Company and its Subsidiary Companies, which are companies incorporated in India, have, maintained 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, in so far as it relates to separate financial statements of 2 subsidiaries, which are Companies incorporated in India, is based on the corresponding reports of the auditor of such subsidiary Companies incorporated in India.

For **A. P. Sanzgiri & Co.**
Chartered Accountants
FRN: 116293W

Ankush Goyal
Partner
M.No :146017

Mumbai
June 14, 2018

Consolidated Balance Sheet
as at March 31, 2018

(Amount in ₹ lakhs)

	Particulars	Note No.	As at March 31, 2018		As at March 31, 2017	
I	**ASSETS**					
1	**Non - Current Assets**					
	Property Plant and Equipment	4		8,968.98		2,861.95
	Capital Work-in-Progress	4		320.95		4.05
	Investment Property	5		8.51		8.68
	Financial Assets					
	(i) Investments	6	2,810.83		128.52	
	(ii) Trade Receivables	7	-		-	
	(iii) Loans		-		-	
	(iv) Other Financial Assets	8	564.12	3,374.95	253.71	382.23
	Deferred Tax Assets (net)	9		1,132.00		185.91
	Other Non - Current Assets	10		1,156.88		621.66
	Total Non-current Assets			**14,962.27**		**4,064.48**
2	**Current Assets**					
	Inventories	11		1,714.63		49,918.88
	Financial Assets					
	(i) Investments	12	88.66		56.30	
	(ii) Trade Receivables	13	1,30,788.68		82,435.72	
	(iii) Cash and Cash equivalents	14	73,289.37		58,243.73	
	(iv) Bank Balances other than (iii) above	14	74,155.14		2,076.04	
	(v) Loans	15	113.86		97.37	
	(vi) Other Financial Assets	16	674.32	2,79,110.03	1,095.48	1,44,004.64
	Current Tax Assets (Net)	17		247.01		400.79
	Other Current Assets	18		3,230.27		28,455.45
	Total Current Assets			**2,84,301.94**		**2,22,779.76**
	TOTAL			**2,99,264.21**		**2,26,844.24**
II	**EQUITY AND LIABILITIES**					
1	**Equity**					
	Equity Share Capital	19		10,588.03		5,292.32
	Other Equity	20		2,48,653.22		2,00,082.94
	Total Equity			**2,59,241.25**		**2,05,375.26**
2	**Liabilities**					
(i)	**Non - Current Liabilities**					
	Financial Liabilities					
	(i) Trade Payables	21	354.13		98.89	
	(ii) Other Financial Liabilities	22	38.10	392.23	38.10	136.99
	Employee Benefit Obligations	23		357.65		233.39
	Total Non-Current Liabilities			**749.88**		**370.38**
(ii)	**Current Liabilities**					
	Financial Liabilities					
	(i) Borrowings	24	-		14,401.89	
	(ii) Trade Payables	25	34,655.54		2,968.68	
	(iii) Other Financial Liabilities	26	1,273.47	35,929.01	62.97	17,433.54
	Other Current Liabilities	27		3,118.14		448.21
	Provisions	28		210.53		574.04
	Employee Benefit Obligations	29		15.40		7.80
	Current Tax Liabilities	30		-		2,635.01
	Total Current Liabilities			**39,273.08**		**21,098.60**
	Total Liabilities (i +ii)			**40,022.96**		**21,468.98**
	TOTAL			**2,99,264.21**		**2,26,844.24**
	Significant Accounting Policies and Notes forming part of the Consolidated Financial Statements	1-49				

As per our report of even date

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. : 116293W

Ankush Goyal
Partner
Membership No.: 146017

Place : Mumbai
Date : June 14, 2018

For and on behalf of the Board of Directors

Dinesh Nandwana
Managing Director & CEO
DIN : 00062532

Subhash Singhania
Chief Financial Officer

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Mehul Rawal
Company Secretary

Consolidated Statement of Profit and Loss
for the year ended March 31, 2018

(Amount in ₹ lakhs)

	Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I	**Income**			
	Revenue from Operations	31	6,50,199.56	4,00,046.38
	Other Income	32	3,448.59	528.33
	Total Income		**6,53,648.15**	**4,00,574.71**
II	**Expenses**			
	Operating Expenses	33	5,11,112.93	2,97,522.44
	Purchase of Stock-in-Trade		2,011.37	992.53
	Changes in Inventories	34	3,425.33	(1,018.93)
	Employee Benefit Expenses	35	6,880.53	4,398.67
	Finance Costs	36	1,030.54	5,009.21
	Depreciation and Amortization Expense	4,5	417.04	7,338.72
	Impairment Loss	4	277.61	-
	Other Expenses	37	26,105.70	3,550.67
	Total Expenses		**5,51,261.05**	**3,17,793.31**
III	**Profit Before Tax**		**1,02,387.10**	**82,781.40**
IV	**Tax Expense:**			
	(a) Current Tax		35,283.19	31,111.63
	(b) Deferred Tax		(941.73)	(1,409.75)
			34,341.46	**29,701.88**
V	**Profit for the year**		**68,045.64**	**53,079.52**
VI	**Other Comprehensive Income**			
	Items that will be reclassified subsequently to profit or loss			
	Exchange difference on translation of foreign operations		(92.28)	(1,625.16)
	Items that will not be reclassified subsequently to profit or loss			
	i) Fair value gain on financial instrument at fair value through OCI		(3,086.34)	-
	ii) Remeasurement of net defined benefit obligations (net of taxes)		(8.12)	(16.64)
	Other Comprehensive Income (net of tax)		**(3,186.74)**	**(1,641.80)**
	Total Comprehensive Income for the period		**64,858.90**	**51,437.72**
VII	**Weighted Average No. of equity shares for computing EPS (in lakhs)**	38		
	(1) Basic		10,587.79	10,584.21
	(2) Diluted		10,622.41	10,607.03
VIII	**Earnings Per Equity Share (Face Value ₹ 1/- Per Share):**	38		
	(1) Basic (₹)		6.43	5.02
	(2) Diluted (₹)		6.41	5.01
	Significant Accounting Policies and Notes forming Part of the Consolidated Financial Statements	1-49		

As per our report of even date

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. : 116293W

Ankush Goyal
Partner
Membership No.: 146017

Place : Mumbai
Date : June 14, 2018

For and on behalf of the Board of Directors

Dinesh Nandwana
Managing Director & CEO
DIN : 00062532

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Subhash Singhania
Chief Financial Officer

Mehul Rawal
Company Secretary

Consolidated Cash Flow Statement

for the year ended March 31, 2018

(Amount in ₹ lakhs)

S. No	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
I	**Cash flow from operating activities**		
	Profit before tax from continuing operations	1,02,387.10	82,781.40
	Profit before tax	**1,02,387.10**	**82,781.40**
	Non-cash adjustment to reconcile profit before tax to net cash flows		
	Depreciation of property, plant and equipment	416.87	7,338.55
	Depreciation of investment properties	0.17	0.17
	Impairment of Property, Plant and Equipment	277.61	-
	Employee share based payment expenses	1,626.37	326.74
	Net foreign exchange differences	9.28	155.66
	Allowance for credit losses	(817.42)	865.86
	Fair value gain on financial instrument at fair value through Profit and loss	(77.89)	(35.02)
	Remeasurement of defined benefit obligations	(12.49)	(25.45)
	Gain on disposal of property, plant and equipment	-	(630.54)
	Finance costs	1,030.54	5,009.21
	Interest income	(2,963.82)	(201.64)
	Dividend income	(49.28)	-
	Operating profit before working capital changes	**1,01,827.04**	**95,584.94**
	Movements in assets and liabilities :		
	Decrease / (increase) in inventories	48,204.25	786.82
	Decrease / (increase) in trade receivables	(47,561.03)	2,592.16
	Decrease / (increase) in loans and other financial assets	(71,999.82)	2,283.57
	Decrease / (increase) in other current assets	25,225.18	9,052.97
	Decrease / (increase) in other non-current assets	116.32	1,066.85
	Increase / (decrease) in trade payables	31,942.10	(8,590.16)
	Increase / (decrease) in employee benefit obligations	131.86	55.62
	Increase / (decrease) in provisions	(363.51)	(3,185.65)
	Increase / (decrease) in other financial liabilities	1,210.51	(2,440.85)
	Increase / (decrease) in other current liabilities	2,669.94	(881.69)
	Cash generated from operations	**91,402.84**	**96,324.58**
	Income taxes paid (net of refunds)	(38,415.96)	(29,449.66)
	Net cash flow from operating activities (A)	**52,986.88**	**66,874.92**
II	**Cash flow from investing activities**		
	Purchase of property, plant and equipment, including CWIP	(7,118.42)	(1,115.67)
	Proceeds from sale of property, plant and equipment	-	4,754.99
	Purchase of investments	(41,127.62)	(12.00)
	Proceeds from sale of investments	35,404.51	12.14
	Decrease in foreign currency translation reserve	(60.80)	1,528.10
	Interest received	2,963.82	201.64
	Dividends received	49.28	-
	Net cash flow from/(used in) investing activities (B)	**(9,889.23)**	**5,369.21**

Consolidated Cash Flow Statement

for the year ended March 31, 2018

(Amount in ₹ lakhs)

S. No	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
III	**Cash flow from financing activities**		
	Proceeds from issue of shares	1.69	0.36
	Proceeds towards securities premium on issue of shares	122.57	6.89
	Repayment of borrowings	-	(1,221.98)
	Interest paid	(1,030.54)	(5,009.21)
	Dividends paid to company's shareholders	(10,588.03)	(6,614.95)
	Dividend Distribution Tax paid	(2,155.47)	(1,346.65)
	Net cash flow (used in) in financing activities (C)	**(13,649.78)**	**(14,185.54)**
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	**29,447.87**	**58,058.59**
	Effects of exchange rate changes on cash and cash equivalents	(0.34)	(0.16)
	Cash and cash equivalents at the beginning of the year	43,841.84	(14,216.60)
	Cash and cash equivalents at the end of the year	**73,289.37**	**43,841.84**

Significant Accounting Policies and Notes forming Part of the Consolidated Financial Statements **1-49**

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. : 116293W

Ankush Goyal
Partner
Membership No.: 146017

Place : Mumbai
Date : June 14, 2018

For and on behalf of the Board of Directors

Dinesh Nandwana
Managing Director & CEO
DIN : 00062532

Subhash Singhania
Chief Financial Officer

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Mehul Rawal
Company Secretary

Statement of changes in equity
for the year ended March 31, 2018

(Amount in ₹ lakhs)

Particulars	Equity Share Capital	Other Equity							Total equity attributable to equity holders of the Company
		Reserves and surplus				Other Comprehensive Income			
		Securities premium reserve	Retained earnings	General Reserve	Share Options Outstanding Account	Equity instruments through other comprehensive income	Other items of other comprehensive income	Foreign Currency Translation Reserve	
Balance as at March 31, 2016	**5,291.96**	**41,995.65**	**1,03,894.74**	**7,791.68**	**372.47**	**-**	**(37.69)**	**(993.98)**	**1, 58,314.83**
Increase in share capital on account of conversion of share warrants	-	-	-	-	-	-	-	-	**-**
Increase in share capital on account of conversion of ESOPs	0.36	-	-	-	-	-	-	-	**0.36**
Amount received on shares issued during the year	-	6.89	-	-	-	-	-	-	**6.89**
Transferred from Share Options Outstanding Account	-	7.29	-	-	(7.29)	-	-	-	**-**
Profit for the year	-	-	53,079.52	-	-	-	-	-	**53,079.52**
Dividends (including corporate dividend tax)	-	-	(7,961.60)	-	-	-	-	-	**(7,961.60)**
Transfer to General Reserve	-	-	(3,914.71)	3,914.71	-	-	-	-	**-**
Share-based payments (net)	-	-	-	-	326.74	-	-	-	**326.74**
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	(16.64)	-	**(16.64)**
Exchange Translations	-	-	-	-	-	-	-	1,625.16	**1,625.16**
Balance as at March 31, 2017	**5,292.32**	**42,009.83**	**1,45,097.94**	**11,706.39**	**691.92**	**-**	**(54.33)**	**631.18**	**2,05,375.26**
Increase in share capital on account of conversion of share warrants	-	-	-	-	-	-	-	-	**-**
Increase in share capital on account of conversion of ESOPs	1.69	-	-	-	-	-	-	-	**1.69**
Amount received on shares issued during the year	-	122.57	-	-	-	-	-	-	**122.57**
Transferred from Share Options Outstanding Account	-	186.12	-	-	(186.12)	-	-	-	**-**
Profit for the year	-	-	68,045.62	-	-	-	-	-	**68,045.62**

Statement of changes in equity
for the year ended March 31, 2018

(Amount in ₹ lakhs)

Particulars	Equity Share Capital	Other Equity							Total equity attributable to equity holders of the Company
		Reserves and surplus				Other Comprehensive Income			
		Securities premium reserve	Retained earnings	General Reserve	Share Options Outstanding Account	Equity instruments through other comprehensive income	Other items of other comprehensive income	Foreign Currency Translation Reserve	
Dividends (including dividend distribution tax)	-	-	(12,743.50)	-	-	-	-	-	**(12,743.50)**
Transfer to General Reserve	-	-	(5,229.46)	5,229.46	-	-	-	-	**-**
Transfer from General Reserve for issue of Bonus Shares	5,294.02	-	-	(5,294.02)	-	-	-	-	**-**
Share-based payments (net)	-	-	-	-	1,626.37	-	-	-	**1,626.37**
Fair value gain on financial instruments at fair value through OCI	-	-	-	-	-	-	-	-	**-**
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	(8.12)	-	**(8.12)**
Fair value gain on financial instruments at fair value through OCI						(3,086.34)	-	-	**(3,086.34)**
Exchange Translations	-	-	-	-	-	-	-	(92.28)	**(92.28)**
Balance as at March 31, 2018	**10,588.03**	**42,318.52**	**1,95,170.60**	**11,641.83**	**2,132.17**	**(3,086.34)**	**(62.45)**	**538.90**	**2,59,241.26**

Significant Accounting Policies and Notes forming Part of the Consolidated Financial Statements 1-49

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. : 116293W

Ankush Goyal
Partner
Membership No.: 146017

Place : Mumbai
Date : June 14, 2018

For and on behalf of the Board of Directors

Dinesh Nandwana
Managing Director & CEO
DIN : 00062532

Subhash Singhania
Chief Financial Officer

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Mehul Rawal
Company Secretary

Notes to consolidated financial statements
for the year ended March 31, 2018

Note 1 - Corporate Information

Vakrangee Limited (hereinafter referred to as "the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 'Vakrangee Corporate House', Plot No. 93, Road No. 16, M.I.D.C, Andheri (East), Mumbai – 400 093, Maharashtra, India. The Company's shares are listed on two stock exchanges in India- the Bombay Stock Exchange (BSE) and National Stock Exchange of India (NSE).

Vakrangee Limited along with its subsidiaries, Vakrangee e-Solutions Inc. (Philippines), Vakrangee Finserve Limited and Vakrangee Logistics Private Limited (hereinafter referred to as "Group") is engaged in providing diverse solutions, activities in e-governance and e-commerce sector, including bullion and jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and e-governance enrollment projects, data digitization.

The consolidated financial statements were authorized for issue by the Board of Directors on June 14, 2018.

Note 2 - Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These accounting policies have been consistently applied to all the years presented by the Group unless otherwise stated.

A. Basis of preparation

i. Statement of compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as "Ind AS") under the provisions of the Companies Act, 2013 (hereinafter referred to as `the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Group has adopted the Ind AS standards in accordance with Ind AS 101 *First time adoption of Ind AS* was done during the year ended March 31, 2017.

The accounting policies have been consistently applied by the Group unless otherwise stated or where a newly issued accounting standard is initially adopted.

ii. Basis of preparation

The consolidated financial statements have been prepared on historical cost basis except the following asset and liabilities which have been measured at fair value amount:

- certain financial assets and liabilities (including derivative instruments) ;
- defined benefit plans- plan assets; and
- Equity -settled Share Based Payments

The Consolidated Financial statements of the Group are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded off to Lakhs, except when otherwise indicated.

iii. Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company, entities (including structured entities) controlled by the Company and its subsidiaries.

Control is achieved when the Company

- has power over the investee;
- it is exposed, or has rights, to variable returns from its involvement with the investee ; and
- has the ability to affect those returns through its power over the investee.

Notes to consolidated financial statements
for the year ended March 31, 2018

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights if the investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements;
- the Group's voting rights and potential voting rights. In assessing control, potential voting rights that currently are exercisable are taken into account; and
- the size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder's meetings.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and ceases control when the Group loses control of the subsidiary. The income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit and loss from the effective date the Company gains control until the date when the Company ceases to control the subsidiaries.

The financial statements of the subsidiary companies and entities (including structured entities) controlled by the Company used in the consolidation are drawn up to the same reporting date as of the Company, Accounting policies of the respective subsidiaries are adjusted wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together of like items of assets, liabilities, equity, income, expenses and cash flows, after fully eliminating intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group on consolidation.

Changes in the Group's ownership interests in existing subsidiaries:

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling

Notes to consolidated financial statements
for the year ended March 31, 2018

interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed of.

B. Summary of significant accounting policies

i. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current /non-current classification.

For the Purpose of Balance Sheet, an asset is classified as current if :

- It is expected to be realized, or intended to be sold or consumed, in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is expected to be realized within twelve months after the reporting date; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- It is expected to be settled in normal operating cycle; or
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non–current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and services offered by the Company, operating cycle determined is 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents,

ii. Segment Reporting

The Group identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

iii. Foreign Currencies

Transaction and balances

Transactions in foreign currencies are initially recorded by the company in their functional currency at the exchange rate prevailing on the date of transaction.

Notes to consolidated financial statements
for the year ended March 31, 2018

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency using rate of exchange Prevailing on balance sheet date.

Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit or loss except where:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates on the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Group Companies

For the purposes of presenting these consolidated financial statements, the financial statements of of foreign operations/ foreign subsidiaries that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated into INR at the exchange rate prevailing at the end of each reporting period.
- Income and expenses are translated at average exchange rates for the period (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions),
- Equity is recorded at the historical rate on the date of issue and hence, is not required to be re-translated at each subsequent reporting date, and
- All the resulting foreign exchange differences are recognised in other comprehensive income and held in foreign currency translation reserve ('FCTR'), a component of Equity.

When the foreign operation is either partially or fully disposed off, the proportionate share or entire cumulative foreign exchange differences (pertaining to the said operation that are held in FCTR as at the date of disposal) respectively, are re-classified from Equity and considered in calculating the resulting profit / (loss) on sale of the operation. The said profit / (loss) on sale of the operation is recognized in the Statement of Profit and loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognized in other comprehensive income.

iv. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Sale of services

The Company recognizes revenue on accrual basis when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method of recognizing the revenues and costs depends on the nature of the services rendered. Revenue is recognized when no significant uncertainty exists as to

Notes to consolidated financial statements
for the year ended March 31, 2018

its realization or collection. Commission income is recognized on earned basis for activities performed in different services delivered at Vakrangee Kendra.

The Company executes the delivery in various e-governance projects at its Vakrangee Kendra's. Revenue for the Company accrues on successful delivery and confirmation by the business associate involved. The Company estimates successful delivery based on past trends and complexities involved in delivery and revenue is accounted accordingly till the confirmation is received. Any deviation with the actual confirmation is accounted in the period in which the actual results are known to the Company.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

The amount recognised as revenue in its Statement of Profit and Loss is exclusive of Indirect Taxes (Service Tax, Goods & Service Tax (GST) and Value Added Taxes (VAT)) and is net of discounts.

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

v. Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

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Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the company`s accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognizes such parts as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the straight- line method ("SLM"). Management, based on a technical evaluation, believes that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Useful lives
Buildings	60 years
Computers and Printers, including Computer Peripherals	3 years
Office Equipments	5 years
Furniture & Fixtures	10 years
Motor Vehicles	8 years
Plant & Machinery	15 years
ATM Machine	10 years
Leasehold Land and Building, including leasehold improvements (Also refer Note 4)	51 years
Project Assets (comprising of Computers and Printers, including Computer Peripherals, Furniture and Fixtures and Office Equipments)	3-4 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

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vi. Intangible Asset

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences which are amortised over license period which equates the useful life ranging between 2-5 years on a straight-line basis.

vii. Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised statement of profit and loss accept to the extend the it relates to item recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively.

Current taxes

The current income tax expense includes income taxes payable by the Company and its subsidiaries in India and overseas. The current income tax expense for overseas subsidiaries has been computed based on the tax laws applicable to subsidiary in the respective jurisdiction in which it operates.

Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax relating to items recognised outside the profit and loss is recognised (either in other comprehensive income or in equity)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

viii. Fair Value measurement

The Company measures financial instruments at fair value at each balance sheet date Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

ix. Investment property

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful life has been determined based on technical evaluation performed by the management expert.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

x. Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Notes to consolidated financial statements
for the year ended March 31, 2018

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

xi. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

a) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

Debt Instruments at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognised or impaired.

Debt instrument at Fair Value through Other Comprehensive Income (OCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment gains or losses and foreign exchange gains and losses in the statement of profit and loss. On derecognition of the asset, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss.

Debt instrument at Fair Value through Profit or Loss (FVTPL)

A financial asset which does not meet the criteria for categorization as at amortized cost or as fair value through other comprehensive income is classified as fair value through profit or loss. Debt instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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Dividends from such investments are recognized in profit or loss as other income. There is no recycling of the amounts from OCI to Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in subsidiaries is carried at cost less impairment in the financial statements.

c) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company`s continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

d) Impairment of financial assets

The Company recognises impairment loss applying the expected credit loss (ECL) model on the financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual right to receive cash or other financial asset and financial guarantee not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses.

For trade receivables or any contractual right to receive cash or other financial assets that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company applies 'simplified approach' permitted by Ind AS 109 Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

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Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Such amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the

Notes to consolidated financial statements
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derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xii. Inventories

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

xiii. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease.

Finance Lease as a lessee

Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating Lease as a lessee

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

xiv. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

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xv. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xvi. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

xvii. Provisions

Provisions are recognised when the Company has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

xviii. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

xix. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.

xx. Cash and Cash Equivalent

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), and highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

xxi. Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

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Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in Other comprehensive income.

The obligations are presented as current in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post- employment obligations

The Company operates the following post-employment schemes:

I. Defined benefit plans such as gratuity

II. Defined contribution plans such as provident fund.

Defined benefit plan - Gratuity Obligations

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows outflows by reference to market yields at the end of the reporting period on government bonds that have a terms approximating to the terms of the obligation.

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

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xxii. Share-based Payments

Shared based compensation benefits are provided to employees via Vakrangee Limited Employee Stock Option Plan.

Employee options

The cost of equity-settled transactions is determined by the fair value of the options granted at the date when the grant is made. The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the Company's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employee to save or holding shares for a specific period of time.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of options that are expected to be vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Note 3 (a) - Critical Accounting Judgements and Estimates

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made by the management of the Company that affect the reported amount of assets, liabilities, revenue, expenses, accompanying disclosures and the disclosures relating to contingent liabilities as at the date of the financial statement and the reported amount of income and expenses for the periods presented.

The estimates and associates assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from those estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

Application of accounting policies that require critical accounting estimates and the use of assumptions in the financial statements are as follows:

- **Share-based payments**

  Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. Are this estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 44.

- **Defined benefit plans**

  The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 43.

- **Fair value measurement of financial instruments**

  When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 45 for further disclosures.

- **Depreciation and useful lives of Property, Plant and Equipment**

  Property, Plant and Equipment are depreciated over the estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and taken into account anticipated technological changes. The Depreciation for future periods is revised if there are significant changes from previous estimates.

- **Provision and Contingent Liabilities**

  A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Note 3 (b)– Indian Accounting Standards (Ind AS) Issued but not Effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2018:

Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 - Revenue, Ind AS 11 - Construction Contracts when it becomes effective.

Ind AS 21 – The Effect of Changes in Foreign Exchange Rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company is evaluating the impact of this amendment on its financial statements.

Notes forming part of consolidated financial statements

Note 4 - Property, Plant and Equipment

(Amount in ₹ lakhs)

(a) Description	Buildings	Plant and Machinery	Furnitures and Fixtures	Motor Vehicle	Office Equipments	Computers including Computer Peripherals	Leasehold Land & Building	Leasehold Improvement	Total	Capital Work-In-Progress	Grand Total
Cost or Valuation											
At March 31, 2016	**1,025.29**	**1,342.47**	**5,440.86**	**57.25**	**1,521.86**	**96,646.11**	**-**	**-**	**1,06,033.84**	**-**	**1,06,033.84**
Additions	396.26	361.45	34.00	123.63	44.43	147.81	-	-	1,107.57	4.05	1,111.62
Disposals/Transfers	-	2.10	5,090.38	34.11	1,399.95	94,819.74	-	-	1,01,346.28	-	1,01,346.28
At March 31, 2017	**1,421.55**	**1,701.82**	**384.48**	**146.77**	**166.34**	**1,974.18**	**-**	**-**	**5,795.13**	**4.05**	**5,799.18**
Additions	551.42	1,182.86	218.01	-	329.57	316.72	3,150.30	1,052.63	6,801.51	320.95	7,122.46
Disposals/Transfers	-	-	-	-	-	-	-	-	-	4.05	4.05
At March 31, 2018	**1,972.97**	**2,884.69**	**602.49**	**146.77**	**495.91**	**2,290.89**	**3,150.30**	**1,052.63**	**12,596.64**	**320.95**	**12,917.59**
Depreciation and Impairment											
At March 31, 2016	**146.72**	**414.76**	**5,270.29**	**27.77**	**1,483.35**	**85,475.87**	**-**	**-**	**92,818.77**	**-**	**92,818.77**
Depreciation charged for the year	20.06	104.18	130.60	10.17	26.95	7,046.58	-	-	7,338.55	-	7,338.55
Impairment during the year	-	-	-	-	-	-	-	-	-	-	-
Disposals/Transfers	-	0.28	5,090.38	17.90	1,396.74	90,718.83	-	-	97,224.13	-	97,224.13
At March 31, 2017	**166.78**	**518.67**	**310.52**	**20.04**	**113.57**	**1,803.61**	**-**	**-**	**2,933.19**	**-**	**2,933.19**
Depreciation charged for the year	25.73	220.25	29.25	18.04	24.46	85.68	4.98	8.49	416.87	-	416.87
Impairment during the year	-	277.61	-	-	-	-	-	-	277.61	-	277.61
Disposals/Transfers	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2018	**192.51**	**1,016.52**	**339.77**	**38.08**	**138.02**	**1,889.29**	**4.98**	**8.49**	**3,627.67**	**-**	**3,627.67**
Net Book Value											
At March 31, 2018	1,780.46	1,868.16	262.72	108.69	357.88	401.60	3,145.32	1,044.14	**8,968.98**	320.95	**9,289.93**
At March 31, 2017	1,254.76	1,183.16	73.97	126.73	52.77	170.56	-	-	**2,861.95**	4.05	**2,866.00**

(b) **Disposal of Assets :** During the previous year, the company had identified and disposed off certain project assets which had become obsolete due to continuous utilisation for project delivery and frequent movement of those assets from one project delivery centre to another since their acquisition. The carrying amount of majority of those assets was fully amortised and those assets were not in usable condition and hence, the Company has discarded those assets.

(c) **Impairment of Assets :** Impairment loss mainly pertains to one high speed printer categorised under Plant & Machinery. Based on technical valuation, the recoverable amount is less than the carrying value of the asset.

(d) **Change in Estimate :** During the year, the management has analysed the remaining useful life of assets and based on technical valuation of one class of Property, Plant and Equipment viz. ATM, life expectation has been changed from previous estimates. The change in life expectation has been accounted as per Para 38 of Ind-AS 8, Accounting Policies, Change in Estimates and Errors.

(e) **Details of Charges :**

The above assets were given as first pari-passu charge security for working capital facilities availed from banks. There are no working capital facilities outstanding as at March 31, 2018.

(f) **Finance Lease arrangement (Leasehold Land and Building) :**

The net carrying amount of Property, Plant and Equipment under finance lease arrangements are as follows:

(Amount in ₹ lakhs)

	As at March 31, 2018	As at March 31, 2017
Leasehold Land & Building	3,145.32	-

During the current year, the company has entered into a long term finance lease arrangement for a land and building situated at Plot No.93, Road No.16, MIDC, Marol, Andheri (East) Mumbai 400093 for the remaining period of 51 years out of the total lease term of 95 years in consideration of a lump sum premium amounting to ₹ 3,000.00 lakhs.
In consideration to the provisions of Ind AS 17 - Leases, the leasehold land and building have been assessed for classification as finance lease based on the evaluation of the facts and circumstances of the lease arrangement. The lease arrangement does not contain any clause for renewal or escalation.
Consideration paid shall be equally amortized over the period of leases and the company is not subject to any other future minimum lease rental commitments.

Notes forming part of consolidated financial statements

Note 5 - Investment Property

(Amount in ₹ lakhs)

(a)	Description	Amount
	Gross Block	
	At March 31, 2016	**11.73**
	Additions	-
	Disposal	-
	At March 31, 2017	**11.73**
	Additions	-
	Disposal	-
	At March 31, 2018	**11.73**
	Depreciation and Impairment	
	At March 31, 2016	**2.88**
	Depreciation Charged for the year	0.17
	Impairment during the year	-
	Disposal	-
	At March 31, 2017	**3.05**
	Depreciation Charged for the year	0.17
	Impairment during the year	-
	Disposal	-
	At March 31, 2018	**3.22**
	Net Book Value	
	At March 31, 2018	8.51
	At March 31, 2017	8.68

(b) Amounts recognised in statement of profit and loss for Investment property

(Amount in ₹ lakhs)

Particulars	At March 31, 2018	At March 31, 2017
Rental income derived from investment properties	2.30	1.50
Less - Depreciation	0.17	0.17
Profit arising from investment properties before indirect expenses	**2.13**	**1.33**

(c) Details of charges

The above assets were given as first pari-passu charge security for working capital facilities availed from banks. There are no working capital facilities outstanding as at March 31, 2018.

(d) Fair Value

As at March 31, 2018 and March 31, 2017, the fair value of property is ₹ 173.88 lakhs and ₹ 179.59 lakhs respectively.

Notes forming part of consolidated financial statements

Note 6 - Investments
(Non - Current)

(Amount in ₹ lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017
(a)	**Unquoted**		
	Investment carried at Fair value through Profit or Loss (FVTPL)		
	- In Equity Shares		
	2,500 Equity Shares of CSC e-Governance Services India Limited of ₹ 1000/- each fully paid up	96.20	44.30
	(March 31, 2017 : 2,500 Equity shares)		
	(A)	**96.20**	**44.30**
(b)	**Quoted**		
	Investment carried at Fair value through Profit or Loss (FVTPL)		
	Investments in Mutual Funds		
	24.9375 units of Aditya Birla Real Estate Fund - I of ₹ 1,00,000/- each partly paid up ₹ 60,000/- per unit (March 31, 2017 : ₹ 60,000/- per unit, 24.9375 units)	10.26	11.72
	1,20,000 units of Union Capital Protection Oriented Fund Series 7 (March 31, 2017 : 1,20,000 units)	12.71	12.05
	99,990 units of Union Asset Allocation Fund - Moderate Plan Growth (March 31, 2017 : 99,990 units)	15.12	14.18
	3,35,077.757 units of Union Small & Midcap Fund - Regular Plan (March 31, 2017 : 3,35,077.757 units)	53.01	46.27
	20,00,000 units of Union Capital Protection Oriented Fund Series 8 (March 31, 2017 : Nil units)	204.28	-
	50,00,000 units of Axis Multicap Fund - Regular Plan Growth (March 31, 2017 : Nil units)	501.50	-
	8,209.844 units of Aditya Birla Sun Life Equity Fund - Growth (March 31, 2017 : Nil units)	56.52	-
	4,59,632.7530 units of Aditya Birla Sun Life Short Term Fund - Regular Growth (March 31, 2017 : Nil units)	305.25	-
	6,961.7130 units of Franklin India Short Term Income Plan - Growth (March 31, 2017 : Nil units)	255.51	-
	21,28,529.1010 units of IDFC Corporate Bond Fund - Direct Growth (March 31, 2017 : Nil units)	254.64	-
	1,97,818.3460 units of Kotak Select focus Fund - Direct Growth (March 31, 2017 : Nil units)	66.22	-
	2,47,509 units of Motilal Oswal Multicap 35 Fund - Direct Growth (March 31, 2017 : Nil units)	67.63	-
	1,13,093.174 units of Motilal Oswal Multicap 35 Fund - Regular Growth (March 31, 2017 : Nil units)	29.75	-
	18,557.179 units of Aditya Birla Sun Life Frontline Equity Fund - Growth (March 31, 2017 : Nil units)	38.82	-
	5,50,180.092 units of Kotak Treasury Advantage Fund - Direct Growth (March 31, 2017 : Nil units)	152.91	-
	91,738.898 units of Kotak Select Focus Fund - Growth Plan (March 31, 2017 : Nil units)	29.18	-

Notes forming part of consolidated financial statements

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
7,26,501.315 units of DHFL Pramerica Ultra Short Term Fund - Growth (March 31, 2017 : Nil units)	153.20	-
5,63,907.654 units of IDFC Money Manager Fund - Treasury Plan (March 31, 2017 : Nil units)	152.42	-
10,61,069.877 units of HDFC Short Term Opportunity Fund (March 31, 2017 : Nil units)	203.46	-
7,88,340.963 units of HDFC Medium Term Opportunity Fund (March 31, 2017 : Nil units)	152.24	-
(B)	**2,714.63**	**84.22**
TOTAL (A + B)	**2,810.83**	**128.52**
Aggregate amount of quoted investments	2,714.63	84.22
Aggregate market value of quoted investments	2,714.63	84.22
Aggregate amount of unquoted investments	96.20	44.30

Investment at fair value through profit and loss reflect investment in quoted and unquoted equity securities and quoted mutual fund units.

The fair value of the unquoted equity shares have been estimated using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable.

The fair value of quoted mutual fund units are based on quoted net asset value at the reporting date.

Note 7 - Trade Receivables
(Non Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured)		
Considered Good	-	-
Considered Doubtful	357.66	-
	357.66	**-**
Less: Allowance for credit losses	357.66	-
TOTAL	**-**	**-**

Note 8 - Other Financial Assets
(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
(i) Deposits with bank				
- with maturity period of more than 12 months	563.87		187.61	
Deposits with statutory authorities	0.25	564.12	66.10	253.71
		564.12		**253.71**
* Amount held as margin money or security against borrowings, guarantee, other commitments		173.32		187.61

Notes forming part of consolidated financial statements

Note 9 - Deferred Tax Assets (net)

(Amount in ₹ lakhs)

Particulars		As at March 31, 2018		As at March 31, 2017	
Assets					
(i)	On account of difference in depreciation on Property Plant and Equipment	680.58		749.67	
(ii)	Provision for Employees' obligations	136.53		96.09	
(iii)	On account of Expected Credit Loss	244.46		-	
(iv)	Unused tax credits	70.43	1,132.00	185.91	1,031.67
(A)			1,132.00		1,031.67
Liabilities					
(i)	Temporary differences on Tax Provisions	-	-	-	-
(B)			-		-
TOTAL (A - B)			**1,132.00**		**1,031.67**
Add : Impact on deferred tax asset carrying value*			-		(845.76)
Balance carried to Balance Sheet			**1,132.00**		**185.91**

* The temporary differences arising as at year-end are deferred tax assets. There were no items for which there was deferred tax liability as at the previous year-end. Hence, on the basis of reasonable certainty, such deferred tax assets had not been recognised and carried forward in previous year.

(a) Movement in deferred tax account during the year is as follows:

(Amount in ₹ lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balances
For the year ended March 31, 2018 :				
Deferred tax (liabilities)/assets in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	-	680.58	-	680.58
Expenses provided but allowable in Income Tax on payment	-	132.17	4.36	136.53
Allowance for expected credit losses	-	244.46	-	244.46
Unused tax credits	185.91	(115.48)	-	70.43
	185.91	941.72	4.36	1,132.00
Others	-	-	-	-
	-	-	-	-
TOTAL	**185.91**	**941.72**	**4.36**	**1,132.00**
For the year ended March 31, 2017 :				
Deferred tax (liabilities)/assets in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	-	-	-	-
Expenses provided but allowable in Income Tax on payment	20.40	(20.40)	-	-

Notes forming part of consolidated financial statements

(Amount in ₹ lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balances
Allowance for expected credit losses	-	-	-	-
Unused tax credits	66.87	119.04	-	185.91
Others	-	-	-	-
	87.27	98.64	-	185.91
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	(1,305.77)	1305.77		-
Others	(14.15)	5.34	8.81	-
	(1,319.92)	1,311.11	8.81	-
TOTAL	**(1,232.65)**	**1,409.75**	**8.81**	**185.91**

The analysis of Deferred Tax Assets is as follows:

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred Tax Assets to be recovered after more than 12 months	793.15	185.91
Deferred Tax Assets to be recovered within 12 months	338.85	-
	1,132.00	**185.91**

(b) Unrecognised deductible temporary differences, unused tax losses and unused tax credits :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
- unabsorbed depreciation	0.77	-
- business losses	187.27	45.05
	188.05	45.05

Expiry date of Unrecognised deductible temporary differences, unused tax losses and unused tax credits :

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
- unabsorbed depreciation with no expiry dates	0.77	-
- business losses with expiry dates as follows		
8 Years	142.22	45.05
7 Years	45.05	-

(c) Explanation of changes in the applicable tax rate(s) compared to the previous accounting period

Particulars	As at March 31, 2018	As at March 31, 2017
Applicable Tax rate considered for deferred tax asset or liability	34.94%	34.61%

The applicable tax rates have been changed on the basis of using the tax rates that have been enacted as at the end of the each reporting period.

Notes forming part of consolidated financial statements

Note 10 - Other Non-Current Assets

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Capital Advances	10.00	34.12
Balances with statutory / revenue authorities		
- Income Tax (net of provision for taxation)	1,057.17	405.63
- Sales Tax	28.00	49.68
- Service Tax	61.71	132.23
TOTAL	**1,156.88**	**621.66**

Note 11 - Inventories

(Amount in ₹ lakhs)

(a)	Particulars	As at March 31, 2018	As at March 31, 2017
(i)	Project Material	-	44,801.12
(ii)	Work in Progress	-	4,103.56
(iii)	Stock-in-Trade	1,682.98	1,004.74
(iv)	Consumables	9.99	7.39
(v)	Stores & Spares	21.66	2.07
	TOTAL	**1,714.63**	**49,918.88**

(b) Basis of valuation of Inventories

Inventories are valued at lower of cost or net realizable value on FIFO basis which is in accordance with Ind AS-2.

Note 12 - Investments
(Current)

(Amount in ₹ lakhs)

(a)	Particulars	As at March 31, 2018	As at March 31, 2017
	Quoted		
	Investment carried at Fair value through Profit and Loss (FVTPL)		
	Investments in Mutual Funds		
	Nil units of Union Trigger Fund Series 2 - Regular Plan of ₹ 10/- each fully paid up (March 31, 2017 : 4,99,990 units)*	-	56.30
	Investment through Portfolio services		
	Kotak PMS Value Series 2	88.66	
	TOTAL	**88.66**	**56.30**
	Aggregate amount of quoted investments	88.66	56.30
	Aggregate market value of quoted investments	88.66	56.30

Investment at fair value through profit and loss reflect investment in quoted and unquoted equity securities and quoted mutual fund units.

The fair value of quoted mutual fund units are based on quoted net asset value at the reporting date.

Notes forming part of consolidated financial statements

Note 13 - Trade Receivables
(Current)

(Amount in ₹ lakhs)

(a)	Particulars	As at March 31, 2018	As at March 31, 2017
	(Unsecured)		
	Considered Good	1,30,788.68	82,435.72
	Considered Doubtful	471.40	1,661.44
		1,31,260.08	**84,097.16**
	Less: Allowance for credit Losses	471.40	1,661.44
	TOTAL	**1,30,788.68**	**82,435.72**
(b)	Debts due from related parties	-	-

Note 14 - Cash and Cash equivalents

(Amount in ₹ lakhs)

(a)	Particulars	As at March 31, 2018	As at March 31, 2017
	(A) Cash and Cash Equivalents		
(i)	Balances with Banks :		
-	Current Accounts	3,855.40	52,186.01
-	Deposit Accounts	10,024.47	6,041.29
(ii)	Cheques-in-hand *	58,977.16	-
(iii)	Cash-in-hand	155.90	16.43
(iv)	Remittance in Transit	276.44	-
TOTAL		**73,289.37**	**58,243.73**
	(B) Bank Balances other than above		
(i)	Earmarked balances in unclaimed dividend account	89.34	49.71
(ii)	Fixed Deposits with maturity period of more than 3 months but less than 12 months **	74,065.80	2,026.33
TOTAL		**74,155.14**	**2,076.04**
* The amounts disclosed as cheques-in-hand are amounts of cheques received upto March 31, 2018 and the same have been presented in the bank and cleared during the month of April, 2018.			
** Amount held as margin money or security against borrowings, guarantee, other commitments		1,595.31	1,868.51

(b) For the purpose of cash flow statement

(Amount in ₹ lakhs)

Particulars		As at March 31, 2018		As at March 31, 2017	
(A)	**Cash & Cash Equivalents**				
(i)	Balances with Banks :				
	- Current Accounts	3,855.40		52,186.01	
	- Deposit Accounts	10,024.47		6,041.29	
(ii)	Cheque-in-hand	58,977.16		-	
(iii)	Cash-in-hand	155.90		16.43	
(iv)	Remittance in Transit	276.44	73,289.37	-	58,243.73
Less : - Cash Credit			-		14,401.89
TOTAL			**73,289.37**		**43,841.84**

Notes forming part of consolidated financial statements

Note 15 - Loans

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Other Loans		
(Unsecured, considered good)		
Security Deposit	63.18	46.54
Earnest Money Deposit	41.00	41.00
Loans to others	9.68	9.83
TOTAL	**113.86**	**97.37**

Note 16 - Other Financial Assets
(Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
(i) Others				
Advance for Outlets		72.87		-
Advance to BCAs		15.39		11.55
Other Receivables	612.92		1,111.34	
Less : - Allowance for credit losses	26.86	586.06	27.41	1,083.93
TOTAL		**674.32**		**1,095.48**

Note 17 - Current Tax Assets (Net)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Income Tax (net of provision for taxation)	247.01	400.79
TOTAL	**247.01**	**400.79**

Note 18 - Other Current Assets

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Advances to Vendors	175.72	28,218.87
Prepaid Expenses	90.59	236.58
Other Receivable	2,767.27	-
Balances with statutory / revenue authorities		
- Goods & Service Tax	196.69	-
TOTAL	**3,230.27**	**28,455.45**

Notes forming part of consolidated financial statements

Note 19 - Equity Share Capital

Equity share capital

(i) Authorised share capital

(Amount in ₹ lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2017	7,500.00	7,500.00
Increase during the year	5,000.00	5,000.00
As at March 31, 2018	12,500.00	12,500.00

(ii) Paid up Equity share capital

(Amount in ₹ lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2017	**5,292.32**	**5,292.32**
Bonus Share issued during the year	5,294.02	5,294.02
Exercise of options	1.69	1.69
As at March 31, 2018	**10,588.03**	**10,588.03**

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares (in lakhs)	% Holding	Number of shares (in lakhs)	% Holding
Vakrangee Holdings Private Limited	2,509.50	23.70%	1,253.75	23.69%
NJD Capital Private Limited	1,311.00	12.38%	649.36	12.27%
Life Insurance Corporation of India	671.30	6.34%	323.20	6.11%
Dinesh Nandwana	597.34	5.64%	297.67	5.62%

(iv) Detailed note on the terms of the rights, preferences and restrictions relating to each class of shares including restrictions on the distribution of dividends and repayment of capital.

The Company has only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2018, the amount of per share dividend recognised as distributions to Equity Shareholders is ₹ 2/- per share of ₹ 1/- each for the year ended March 31, 2017.

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

Notes forming part of consolidated financial statements

(v) Aggregate details for five immediately previous reporting periods for each class of shares

(No. of shares in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
- No. of shares allotted as fully paid up pursuant to contracts without payment being received in cash	-	-
- No. of shares allotted as fully paid by way of Bonus Shares	5,294.02	2,502.40
- No. of shares bought back	-	-
- No. of shares issued on exercise of options granted under the ESOP scheme.	19.02	37.53

(vi) Capital Management

The Company's objectives when managing capital are to :

(i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(ii) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new. Share or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet, including non-controlling interests).

The Company's strategy is to maintain a gearing ration within 1:1. The gearing ratios were as follows :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Net debt	-	14,401.89
Total equity	2,59,241.25	2,05,375.26
Net debt to equity ratio	**-**	**0.07**

Note 20 - Other Equity

(i) Reserves and surplus

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Securities Premium Reserve	42,318.52	42,009.83
Share Options Outstanding Account	9,442.83	2,063.68
Deferred Employee Compensation Expense	(7,310.66)	(1,371.76)
General Reserve	11,641.83	11,706.39
Surplus in Statement of Profit & Loss	1,95,170.60	1,45,097.94
Total (A)	**2,51,263.12**	**1,99,506.09**

Notes forming part of consolidated financial statements

(a) Securities Premium Reserve (Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	42,009.83	41,995.65
Add:- On share issued during the year	122.57	6.89
Add:- Transfer from shares options outstanding account	186.12	7.29
Closing balance	**42,318.52**	**42,009.83**

(b) Share Options Outstanding Account (Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	2,063.68	2,265.82
Add:- On further grant of options	8,734.56	-
Less:- Reversal due to Lapsation of option	(1,169.29)	(194.85)
Less: Transfer to Securities premium account	(186.12)	(7.29)
Closing balance	**9,442.83**	**2,063.68**

(c) Deferred Employee Compensation Expense (Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	(1,371.76)	(1,893.35)
Add:- On further grant of options	(8,734.56)	-
Less:- Reversal due to Lapsation of option	1,082.23	150.98
Less:- Amortised during the year	1,713.43	370.61
Closing balance	**(7,310.66)**	**(1,371.76)**

(d) General Reserve (Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	11,706.39	7,791.68
Add:- Transfer from Profit & Loss account	5,229.46	3,914.71
Less:- Bonus share issue	(5,294.02)	-
Closing balance	**11,641.83**	**11,706.39**

(e) Surplus in Statement of Profit & Loss (Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	1,45,097.94	1,03,894.74
Add:- Profit for the year	68,045.62	53,079.52
Less:- Transfer to General Reserve	(5,229.46)	(3,914.71)
Less:- Dividend declared	(10,588.03)	(6,614.95)
Less:- Dividend distribution tax	(2,155.47)	(1,346.65)
Closing balance	**1,95,170.60**	**1,45,097.94**

Notes forming part of consolidated financial statements

(ii) Other Comprehensive Income

(a)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	(54.33)	(37.69)
Remeasurement of net defined benefit obligations (net of taxes)	(8.12)	(16.64)
Fair value gain on financial instruments at fair value through OCI	(3,086.34)	-
Closing balance (i)	**(3,148.79)**	**(54.33)**

(b) Foreign Currency Translation Reserve

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	631.18	(993.98)
Translation reserve for the year	(92.28)	1,625.16
Closing balance (ii)	**538.90**	**631.18**
TOTAL (B)	**(2,609.89)**	**576.85**
TOTAL (A+B)	**2,48,653.22**	**2,00,082.94**

Note 21 - Trade Payables
(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Trade Payables	354.13	98.89
TOTAL	**354.13**	**98.89**
* Includes dues to micro, small and medium enterprises	-	-

Note 22 - Other Financial Liabilities
(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Security Deposit	38.10	38.10
TOTAL	**38.10**	**38.10**

Note 23 - Employee Benefit Obligations
(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for Employees' benefits	357.65	233.39
TOTAL	**357.65**	**233.39**

Notes forming part of consolidated financial statements

Note 24 - Borrowings
(Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Secured Loans		
Loans repayable on demand		
- From Banks	-	14,401.89
TOTAL	**-**	**14,401.89**

Nature of security of each type of secured loans.

a) Loans repayable on demand from Banks (March 31, 2017) :
The Company had entered into a Security Trustee Agreement for availing the working capital facilities under the consortium banking arrangement and the limit sanctioned is aggregating to ₹ 75,000.00 lakhs vide agreement dated June 5, 2015. The Lead Bank vide their letter dated March 27, 2017 had approved the assessment of working capital requirements at the reduced level of ₹ 33,200.00 lakhs.

These facilities are secured against the following charge on various assets of the Company :

1. Primary : First pari-passu charge on the entire current assets of the Company, both present & future.
2. Collateral :
   - First pari-passu charge on the entire movable fixed assets of the Company, both present & future.
   - First pari-passu charge on all the immovable assets of the company acquired after 31.03.2011, both present and future.
   - First pari-passu charge on entire lands & office premises of the company, situated at Marol Co-Operative Industrial Estate & Hind Saurashtra Industries Co-Operative Society Limited, Marol, Andheri (East), Mumbai.
   - First pari-passu charge on office premises, situated at Marol Co-Operative Industrial Estate, Marol, Andheri (E), Mumbai of Vakrangee Technologies Limited.
   - First Pari-passu charge on residential house at Chandigarh.
3. Corporate Guarantee of Company, Vakrangee Technologies Limited to the extent of value of property.
4. Personal Guarantee of Mr. Dinesh Nandwana, Managing Director & CEO of the Company.

b) Details of the aggregate of each loan guaranteed by directors or others, each head-wise.
All the loans repayable on demand from banks amounting to ₹ Nil (March 31, 2017 : ₹ 14,401.89 lakhs) guaranteed by Mr. Dinesh Nandwana, Managing Director & CEO of the Company.

c) Details of continuing default in the repayment of loans and interest, specifying the period and amount separately in each case.
There has been no default in the repayment of loans or interest thereon as on date.

Note 25 - Trade Payables
(Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Trade Payables*	34,655.54	2,968.68
	-	-
TOTAL	**34,655.54**	**2,968.68**
* Includes dues to micro, small and medium enterprises	9.56	42.92

Notes forming part of consolidated financial statements

Note 26 - Other Financial Liabilities

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Interest accrued but not due on borrowings	-	13.26
Payable to Franchisee under WLA	417.16	-
Payables against cash collection	10.18	
Payable for acquisition of Property, Plant & Equipments	737.87	-
Unpaid Dividend	89.34	49.71
Other Liabilites	18.92	-
TOTAL	**1,273.47**	**62.97**

Note 27 - Other Current Liabilities

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Statutory dues	284.41	101.40
Advance from customers	2,146.76	247.71
Staff Emoluments Payable	614.57	19.09
Other Liabilities	72.40	80.01
TOTAL	**3,118.14**	**448.21**

Note 28 - Provisions

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for Expenses for Goods & services	210.53	574.04
TOTAL	**210.53**	**574.04**

Note 29 - Employee Benefit Obligations

(Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for Employees' benefits	15.40	7.80
TOTAL	**15.40**	**7.80**

Note 30 - Current Tax Liabilities

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for Taxation (net of taxes paid)	-	2,635.01
TOTAL	**-**	**2,635.01**

Notes forming part of consolidated financial statements

Note 31 - Revenue from Operations

(Amount in ₹ lakhs)

Particulars			For the year ended March 31, 2018		For the year ended March 31, 2017	
(a)	Revenue from e-governance activities, including Vakrangee Kendra			6,36,922.70		3,92,864.84
(b)	Revenue from Sale of Products					
	-	Sale of Logistics Kit	-		10.04	
	-	Computer consumables & peripherals	1,976.97	1,976.97	413.37	423.41
(c)	Revenue from Sale of Services					
	-	Information Technology-enabled Services (ITeS)	11,256.33		6,076.79	
	-	Courier and Delivery Services	6.35		52.18	
	-	Others	35.86	11,298.54	619.65	6,748.62
(d)	Other Operating Revenues					
	-	Scrap Sales	1.34	1.34	9.51	9.51
TOTAL				**6,50,199.55**		**4,00,046.38**

Note:- The amount of revenues are exclusive of indirect taxes (service tax, value added tax, GST etc.).

Note 32 - Other Income

(Amount in ₹ lakhs)

Particulars			For the year ended March 31, 2018		For the year ended March 31, 2017	
(i)	**Interest Income**					
(a)	Interest Income on the financial assets at amortized cost					
	-	Bank Deposits	2,669.89		186.10	
(b)	Other Interest Income		293.93	2,963.82	15.54	201.64
(ii)	Dividend Income			49.28		-
(ii)	**Other non-operating income**					
	-	Rent Received	2.30		1.50	
	-	Net gain on disposal of Property plant and equipment	-		630.54	
	-	Gain on Foreign Exchange Fluctuation	353.24		(355.21)	
	-	Fair value gain on financial instrument at fair value through Profit and loss*	77.89		35.02	
	-	Miscellaneous Income	2.06	435.49	14.84	326.69
TOTAL				**3,448.59**		**528.33**

*Total Fair value gain on financial instrument at fair value through profit and loss includes ₹ 5.74 lakhs (previous year ₹ 2.14 lakhs) as ' Net Gain / (Loss) on sale of Investments'

Notes forming part of consolidated financial statements

Note 33 - Operating Expenses

(Amount in ₹ lakhs)

Particulars		For the year ended March 31, 2018		For the year ended March 31, 2017	
Project Delivery Cost					
-	Opening Stock	44,810.58		46,616.33	
-	Add : Purchase of goods and services	4,58,490.11		2,87,687.45	
-	Less : Closing Stock	31.65	5,03,269.04	44,810.58	2,89,493.20
Project Expenses			898.74		2,279.98
Commission Expenses			6,695.76		5,503.02
Printing Charges			-		22.86
Communication Costs			31.49		25.64
Conveyance & Travelling Expenses			75.19		67.34
Transportation, Octroi and Loading / Unloading Charges			26.33		14.33
Rent, Rates and Taxes			116.38		116.07
TOTAL			**5,11,112.93**		**2,97,522.44**

Note 34 - Changes in Inventories

(Amount in ₹ lakhs)

Particulars			For the year ended March 31, 2018		For the year ended March 31, 2017	
(a)	**At the beginning of the period**					
	(i)	Work-in-Progress	4,103.56		3,576.18	
	(ii)	Stock-in-Trade	1,004.75	5,108.31	513.19	4,089.37
	Less : at the end of the period					
	(i)	Work-in-Progress	-		4,103.56	
	(ii)	Stock-in-Trade	1,682.98	1,682.98	1,004.74	5,108.30
TOTAL				**3,425.33**		**(1,018.93)**

Note 35 - Employee Benefits Expenses

(Amount in ₹ lakhs)

(a)	Particulars		For the year ended March 31, 2018	For the year ended March 31, 2017
	(i)	Salaries & Wages	4,878.74	3,789.42
	(ii)	Contribution to Provident & Other Funds	272.89	200.58
	(iii)	Share-based Payment Expenses	1,626.37	326.74
	(iv)	Staff Welfare Expenses	102.53	81.93
	TOTAL		**6,880.53**	**4,398.67**

(b) Detailed note on disclosure as required by Ind AS-19

For details, refer Note No. 43.

Notes forming part of consolidated financial statements

Note 36 - Finance Costs

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
Interest Expenses				
- Banks	513.83		4,524.60	
- Others	300.37	814.20	147.29	4,671.89
Other Borrowing Costs		216.34		337.32
TOTAL		**1,030.54**		**5,009.21**

Note 37 - Other Expenses

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
Repairs & Maintenance :				
- Building	9.19		39.06	
- Vehicle	2.04		3.68	
- Others	29.96	41.19	22.07	64.81
Advertisement and Publicity Expenses		497.24		342.09
Business Promotion Expenses		314.06		257.32
Sponsorship Fees		15.90		108.00
Commission & Brokerage		0.28		1.71
Rent		0.33		4.19
Rates & Taxes		108.36		24.65
Insurance		21.07		16.12
Electricity Expenses		79.36		53.02
Printing and Stationery		46.43		35.17
Communication Costs		159.34		162.12
Fees & Subscriptions		7.76		29.66
Listing, Registrar & Share Issue/Transfer Expenses		57.50		39.26
Directors' Remuneration		313.17		211.98
Directors' Sitting Fees		16.00		5.75
Legal & Professional Fees - Other than payments to Auditor:				
- Legal & Professional Fees	575.55		693.05	
- Filing Stamp Duty and Franking Charges	63.77		19.81	
- Registration charges	0.10	639.42	0.27	713.13
Payments to Auditors :				
- Audit fees	72.26		37.29	
- Tax Audit fees	7.50		8.23	
- For Other Services	0.61		6.72	
- For Reimbursement of Expenses	0.63	81.00	-	52.24
Conveyance & Travelling		256.82		245.52

Notes forming part of consolidated financial statements

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
Vehicle Expenses		12.13		9.81
Corporate Social Responsibility Expenditure (Refer Note 40)		424.00		211.09
Office & General Expenses		106.53		50.11
Bad Debts written off		23,656.52		6.09
Allowance for credit losses				
- Opening Allowances	(1,673.34)		(807.48)	
- Less : Closing Allowances	(855.92)	(817.42)	(1,673.34)	865.86
Miscellaneous Expenses		68.73		40.97
TOTAL		**26,105.70**		**3,550.67**

Note 38 - Earnings Per Equity Share

(Amount in ₹ lakhs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a)	Net profit after tax attributable to equity shareholders for		
	Basic EPS	68,045.64	53,079.52
	Add/Less: Adjustment relating to potential equity shares	-	-
	Net profit after tax attributable to equity shareholders for	68,045.64	53,079.52
	Diluted EPS		
(b)	Weighted average no. of equity shares (in lakhs) outstanding during the year		
	For Basic EPS	10,587.79	10,584.21
	For Diluted EPS	10,622.41	10,607.03
(c)	Face Value per Equity Share (₹)	1	1
	Basic EPS (₹) (Refer note (i) below)	6.43	5.02
	Diluted EPS (₹) (Refer note (i) below)	6.41	5.01
(d)	**Reconciliation between no. of shares (in lakhs) used for calculating basic and diluted EPS**		
	No. of shares used for calculating Basic EPS	10,587.79	10,584.21
	Add: Potential equity shares	34.62	22.82
	No. of shares used for calculating Diluted EPS	**10,622.41**	**10,607.03**

Note (i) :

The Board of Directors in its meeting held on November 13, 2017 had recommended issue of bonus shares in the ratio of one Equity share of ₹ 1 each for one existing equity share of ₹ 1 each held. The issue of bonus share approved by the Shareholder on December 16, 2017 and accordingly the Company allotted 52,94,01,545 number of fully paid equity shares on December 26, 2017. The Earnings Per Share (both basic and diluted) for the year ended March 31, 2017 have been restated to give effect to the aforesaid bonus shares as per Ind AS-33.

Notes forming part of consolidated financial statements

Note 39 - Contingent Liabilities and Commitments (to the extent not provided for)

(Amount in ₹ lakhs)

Particulars			As at March 31, 2018		As at March 31, 2017	
(A)	**Contingent Liabilities**					
	(i)	Claims against the company not acknowledged as debts	45.78		63.30	
	(ii)	Company has provided Counter Guarantee in relation to Bank Guarantee to various parties which is not acknowledged in books of accounts	1,307.38		1,377.96	
	(iii)	Company has provided Counter Guarantee in relation to Bank Guarantee to various parties on behalf of subsidiary company which is not acknowledged in books of accounts	360.00		163.52	
	(iv)	Disputed liabilities pertaining to Service Tax with CESTAT	156.19		156.19	
	(v)	Disputed liabilities pertaining to Sales Tax with appellate authorities	449.47		449.47	
	(vi)	Income Tax demand paid recoverable against appeal filed with Income Tax ITAT and Commissioner of Income Tax (Appeals)	-		409.81	
(A)				2,318.82		2,620.25
(B) Commitments						
	(i)	Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	435.50		63.23	
(B)				435.50		63.23
TOTAL (A + B)				**2,754.32**		**2,683.48**

Note :

1. The amount of liabilities, which may occur on levying of penalty and/or charges by clients for delays in execution of contracts within the time prescribed in the agreement, is unascertained.

Note 40 - Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act.

a) Gross amount required to be spent by the holding company during the year is ₹ 1,269.34 lakhs.

(Amount in ₹ lakhs)

Particulars		In Cash	Yet to be paid in Cash	Total
i)	Construction / acquisition of any asset	-	-	-
ii)	On purposes other than (i) above	424.00	-	424.00

Notes forming part of consolidated financial statements

Note 41 - Segment Reporting

The Company's activities predominantly revolve around providing the e-governance related activities of Mission Mode Projects covered under "National e-Governance Plan" (NeGP). Considering the nature of Company's business and operations, there is only one reportable segment (business and / or geographical) in accordance with the requirements of the Indian Accounting Standard 108 – "Operating Segments". However, on the basis of delivery modes, the Company's business operations has been classified into two business segments, viz. e-Governance Projects and Vakrangee Kendra.

Revenue and identifiable operating expenses in relation to these segments are categorised based on items that are individually identifiable to those segments. Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably to utilise the resources optimally. The management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as 'unallocated' and adjusted against the total income of the Company. Fixed assets or liabilities contracted have not been identified to any of the segments as the fixed assets and services are used interchangeably between segments.

(Amount in ₹ lakhs)

Particulars	e-Governance Projects	Vakrangee Kendra	Total
Revenue from Operations	**62,727.75**	**5,87,471.81**	**6,50,199.56**
	(1,42,213.87)	(2,57,832.51)	(4,00,046.38)
Segmental Results (Profit before Depreciation, Interest and Tax)	**15,912.68**	**84,751.02**	**1,00,663.70**
	(39,430.98)	(55,170.02)	(94,601.00)
Less :			
Depreciation			**417.04**
			(7,338.72)
Impairment Loss			**277.61**
			(0.00)
Finance Costs			**1,030.54**
			(5,009.21)
Unallocable expenses (net of unallocable income)			**(3,448.59)**
			(-528.33)
Profit Before Tax			**1,02,387.10**
			(82,781.40)
Less : Tax Expense			**34,341.46**
			(29,701.88)
Profit After Tax			**68,045.64**
			(53,079.52)

(Amount in ₹ lakhs)

Particulars	e-Governance Projects	Vakrangee Kendra	Total
Segment Assets	**2,629.84**	**1,28,158.84**	**1,30,788.68**
	(14,605.92)	(67,829.80)	(82,435.72)
Add : Unallocable Assets	-	-	**1,68,475.53**
	-	-	(1,44,408.52)
Total Assets			**2,99,264.21**
			(2,26,844.24)
Segment Liabilities	**-**	**32,193.97**	**32,193.97**
	-	-	-
Add : Unallocable Liabilities			**7,828.98**
			(21,468.98)
Total Liabilities			**40,022.96**
			(21,468.98)

Note : Figures in brackets pertains to previous year.

Notes forming part of consolidated financial statements

The company identifies operating segments based on the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors committee that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Note 42 - Related Party Details

(a) Key Management Personnel & Directors

Mr. Dinesh Nandwana	Managing Director & Chief Executive Officer
Dr. Nishikant Hayatnagarkar	Whole-Time Director
Mr. Ramesh Joshi	Director
Mr. Sunil Agarwal	Director
Mr. Babulal Meena	Director
Mrs. Sujata Chattopadhyay	Director
Mr. Avinash Chandra Vyas	Director
Mr. Thangavelu Sitharthan	Nominee Director (upto February 12, 2018)
Mr. Ranbir Datt	Nominee Director (w.e.f. February 12, 2018)
Mr. Subhash Singhania	Chief Financial Officer (w.e.f. May 11, 2016)
Ms. Darshi Shah	Company Secretary and Compliance Officer (upto September 21, 2017)
Mr. Mehul Rawal	Company Secretary and Compliance Officer (w.e.f. September 21, 2017)

(b) Relative of key management personnel and Name of the enterprises having same key management personnel and/ or their relatives as the reporting enterprises with whom the Company has entered into transactions during the year

- Vakrangee Technologies Limited	Significant influence of Mr. Dinesh Nandwana through Vakrangee Holding Private Limited
- Mr. Manoj Nandwana	Nephew of Director
- Mr. Shelendra Nandwana	Nephew of Director
- Ms. Divya Nandwana (w.e.f. August 29, 2016)	Daughter of Director
- Mr. Vedant Nandwana (w.e.f. February 12, 2018)	Son of Director

Related Party Transactions

- In relation to (a) (Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
Remuneration to Key Managerial Personnel		
- Dinesh Nandwana	271.66	171.25
- Dr. Nishikant Hayatnagarkar	41.51	40.74
- Subhash Singhania	33.11	26.57

Notes forming part of consolidated financial statements

Related Party Transactions

- In relation to (a) (Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
- Darshi Shah	4.63	8.16
- Mehul Rawal	12.49	-
Post-employment benefits to Key Managerial Personnel		
- Dinesh Nandwana	13.88	6.55
- Dr. Nishikant Hayatnagarkar	12.48	7.63
- Subhash Singhania	2.01	0.58
- Darshi Shah	1.63	0.96
- Mehul Rawal	0.22	-
ESOP Perquisites		
- Dr. Nishikant Hayatnagarkar	35.57	-
Directors' Sitting Fees		
- Ramesh Mulchand Joshi	3.45	1.00
- Sunil Agarwal	3.20	0.80
- Babulal Meena	2.95	1.00
- Sujata Chattopadhyay	3.00	2.00
- Avinash Chandra Vyas	2.90	0.95
- Ranbir Datt	0.50	-
Balance outstanding as on March 31 :		
(Salaries Payable)		
- Dinesh Nandwana	13.14	-
- Dr. Nishikant Hayatnagarkar	3.47	-
- Subhash Singhania	3.19	-
- Mehul Rawal	2.17	-

- In relation to (b) (Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
Reimbursement of Expenses Paid		
- Vakrangee Technologies Limited	-	7.93
- Manoj Nandwana	0.65	1.42
- Shelendra Nandwana	0.30	0.11
- Divya Nandwana	2.41	-
Employee Benefit Expenses		
- Manoj Nandwana	6.13	5.88

Notes forming part of consolidated financial statements

- In relation to (b) (Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
- Shelendra Nandwana	4.96	4.42
- Divya Nandwana	11.06	5.73
- Vedant Nandwana	0.75	-
ESOP Perquisites		
- Manoj Nandwana	3.56	-
Balance outstanding as on March 31 :		
(Expenses and Salaries Payable)		
- Manoj Nandwana	0.83	0.36
- Shelendra Nandwana	3.36	-
- Divya Nandwana	1.14	-
- Vedant Nandwana	0.60	-

Note : Corporate Guarantee given by Vakrangee Technologies Limited for working capital facilities availed by the Company :

- There are no working capital facilities outstanding as at March 31, 2018.
- March 31, 2017 Guarantee given to the extent of value of property, situated at Vakrangee House Bldg. No. 124, Marol Co-Op. Industrial Estate Ltd., Marol, Andheri (E), Mumbai.

Note 43 - Employee Benefit Obligations

(i) Leave obligations

The leave obligations cover the Company's liability for earned leave.

The amount of provision of ₹ 134.42 lakhs (March 31, 2017 - ₹ 102.25 lakhs) is presented as current and non-current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employee to take the full amount of accrued leave or require payment within the next 12 months.

(ii) Gratuity (post-employment benefits)

The Company provides for gratuity to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised/ approved funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(iii) Defined contribution plans

The Company also has certain defined benefit obligations. Contributions are made to provident fund in India for employees at the specified rate of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 160.12 lakhs (March 31, 2017 - ₹ 134.78 lakhs).

Notes forming part of consolidated financial statements

Gratuity

The following table sets out the amount recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

(Amount in ₹ lakhs)

Particulars	Present value of obligation	Fair value of Plan assets	Net amount
1-Apr-16	**145.44**	**(56.02)**	**89.41**
Current Service cost	60.29	-	60.29
Interest expense/(income)	10.91	(4.20)	6.71
Total amount recognised in profit and loss	**71.20**	**(4.20)**	**67.00**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	(0.25)	(0.25)
(Gain)/loss from change in financial assumptions	9.38	-	9.38
Experience (gains)/losses	(27.38)	-	(27.38)
Total amount recognised in other comprehensive income	**(18.00)**	**(0.25)**	**(18.25)**
Employer contributions	-	-	-
Benefit payments	(1.05)	1.05	-
31-Mar-17	**197.59**	**(59.43)**	**138.16**

(Amount in ₹ lakhs)

Particulars	Present value of obligation	Fair value of Plan assets	Net amount
1-Apr-17	**197.59**	**(59.43)**	**138.16**
Current Service cost	70.98	-	70.98
Past Service Cost	9.75	-	9.75
Interest expense/(income)	16.58	(3.69)	12.88
Total amount recognised in profit or loss	**97.31**	**(3.69)**	**93.62**
Remeasurements			
Return on plan assets, excluding amounts included in interest	-	5.90	5.90
(Gain)/loss from change in financial assumptions	(12.47)		(12.47)
Experience (gains)/losses	19.06		19.06
Total amount recognised in other comprehensive income	**6.59**	**5.90**	**12.49**
Employer contributions	-	(5.64)	(5.64)
Benefit payments	(17.67)	17.67	-
31-Mar-18	**283.82**	**(45.20)**	**238.62**

Notes forming part of consolidated financial statements

The net liability disclosed above relates to funded plans are as follows

(Amount in ₹ lakhs)

Particulars	31-Mar-18	31-Mar-17
Present value of funded obligations	283.82	197.59
Fair value of plan assets	(45.20)	(59.43)
Deficit/(Surplus) of gratuity plan	**238.62**	**138.17**

Significant estimates- actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows

	31-Mar-18	31-Mar-17
Discount rate	7.75%	7.50%
Salary growth rate (per annum)	5.00%	5.00%
Withdrawal rate (per annum) (18 to 30 years)	5.00%	2.00%
Withdrawal rate (per annum) (30 to 44 years)	3.00%	2.00%
Withdrawal rate (per annum) (44 to 60 years)	2.00%	2.00%
Expected rate of return	7.75%	7.50%
Mortality Table	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption		Impact on defined benefit obligation	Increase in assumption	
	31-Mar-18	31-Mar-17		31-Mar-18	31-Mar-17
Discount rate	1%	1%	Decrease by	11%	13%
Salary growth rate	1%	1%	Increase by	13%	16%
Withdrawal rate	1%	1%	Increase by	3%	3%

Particulars	Change in assumption		Impact on defined benefit obligation	Decrease in assumption	
	31-Mar-18	31-Mar-17		31-Mar-18	31-Mar-17
Discount rate	1%	1%	Increase by	13%	16%
Salary growth rate	1%	1%	Decrease by	11%	13%
Withdrawal rate	1%	1%	Decrease by	3%	4%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Notes forming part of consolidated financial statements

***The major categories of plans assets are as follows :**

	In Percentage %	
	31-Mar-18	**31-Mar-17**
Equity instruments	5.55	7.71
Debt instruments	**91.62**	**89.43**
Government bonds	70.78	63.10
Corporate bonds/debentures	20.84	26.33
Asset backed securities	**0.79**	**0.03**
Cash and cash equivalents	**2.04**	**2.83**
TOTAL	**100.00**	**100.00**

*The Company contributes all the ascertained liabilities towards gratuity to Life Insurance Corporation of India (LIC) which is the insurer- managed fund. Since the investments in the plan assets is managed by LIC the detailed breakup of the investments is not made available to the Company.

Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed

Investment risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Most of the plan asset investment is in fixed income securities with high grades and in government securities which are subject to interest rate risk. A portion of the funds are invested in equity securities. The Company intends to maintain the above investment mix in the continuing years.
Interest risk	A decrease in the market yields in the government bond will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Maturity profile of gratuity liability and Employer contribution

Expected contributions to post-employment benefit plans for the year ending March 31, 2019 are ₹ 103.88 lakhs (as at March 31, 2018 : ₹ 81.32 lakhs).

The weighted average duration (based on discounted cash flows) of the defined benefit obligation is 21 years (Year ended March 31, 2017 - 20 years). The expected maturity analysis of undiscounted gratuity is as follows :

Particulars	**Amount in ₹ lakhs**
Less than one year	8.44
Between 1-2 years	12.63
Between 2-5 years	77.36
Over 5 years	334.73
TOTAL	**433.16**

Notes forming part of consolidated financial statements

Note 44 - Share based payments

The company has formulated Employee Stock Option Scheme, 2008 (ESOP Scheme) which was approved by the members/ shareholders of the Company at their annual general meeting held on September 23, 2008, as modified on January 10, 2011 and June 1, 2012 annual report general meeting. Further the company has formulated the new "ESOP Scheme 2014" approved by the members of the company through postal ballot on May 23, 2014. The Employee Option Plan is designed to provide incentives to all the existing employees serving with the Company. Under the plan, employees are granted options which vest proportionately from 2 – 6 years from the grant date which includes lock in period.

Once vested, the options remain exercisable for a period of 4 years.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. The exercise price of the options is a price which is determined at 50% of market price of the scrip of the company (on the highest traded Stock Exchange) or at any other price as decided by the Nomination and Remuneration and Compensation Committee.

Set out below is a summary of options granted under the plan:

Particulars	31-Mar-18		31-Mar-17	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	90.29	15,62,775	90.09	20,48,530
Granted during the year	127.71	30,09,000	-	-
Grant of options on issue of bonus shares during the year	88.93	35,35,025	-	-
Exercised during the year	36.74	169,125	243.95	36,250
Forfeited during the year	101.78	4,10,225	95.01	4,49,505
Expired during the year	-	-	-	-
Closing Balance	**95.81**	**75,27,450**	**90.29**	**15,62,775**
Vested and exercisable	43.24	7,60,450	110.77	6,98,375

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2018 was ₹ 46.50 (March 31, 2017 : ₹ 243.95).

No options expired during the periods in the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price (₹)	Share options 31-Mar-18	Share options 31-Mar-17
20/0 7/2012	19/07/2021	10.00	52,250	27,875
26/11/2014	26/11/2023	32.35	10,10,300	6,82,400
11/03/2016	10/03/2025	56.54	14,99,900	8,52,500
26/07/2017	25/07/2026	109.40	38,78,600	-
26/10/2017	25/10/2026	137.33	6,29,000	-
09/01/2018	08/01/2027	202.28	4,57,400	-
TOTAL			**75,27,450**	**15,62,775**

Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2018 was ₹ 284.58, ₹ 362.48 and ₹ 260.00 per option respectively for the three grants issued during the year (March 31, 2017 : ₹ Nil). The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2018 included:

Notes forming part of consolidated financial statements

a) Options are granted for consideration and vest upon completion of service for a period of one / two years. Vested options are exercisable for a period of one / two years after vesting.

Particulars			Year ended March 31, 2018			Year ended March 31, 2017
b)	(i)	Exercise price - Pre Bonus issue (₹)	218.80	274.65	Not Applicable	Nil
b)	(ii)	Exercise price - Post bonus issue (₹)	109.40	137.33	202.38	Nil
c)		Grant date	26/07/2017	25/10/2017	08/01/2018	Nil
d)		Expiry date	26/07/2026	25/10/2026	08/01/2027	Nil
e)		Share price at grant date (₹)	437.60	549.30	405.40	Nil
f)		Expected price volatility of the company's shares	39.83%	38.53%	71.40%	Nil
g)		Expected dividend yield	0.40%	0.40%	0.40%	Nil
h)		Risk free interest rate	6.55%	6.75%	6.60%	Nil
h)		Fair value (₹)	284.58	362.48	260.00	Nil

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

b) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognized in profit or loss as part of employee benefit expense were as follows:

(Amount in ₹ lakhs)

Particulars	March 31, 2018	March 31, 2017
Employee Stock Option Plan	1,626.37	326.74

Note 45 - Financial Risk Management

(i) Method and assumptions used to estimate the fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial as well as non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 : Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 : Inputs other than prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : Unobservable inputs for the asset or liability.

Notes forming part of consolidated financial statements

The carrying value and fair value by each classification as at March 31, 2018 were as follows:-

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	-	-	-	-	-	-
Trade Receivables	1,30,788.68	-	-	1,30,788.68	-	-
Cash & Cash equivalents	73,289.37	-	-	73,289.37	-	-
Other Bank Balances	74,155.14	-	-	74,155.14	-	-
Short Term Loans	113.86	-	-	113.86	-	-
Other Financial Assets	1,238.44	-	-	1,238.44	-	-
Investments	-	2,899.49		2,899.49	2,803.29	96.20
TOTAL	**2,79,585.49**	**2,899.49**	**-**	**2,82,484.99**	**2,803.29**	**96.20**

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Trade Payables	35,009.67	-	-	35,009.67	-	-
Other Financial Liabilities	1,311.57	-	-	1,311.57	-	-
TOTAL	**36,321.24**	**-**	**-**	**36,321.24**	**-**	**-**

The carrying value and fair value by each classification as at March 31, 2017 were as follows:-

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	-	-	-	-	-	-
Trade Receivables	82,435.72	-	-	82,435.72	-	-
Cash & Cash equivalents	58,243.73	-	-	58,243.73	-	-
Other Bank Balances	2,076.04	-	-	2,076.04	-	-
Short term Loans	97.37	-	-	97.37	-	-
Other financial assets	1,349.19	-	-	1,349.19	-	-
Investments	-	184.82	-	184.82	140.52	44.30
TOTAL	**1,44,202.05**	**184.82**	**-**	**1,44,386.87**	**140.52**	**44.30**

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	14,401.89	-	-	14,401.89	-	-
Trade Payables	3,067.57	-	-	3,067.57	-	-
Other Financial Liabilities	101.07	-	-	101.07	-	-
TOTAL	**17,570.53**	**-**	**-**	**17,570.53**	**-**	**-**

Notes forming part of consolidated financial statements

(ii) Financial Risk Management

The Respective Board of Directors of the Holding and Component Company has overall responsibility for the establishment and overview of the company's risk management framework. The Board of Directors has established a risk management policy to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the company's activities. The Audit Committee oversees how management monitors compliances with the company's risk management policies and procedures, and reviews the risk management framework. The Audit Committee is assisted in its role by Internal Audit. Internal Audit covers review of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Group's activities are exposed to various risk viz. Credit Risk, Liquidity Risk and Market Risk. In order to minimise any adverse effects on the financial performance of the Company, it uses various instruments and follows policies set up by the Board of Directors / Management of the Company.

a) Credit Risk :

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by credit rating agencies.

In addition, the Holding Company is exposed to credit risk in relation to financial guarantees given to banks and other counter parties for the facilities availed by subsidiary. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Table showing age of gross trade receivables and movement in expected credit loss allowance:

(Amount in ₹ lakhs)

Age of receivables	March 31, 2018	March 31, 2017
Within the credit period	1,29,247.71	64,645.07
1-90 days past due	708.02	17,667.04
91-180 days past due	111.51	90.71
181-270 days past due	479.85	206.10
More than 270 days past due	1,070.65	1,488.24
TOTAL	**1,31,617.75**	**84,097.16**

(Amount in ₹ lakhs)

Movement in the expected credit loss allowance	March 31, 2018	March 31, 2017
Balance at beginning of the year	1,661.44	807.48
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(832.37)	853.96
TOTAL	**829.07**	**1,661.44**

Notes forming part of consolidated financial statements

b) Liquidity Risk :

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation, typically the company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities :

(Amount in ₹ lakhs)

As on March 31, 2018	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	-	-	-	-
Current borrowings	-	-	-	-

(Amount in ₹ lakhs)

As on March 31, 2017	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	-	-	-	-
Current borrowings	14,401.89	-	-	14,401.89

c) Market Risk :

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments.

(i) Market Risk - Foreign Exchange

Foreign currency Risk is that risk in which fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company operates internationally and a portion of its business is transacted in several currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company hedges the receivables as well as payables by forming view after discussion with Forex consultant and as per policies by Management. The Company is also exposed to the Foreign currency loans availed from various banks to reduce the overall interest cost.

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows:

(Amount in ₹ lakhs)

Currency	Liabilities		Assets	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
US Dollar (USD)	-	-	-	-

Foreign Currency Exposure

(Amount in USD lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Trade Receivables	-	-
Loans Receivable	-	-
TOTAL	-	-

Notes forming part of consolidated financial statements

Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and impact on Equity

(Amount in ₹ lakhs)

Currency	Impact of Profit and Loss / Equity			
	For year ended March 31, 2018		For year ended March 31, 2017	
	1% increase	1 % decrease	1% increase	1 % decrease
US Dollar (USD)	-	-	-	-

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

ii) Market Risk - Interest Rate

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Note 46 - Income Taxes

(a) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before income taxes	1,02,387.10	82,781.40
Enacted tax rates in India	34.61%	34.61%
Computed expected tax expense	35,434.13	28,648.99
Effect of non-deductible expenses	177.75	2,703.00
Absorption of unabsorbed brought forward losses and depreciation	58.51	(240.05)
Others	(386.79)	(0.31)
Income Tax expense	**35,283.19**	**31,111.63**

(b) The following table provides the details of income tax liabilities and income tax assets as of March 31, 2018 and March 31, 2017 :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Current Income Tax Liabilities	-	2,635.01
Income Tax Assets	1,304.18	806.42
Net current income tax liabilities / (assets) at the end	**(1,304.18)**	**1,828.59**

Notes forming part of consolidated financial statements

The gross movement in the current income tax liability / (asset) for the year ended March 31, 2018 and March 31, 2017 is as follows:

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Net current income tax liability / (asset) at the beginning	**1,828.59**	**166.62**
Income Tax paid	(38,415.96)	(29,449.66)
Current Income Tax expense	35,283.19	31,111.63
Net current income tax liability / (asset) at the end	**(1,304.18)**	**1,828.59**

(c) The gross movement in the deferred income tax account for the year ended March 31, 2018 and March 31, 2017, are as follows:

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Net deferred income tax liability at the beginning	**(185.91)**	**1,299.52**
Movements relating to temporary differences	(1,057.20)	(1,290.71)
Temporary differences on other comprehensive income	(4.36)	(8.81)
Unused Tax Credit	115.48	(185.91)
Net deferred income tax liability at the end	**(1,132.00)**	**(185.91)**

The timing differences arising as at year-end are deferred tax assets. There are no items for which there is deferred tax liability as at year-end. Hence, on the basis of reasonable certainty, such deferred tax assets have not been recognised and carried forward during the year ended on March 31, 2017.

Note 47 - Other Comprehensive Income

During the year, Company has made an irrevocable election to present the subsequent changes in the fair value of equity instruments, not held for trading, in the Other Comprehensive Income. The cumulative loss recognised on disposal of equity instruments for the year ended March 31, 2018 is ₹ 3,086.34 lakhs. Dividend recognised during the year for the investment disposed off is ₹ 46.96 lakhs.

Notes forming part of consolidated financial statements

Note 48 - Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

(Amount in ₹ lakhs)

Name of the entity	Country of incorporation	% of voting power as at March 31, 2018	% of voting power as at March 31, 2017	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
				As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Vakrangee Limited	India	-	-	97.06%	2,51,615.24	96.89%	65,929.22	97.10%	(3,094.46)	96.88%	62,834.76
Indian Subsidiaries											
Vakrangee Finserve Limited	India	100.00	100.00	0.87%	2,265.81	1.03%	702.10	0.00%	-	1.08%	702.10
Vakrangee Logistics Private Limited	India	100.00	100.00	0.37%	968.93	-0.26%	(178.78)	0.00%	-	-0.28%	(178.78)
Foreign Subsidiary											
Vakrangee e-Solutions Inc.	Philipines	100.00	100.00	1.70%	4,391.27	2.34%	1,593.10	2.90%	(92.28)	2.32%	1,500.82
Total					**2,59,241.25**		**68,045.64**		**(3,186.74)**		**64,858.90**

Note 49 - Previous year / period figures

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and polices to the extent applicable. The previous year's figures have been regrouped or rearranged wherever necessary.

As per our report of even date attached.

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. : 116293W

Ankush Goyal
Partner
Membership No.: 146017

Place : Mumbai
Date : June 14, 2018

For & on behalf of the Board of Directors

Dinesh Nandwana
Managing Director & CEO
DIN : 00062532

Subhash Singhania
Chief Financial Officer

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Mehul Rawal
Company Secretary

Notes

Notes

VAKRANGEE LIMITED
"Vakrangee Corporate House", Plot No.93, Road No.16, M.I.D.C. Marol,
Andheri (East), Mumbai - 400093. Maharashtra,
W: www.vakrangee.in | L:+91 22 2850 3412/+91 22 6776 5100
F: +91 22 28502017 | CIN: L65990MH1990PLC056669

ATTENDANCE SLIP

I hereby record my presence at the Twenty Eighth Annual General Meeting of the Company, to be held on Friday, September 28, 2018 at 10.00 AM at The Lalit Plaza, Sahar Airport Road, Andheri (East), Mumbai - 400059.

Name & Address of the Member _____

_____

_____

Registered Folio /Client ID _____

DPID_____

No. of Shares _____

Name of the Proxy _____

Name of the Member or Proxy or Representative present _____

Signature of the Member or Proxy or representative present _____

Note: A member or his/her duly appointed Proxy wishing to attend the Meeting, must complete this Attendance Slip and hand it over at the entrance.

VAKRANGEE LIMITED
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PROXY FORM

Name of the member(s): .....

Registered Address: .....

..... E-mail ID: .....

Folio No. / Client Id: ..... DP ID: .....

I/We, being the member(s) of ..... shares of the Vakrangee Limited, hereby appoint.

1. Name :..... Address : .....
   Email Id : ..... Signature: .....or failing him,
2. Name : ..... Address : .....
   Email Id : ..... Signature : .....or failing him,
3. Name : ..... Address : .....
   Email Id : ..... Signature :.....

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Eighth Annual General Meeting of the Company, to be held on Friday, September 28, 2018 at 10.00 AM at The Lalit Plaza, Sahar Airport Road, Andheri (East), Mumbai - 400059. Maharashtra- and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolutions	For	Against
		I/We assent to the resolution	I/We dissent from the resolution.
ORDINARY BUSINESSES			
1	Adoption of Financial Statements for FY ended March 31, 2018		
2	Declaration of Dividend for FY ended March 31, 2018		
3	Appointment of Dr. Nishikant Hayatnagarkar (DIN:00062638) as Whole Time Director, who retires by rotation and being eligible, offers himself for re-appointment.		
4	Appointment of Auditors and to fix their remuneration		
SPECIAL BUSINESSES			
5	Appointment of Mr. Ramesh Joshi (DIN: 00002683) as Independent Director who has attained the age of Seventy Five years.		
6	Alteration of Main Object Clause of Memorandum of Association of the Company.		

Signed this ..... day of ..... 2018.

Affix Revenue Stamp Rs. 1/-

Signature of Shareholder: .....

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, at "Vakrangee Corporate House", Plot No.93, Road No.16, M.I.D.C. Marol, Andheri (East), Mumbai - 400093. Maharashtra, not less than FORTY EIGHT HOURS before the commencement of the meeting.













OFFICE ADDRESS:

Mumbai:
Registered Office: Vakrangee Corporate House, Plot NO 93, Road NO 16, MIDC, Marol, Andheri East, Mumbai 400093
Tel: 022 67765100

New Delhi Office
2nd Floor, Flat no.238, Ansal Chamber-2, 6, Bhikaji Cama Place, New Delhi-110066

Jaipur Office:
3/55 Paras Ram Nagar, Dher Ke Balaji, Sikar Road Jaipur

Chandigarh Office:
W3-A, 3rd Floor, Godrej Eternia, Plot No. 70, Industrial Area, Phase-1, Chandigarh 160002

Lucknow Office:
413, Aashiyana Colony, Near Aashiyana Thana, Kanpur Road, Lucknow-226012. (UP)

Pune Office:
Unit No 243/244, 2nd Floor, Akshay Complex Condominum, Dhole Patil Road,
Near to Ganpati Mandir, Pune 411001

Indore Office:
Unit No. 220, 2nd Floor, Dhan Trident, Satya Sai Square, Near Metro Tower, Vijay Nagar, Indore (M.P)-452010

Bhubaneshwar Office:
House No-GA 382, 1st Floor, Shailashree Vihar,
(Near Niladri Vihar Auto Stand), Bhubaneswar –751 016

Patna Office:
Flat No 203/B, Aditya Tower, 2nd Floor, White House, Budh Marg, Patna Bihar 800001

Ahmedabad:
Unit No 608, Amarnath Business Centre -1, St Xavier's College Corner, Navarangpura, Ahmedabad 380009

Kolkata Office:
Unit No E-403, 4th Floor, City Centre, Salt Lake, Block DC, Sector 1, Salt Lake, Kolkata – 700064.













Vakrangee
सशक्त परिवर्तन

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www.vakrangee.in

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