Speed
Reliability
Value Performance

COMPUAGE INFOCOM LTD

28th September 2018

To,

The Corporate Services Dept.
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.

National Stock Exchange of India Ltd.,
Exchange Plaza,
C-1, Block G, Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051.

Security Code: 532456
ISIN: INE070C01037

Symbol: COMPINFO

Sub: Submission of the 19th Annual Report of Compuage Infocom Limited for the financial year 2017-2018

Dear Sir/Ma'am,

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith 19th Annual Report of the Company for the financial year 2017-2018 approved and adopted by the Members as per the provisions of Companies Act, 2013, at the 19th Annual General Meeting of the Company held on Friday, 28th September 2018 at 10.00 a.m. at the Victoria Memorial School for Blind, Tardeo Road, Opposite Film Centre, next to Girnar Tower, Mumbai – 400034.

Request you to take on record.

Thanking you,

For **Compuage Infocom Limited,**

Dshah

Disha Shah
Company Secretary

COMPUAGE INFOCOM LTD MUMBAI

Place: Mumbai
Encl: As above

D-601/602 & G-601/602,
Lotus corporate Park,
Graham firth Steel Compound,
Western express Highway, Goregaon (E),
Mumbai – 400 063. India.
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www.compuageindia.com
CIN: L99999MH1999PLC135914

Speed
Reliability
Value Performance

COMPUAGE INFOCOM LIMITED

Partnering the Drive to Digitization

REACH

RELATIONSHIPS

RESOURCEFULNESS

2017-18 Annual Report

Contents

Forward-looking statements

In this Annual Report, we have disclosed forward-looking information to enable investors comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically produce/publish, may 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 'anticipates', 'estimates', '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 would be fully realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. If known or unknown risks or uncertainties materialise, or if underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Corporate Information

Board of Directors

Mr. Atul H. Mehta (DIN: 00716869)
- Chairman & Managing Director

Mr. Bhavesh H. Mehta (DIN: 00740861)
- Whole-time Director

Mr. Ganesh. S. Ganesh (DIN: 00010877)
- Independent Director

Mrs. Preeti Trivedi (DIN: 00179479)
- Independent Director

Mr. Vijay Agarwal (DIN: 00058548)
- Independent Director

Registered Office

Compuage Infocom Limited
D-601/602 & G-601/602,
Lotus Corporate Park,
Graham Firth Steel Compound,
Western Express Highway, Goregaon (East),
Mumbai - 400 063, India.
Tel.: 022 67114444
Fax: 022 67114445
CIN: L99999MH1999PLC135914

Bankers

Bombay Mercantile Co-op. Bank Limited
Central Bank of India
HDFC Bank Limited
IDBI Bank Limited
IDFC Bank
Indian Bank
Kotak Mahindra Bank
Punjab National Bank
RBL Bank Limited

Key Managerial Personnel

Mr. Sunil Mehta - Chief Financial Officer
Ms. Disha Shah - Company Secretary

Statutory Auditors

M/s. Bhogilal C. Shah and Co.
Chartered Accountants

Secretarial Auditor

Mr. Virendra Bhatt
Practising Company Secretary

Branches / Warehouses / Service Centers:

Agra, Ahmedabad, Amritsar, Aurangabad, Bengaluru, Baroda, Bhilai, Bhubaneswar, Bhopal, Buldhana, Burdwan, Chalakudy, Chandigarh, Chennai, Coimbatore, Kochi, Calicut, Dehradun, Delhi, Faizabad, Ghaziabad, Goa, Guwahati, Gurugram, Hyderabad, Hubli, Indore, Jaipur, Jalgaon, Jammu, Jamshedpur, Jabalpur, Jorhat (Assam), Kandivali, Kannur, Kanpur, Kazhakuttom, Kolkata, Kollam, Kottayam, Lucknow, Ludhiana, Midnapore, Mumbai, Mangalore, Madurai, Muzaffarpur, Nagpur, Nasik, Palakkad, Parwanoo, Patna, Puducherry, Pune, Raipur, Ranchi, Rajkot, Siliguri, Surat, Tinsukia (Assam), Thiruvananthapuram, Varanasi, Vashi, Vizag, Vijayawada, Washim and an overseas branch in Singapore

Registrar & Share Transfer Agent

Link Intime India Private Limited
C 101, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai - 400 083.
Tel.: +912249186270
Fax: +912249186060
Email: rnt.helpdesk@linkintime.co.in

Go Green, Think Green

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, enabling the Company to effect electronic delivery of documents. The above initiative will go a long way in conserving paper which is a natural resource, as also result in substantial savings on printing and posting of Annual Reports and other documents of your Company sent to Shareholders. Members are requested to support this green initiative by updating their email address with the respective Depository Participants, in case of electronic shareholding; or registering their email addresses with the Company's Registrar and Transfer Agents, in case of physical shareholding. Join this cause and make the world a cleaner, greener and healthier place to live.

Partnering the Drive to Digitization

India is gradually emerging as a digital economy. In fact, the confluence of technology, new initiatives such as fintech, e-aadhaar and data security and a progressive regulatory environment are offering radically new possibilities in achieving the Government's vision of creating a Digital India. Research indicates that digitization will increase India's GDP growth.

As digitization is increasingly considered to be the key for nation's success, an improved quality of life is envisioned. With the ways of digital technology, quality education can be delivered to millions, and primary healthcare services can be accessed from remote corners of the country. Digitization thus is now a requisite for the country's economic well-being and the recent focus of the Government with new initiatives like the BharatNet, increased spending on digital infrastructure and public wifi systems is the right step indeed towards digitally empowering the country.

Today, retail customers perhaps even in remote areas are being rapidly exposed to a host of digital interfaces.

90% of organizations in India are in the midst of digital transformation. More and more organizations in India are adopting new measures to evaluate their ability and success in digital transformation.

Key digital trends have triggered transformation towards digitization in the way we conduct businesses today.

Despite the recent uproar with digitization, our state of readiness - is far from ideal, as a serious divide exists between the unserved and the served. India's high internet usage is still not commensurate with internet penetration, which stands pretty low compared to the other developed nations. Lack of robust infrastructure, high set-up costs and lack of data security along with low internet penetration are some of the key roadblocks on the way.

Despite the increasing spread on internet in the remote corners of the country, citizens opine the nation's aim of digital empowerment cannot be fulfilled only by increased internet penetration, without the right equipment, devices and software solutions.

With an experience of over three decades, a complete range of IT & Mobility products and a deep-rooted network, Compuage Infocom Limited is responding to this nation’s ambition of digital empowerment with commensurate urgency by acting as a catalyst in the Government's drive towards transforming India into a digital economy.

Compuage at a Glance

At Compuage Infocom Limited, we have always strived to bring world-class IT and Mobility products through esteemed Channel Partners who make a positive difference in the day-to-day working of end customers.

Identity
Established in 1987, Compuage Infocom Limited (hereinafter referred to as "Compuage / Company") is one of India's leading IT and Mobility products distribution intermediary with a revenue of over ₹ 4,07,440.78 Lakhs as of March 31, 2018.

One of the Indian Fortune 500 Companies, Compuage is driven by the overarching objective of bringing world-class products to India and the SAARC nations. This is coupled by empowering them with top-of-the-line technology products through a deep-rooted distribution network.

Ethos
As a distribution intermediary, the flagship business of the Company involves marketing and distribution of a wide variety of IT and Mobility products like hardware, software, networking, data management and storage management among others.

Compuage is engaged in aggressive market development through a large national reseller network, maintaining the highest level of sales, marketing, operational and technical support. We have emerged as one of the leading players in India in our specialized field.

Wide Distribution Network
Compuage possesses a vibrant distribution network of over 12,000 Channel Partners, one of the largest within its industry space. We ensure the availability of our comprehensive product and service portfolio across the vast geographical spread in the shortest possible time.

Our Vision
To be a world-class Information Technology, Mobility Products and Services Company, with strong values and beliefs.

Our Mission
To deliver superior value to all our stakeholders: Customers, Vendors, Shareholders, Employees and Society at large.

Our Values
- Integrity and Fairness
- Reliability and Commitment
- Teamwork
- Respect for All
- Excellence
- Passion

REWARDS AND RECOGNITION BAGGED DURING THE YEAR

Received in CY2017
- Cisco **Best Performer** Award
- Hanwha Security Surveillance **Best Partnership** Award
- **Best Distributor by HP** for
  - Consumer Notebook – Best Y-O-Y Notebook Growth
  - Consumer Printer - Modern Retail
- **Best Individual Contributor for HP Supplies** - Alternate Pipe
- LG **Best Performer** Award
- **Distributor of the year** award - Tyco

Received in CY2018
- **Best Distributor** Award by ASUS
- **Best Sales Team** Award by ASUS
- **Best AMP Net Connect Distributor** Award by Commscope
- **Best Managed Distributor** Award by Commscope

PRODUCTS WE OFFER

PC, Components and Peripherals

- Laptops, Desktops & AIOs
- Peripherals, Supplies
- Projectors
- Memory Products
- Audio & Video Products
- Accessories

Enterprise Solutions

- Passive Networking
- Active Networking
- Power
- Security
- Software

Physical Safety and Security

- Video Surveillance
- Access Control
- Notification and Response
- Fire Alarm and Public Address System

Cloud Computing

- Business Applications
- Communication and Collaboration
- Security
- Infrastructure
- Cloud Management Services
- Vertical Solutions

Mobility Products

- Smartphones
- Tablets
- Mobile Accessories

WHERE WE ARE

Headquartered in Mumbai, India, the Company has extended its reach in more than

1,000 cities across India

through Branch Offices, Service Centers and Channel Partners.

The Company marked its international presence in July 2012 with the setting up of

an office in Singapore to service the SAARC nations.

Our People, Our Strength

Diversity of thought is our motto and this diversity is embraced by our people who are encouraged to think out of the box and thus innovate. Our culture of collaboration means that with every client, the expertise of our entire firm is shared.

We believe that Compuage's success is largely based on our people resource.

We firmly believe that performance, knowledge and skills of our employees are central to our success. Therefore, the underlying policy at Compuage is to attract and retain the best talent through emphasis on core values of trust, continuous learning, satisfying and rewarding work environment and healthy teamwork.

At Compuage, we are committed to empowering our people who play a key role in retaining the competitive edge and reputation of the Company. Therefore, we never hesitate in developing and investing in them. Aligned to this philosophy, we have followed the path of not outsourcing any work.

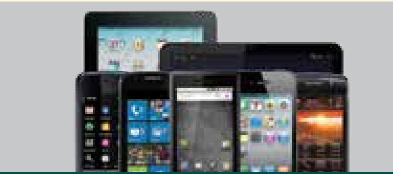
Employee development, training and empowerment is at the core of the Company's agenda. In keeping with this approach, we provide strategic training in sales and marketing as well as carry out programs to update them on the latest trends in IT and the Mobility space.

We seek to maintain a culture of collaboration and innovation, creating a talented and diverse workforce. We have consistently maintained a high rate of retention and have put in place an efficient rewards and recognition mechanism to attract and retain the best talent.

Our Growth Strategy

	INTENT	APPROACH	AIM
Market leadership	**To emerge as a major respected IT & Mobility products distribution intermediary** in regions of its presence.	**Compuage enjoys alliances with renowned global players** enabling it to deliver superior quality products. Successful diversification into new businesses like Mobility products and Cloud Computing has helped us emerge as a complete solutions provider for IT & Mobility related needs. The Company's newest businesses along with the established ones are poised to become our promising future growth drivers.	To emerge as India's leading IT and Mobility products distribution intermediary with a progressive turnover of **₹ 7,000 Crore by 2021**
Market expansion	**To facilitate the availability of Compuage's** products across every corner of India.	**Compuage has a deep-rooted distribution network** strategically located to key points-of-sales, making it possible to leverage timely specific competencies and logistical advantages.	To increase our reach and penetration from **1,000 cities to 1,200, and partners from 12,000 to 15,000 by 2021.**
Strategic promotion	To position ourselves not only as the most reliable IT and Mobility products distributor but also as **one of the most reliable IT-enabled service delivery houses.**	**Conducted extensive promotion schemes and road shows** which enhanced product visibility and thus created consumer pull. **Organized strategic marketing campaigns** to help the end-users and the channel partners understand the benefits of the different products including Cloud Computing. Thus enhancing market position and sales.	**To strengthen** its foothold in the new ventures of the business.
Product basket restructuring	**To focus on products** with higher profitability.	**Efficiently restructure the product mix** with a greater focus on the higher profitability segment.	**To focus on enhancing the revenue proportion** of the fast-growing mobility segment and cloud computing business. Enhance penetration in the mobile sector and cloud computing business, seeking to increase **high growth areas, from 15% at present to 30% by 2021.**

Our Marquee Allies

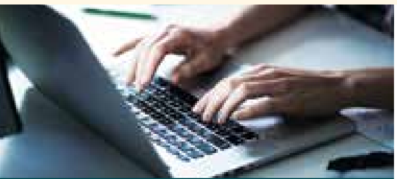


MOBILE DEVICES

Mobile Accessories	Smart Phones	Tablet
Authorised Distributor (Apple)	SAMSUNG	SAMSUNG

PHYSICAL SAFETY & SECURITY

Video Surveillance	Access Control	Intelligent Video Management	Notification & Response
CBC GROUP, tyco Security Products, WISENET SAMSUNG	KANTECH	digifort, Software House, exacqVision	DSC



PCs, COMPONENTS & PERIPHERALS

Peripheral Supplies	Memory Products	Laptop, Desktops & AIOs	Accessories	Projectors & Displays
hp, LITEON	SanDisk	ASUS IN SEARCH OF INCREDIBLE, hp, Lenovo	Lenovo, Targus	AOC, BenQ, COMPAQ, hp, LG

ENTERPRISE SOLUTIONS

Software	Passive Networking	Active Networking	Digital Signage	Security	Power
arcserve, K7, Microsoft, SAP	ADC KRONE, AMP NETCONNECT, molex, SYSTIMAX SOLUTIONS	CISCO, Extreme, LINKSYS	BenQ, LG	Check Point, CISCO	RELICELL

CLOUD SOLUTIONS

Cloud CRM	IAAS	Cloud HRMS	Accounting & GST	Website & SEO	Cloud Security	Productivity & Chatbot	Email Migration & Back Up
CRMNEXT, MyOperator, ZOHO	Azure, IBM Cloud	adrenalin, keka	GST HERO, UdyogSoftware	NOWFLOATS	CloudGuard	YELLOW MESSENGER, WittyParrot	CLOUDIWAY, VAULTASTIC

Our Business Model

INPUT

Equity:
₹ 1,174.80 Lakhs

Cash generated:
₹ 923 Lakhs

Presence in **5** different verticals

- PCs, Components and Peripherals
- Mobility Products
- Physical Safety & Security Equipment
- Enterprise Solutions
- Cloud Computing

Key relationships

- Renowned global alliances
- Channel partners

Technology investments

- Supply Chain Management
- Inventory Management
- Receivables Management

BUSINESS ACTIVITIES

Sustainable products and solutions in the IT and IT-enabled services industry

- **Unique** product portfolio based on in-depth expertise and application knowhow
- **Enhanced** our portfolio with niche, value-driven products thereby accelerating cross-sales and reinforcing our sales volumes

Relationship management

- **Focus** on understanding the clients' needs accurately and working jointly to provide the right solutions
- **Developed** a strong pre and post-sales support team
- **Help** partners with accelerator tools to boost the sales
- **Maintain** strong service ethics
- **Devise** promotion programs in line with vendor and channel partner expectations

Technological enhancement

- Continuous and strategic investment in technology upgradation across all the key business functionalities

OUTPUT

Sustainable and high applicability products and solutions, prominent market leadership position

- Have been able to emerge as the **leading** IT and Mobility products provider in India

- **Enabling** our customers to save valuable time, energy and money

Responsible operations

- **Ensured** widespread product presence with a well spread network
- **Revenue** generated from the sale of products in FY 2018 ₹ 4,06,428.87 Lakhs

Relationship

- Grew its alliances and partners count each year

Technology

- Sustained investment in technology, has helped us operate efficiently with greater productivity in each business function

OUTCOMES

Customers

- **Trusted** product quality, optimum customer satisfaction, and timely product delivery

Business alliances

- Not known just as a distribution intermediary, but rather as a **reliable** partner for the vendors
- Associate with new brands to drive growth

Downstream partners

- One of the few companies in the industry to have a **presence** across the value chain

Stakeholders return

- ₹ 762.74 Lakhs paid in **dividends** in the last five years
- **Enhanced** its credit rating from BBB+ to A- for Long-Term Bank Facilities and from A2 to A2+ for Short-Term Bank Facilities (CARE)
- **Availed** A- credit rating for Medium-Term Fixed Deposits

Society

Spent ₹ 45.11 Lakhs in 2018 in implementing different CSR activities like education, healthcare and social welfare

Chairman's Message

Dear Shareholders,
FY 2018 marks a momentous year for the Company, as we undertook some of the most decisive initiatives towards building a robust future for the Company and to partner the nation in the transformation towards a "Digital India". As the country is taking rapid strides towards a digitized future, new technology is dynamically changing demand patterns across different markets. It is important for us to now strengthen existing resources, and digitalize our products and services.

Our challenge today is not only to adapt to swift developments but also to pre-empt them and lead the way for a sustainable future. To be future-ready, we not only delved internally within our organization, but also explored externally to find new ways of achieving growth. We focused on tracking trends and maintaining proximity with our alliances and channel partners to understand key movements. It is indeed a rare occasion for the industry to witness an environment marked with both challenges and opportunities.

Performance in 2018
Besides changes like demonetization in 2016 and the implementation of GST in 2017, new developments were seen in recent banking reforms, continued pressure on commodity prices and large-scale destocking. Despite this, Compuage delivered yet another year of commendable performance.

We reported revenues of ₹ 4,07,440.78 Lakhs during the year, an increase of 14.73% the previous year. We fast-tracked our sales across the different product lines and reported 11.36% growth at the EBIDTA level and 17.53% growth at the net profit level. Our net operating profit and net profit margins recorded a growth of 4.54% and 0.50%, respectively. Our diversified portfolio, helped achieve profitable growth each year which speaks for the long-term potency of our strategy. Besides, every relevant financial number reported by the Company was better than the previous year, showcasing the strength of our growth programs.

On the pricing side, there was hardly any increase in 2018, yet we reported good numbers. This was largely possible as we continued to explore new markets in India resulting in increased sales. Secondly, we had signed a number of new brands in the last couple of years which showed positive results in revenue mix in 2018.

Industry overview
Our country is finally undergoing the much-awaited digital transformation. The renewed focus on Smart Cities, increasing penetration of the internet in the remotest corners of our country and the implementation of GST are expected to open up new demand pockets for IT systems and services. Deeper penetration of broadband and networking services is likely to create additional demand for the IT equipment across the country. India's PC penetration is only about 9-10 million a year as against China and US's annual PC penetration of 60-70 million; so here exists an ocean of opportunities which must be urgently tapped.

Secondly, the other area of greater optimism is the mobility space, especially, the smartphone segment, where there are huge opportunities to be explored. The mobility segment has been growing exponentially in the last few years. Continuing with the trend, India is soon expected to overtake US to become the second-largest smartphone selling country in the world. Presently, the country, has more than 800 million users but only 35% of those use smartphones. Here again, there is immense opportunity for development both in IT and Mobility space with lower penetration on both sides of the businesses.

Marquee events during the year
Perhaps, the best news for the year is the association of Compuage with the well-established international brand, Apple. With the current arrangement, we are limited to the distribution of accessories only, but with a brand like Apple on board, is a big achievement for the business. We look forward to further strengthening our relationship with Apple and take this new business partnership to the next level in the years ahead.

As a distribution company, there is an intense requirement of working capital. In 2018, we designed a three-year growth plan for the Company to gauge the working capital requirement. Based on the execution of our plans, we would take a call on when and what quamtum of capital be raised.

Also in this year, we increased our focus on the mobility and cloud computing segment. Research indicates that low smartphone penetration and the increasing importance of cloud computing owing to inherent advantages are expected to provide immense opportunity for growth. The other milestone initiative at Compuage in 2018 was centered around the cloud business. It was our conviction that one of the most attractive sectors in India would be the cloud business. So we fortified our presence in this segment during the year by offering a full range of business technology solutions. We plan to emerge as one of the leading cloud distributors by building on this new portfolio. We will provide a complete range of reseller automation solutions, reducing operational hassles and also exploring new markets.

Our partner strength grew from
10,000 in FY 2017 to 12,000 in FY 2018
along with the adition of
200 new cities with 32 brands

Revenues of
₹ 4,07,440.78 Lakhs
during the year, an increase of **14.73%** from the previous year

We continued to penetrate further in upcountry locations and increased our partner count during the year. Our partner strength grew from 10,000 in FY 2017 to 12,000 in FY 2018 along with adding 200 new cities with 32 brands to our portfolio.

We recognize that to deliver the double-digit profit growth, we could not rely solely on revenue growth, particularly within the uncertain macro environment. Therefore, we continue to focus on enhancing our operational efficiency and asset optimization in 2018. Our methodical and systematic operations enable us to achieve this goal. Gradually, we built on capabilities and competencies to get significant results. This is providing us scope for expanding our potential.

We organized regular meets with channel partners and retailers during the year at various locations across India to celebrate success, to impart training and to update them on our new products and services. Naturally, this helps to enhance sales volume and extend the reach. We participated in several renowned exhibitions and fairs during the year to showcase our wide range of offerings and enhance visibility.

We figured that low smartphone penetration and the increasing importance of cloud computing owing to its inherent advantages are expected to provide immense opportunity for growth.

Changing market dynamics provides us with opportunities to take a fresh look at our product range and focus on high-margin products. With a diverse offering of more than 32 brands across five verticals, we continued supporting our partners by identifying the right solution for them in the right marketplace. This further strengthened our relationship and trust.

Outlook

It has been a year of significant progress. I am very positive about the future industry prospects that await us, as India steadily moves towards becoming a complete digital economy. The Indian IT and allied industry is well positioned in a growth market. As an individual player in the industry, we have a big window to take advantage of the promising environment. We remain committed to focusing on areas where active management demonstrates clear, repeatable advantages.

With a wide spectrum of future opportunities which have been already identified, I am confident the Company will continue to remain progressive and deliver maximum value to our esteemed Shareholders and all other Stakeholders.

With warm regards,

Atul H. Mehta
Chairman & Managing Director

Reach

In the distribution business with a wide reach, an essential component for the success of the business is the critical need to market the right kind of product to the right kind of customers.

As we strive to partner in the digitization of the country, we were faced with a few serious questions.

How do we plan to service the growing needs of the 2nd most populous consumer base in the fifth largest country? How do we ensure timely availability of our products across all of India?

At Compuage, we answered these questions brilliantly by creating a widespread, knowledgeable and an ever growing distribution network.

1,000 cities and towns across India
where Compuage has a presence today.

Why was it important for us to build such a network?

We patiently created this network...

Because we believe that in a country like India product availability to the large masses located in different regions is the key to success.

Because we believe that it would help Compuage in reaching the far-flung corners of the country, enabling us to sell more products, deliver quickly and earn greater revenue.

Because this would provide us critical support while entering new businesses and markets, thus saving us from the cost of a new trade channel.

Because we felt that channel partners would play a crucial role while launching new products or adopting push strategies.

Because regular feedback from channel partners would help us in assessing the needs from different regions which in turn would help in strategic decision-making and allocating products based on the regional demand.

How did we build such deep-rooted network?

By investing in our channel partners

By partnering with them in our success

By extending support as a consultant rather than just a supplier

By regularly keeping them updated of new product developments

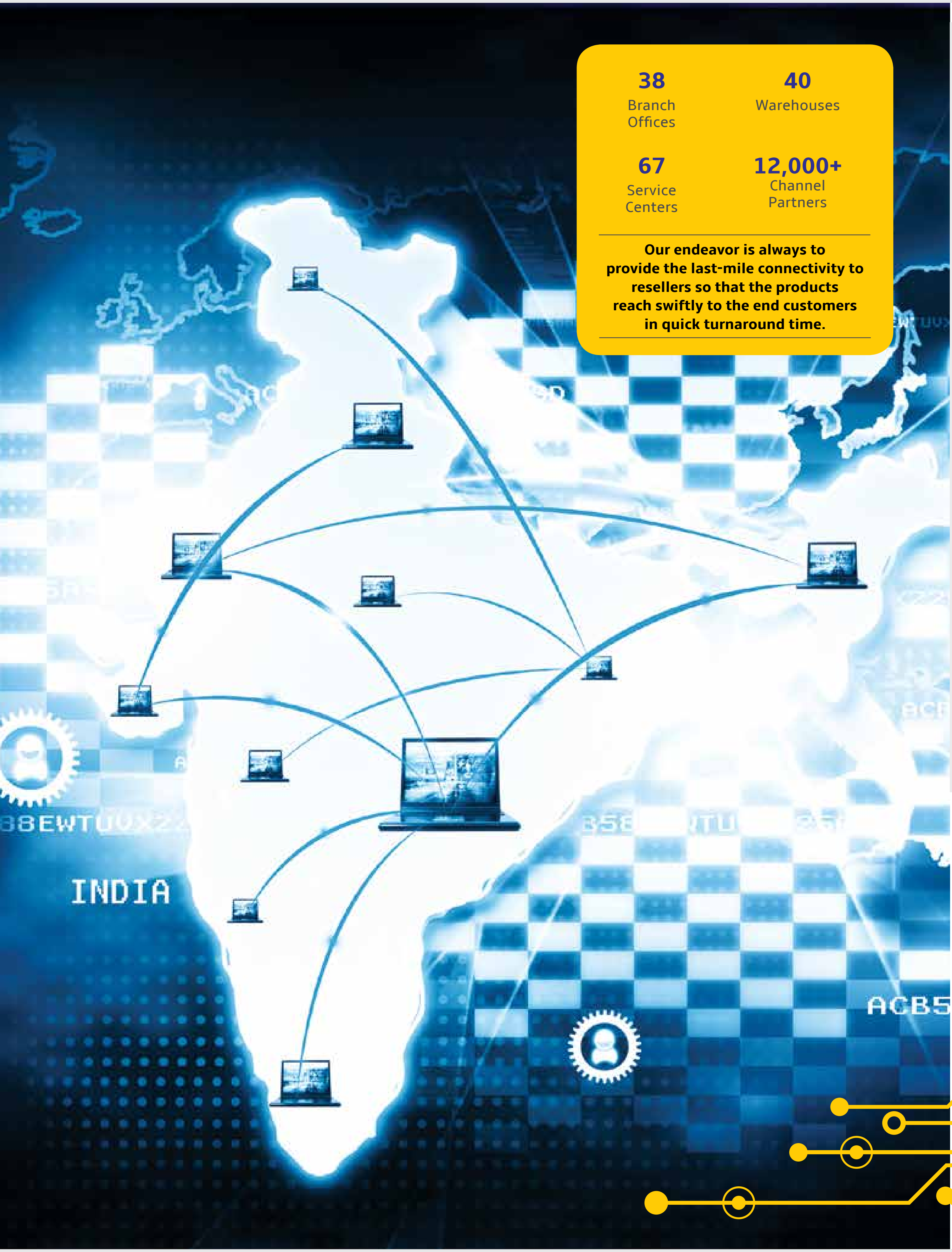
38 Branch Offices

40 Warehouses

67 Service Centers

12,000+ Channel Partners

Our endeavor is always to provide the last-mile connectivity to resellers so that the products reach swiftly to the end customers in quick turnaround time.



Relationship

In a business where customer requirements keep evolving all the time, one of the most enduring strengths of a company is its consistency in maintaining a strong relationship with different stakeholders.

In a business increasingly marked by the need for dependable outsourcing, there is a greater premium on responsible relationship management.

Compuage was engaged in the business of importing and distributing IT products at a time when the entire industry in India was in a nascent stage.

In the early 1990s, IT products were a novelty in India and one had to shell out a fortune to own one such Product.

The growth of the industry was handicapped on account of Government policies, constrained budgets and absence of aspiration among the people.

Amidst such a scenario, we feel that how we managed our relationship with our allies, channel partners and distributors would be crucial for the long-term profitability and sustainability of the Company.

Why?

Because...
...we felt that an organization is as strong as the relationships it builds with all stakeholders.

In the process, the Company focused on transforming and strengthening relationships with its global allies, trade partners and distributors to promote our long-term growth strategy.

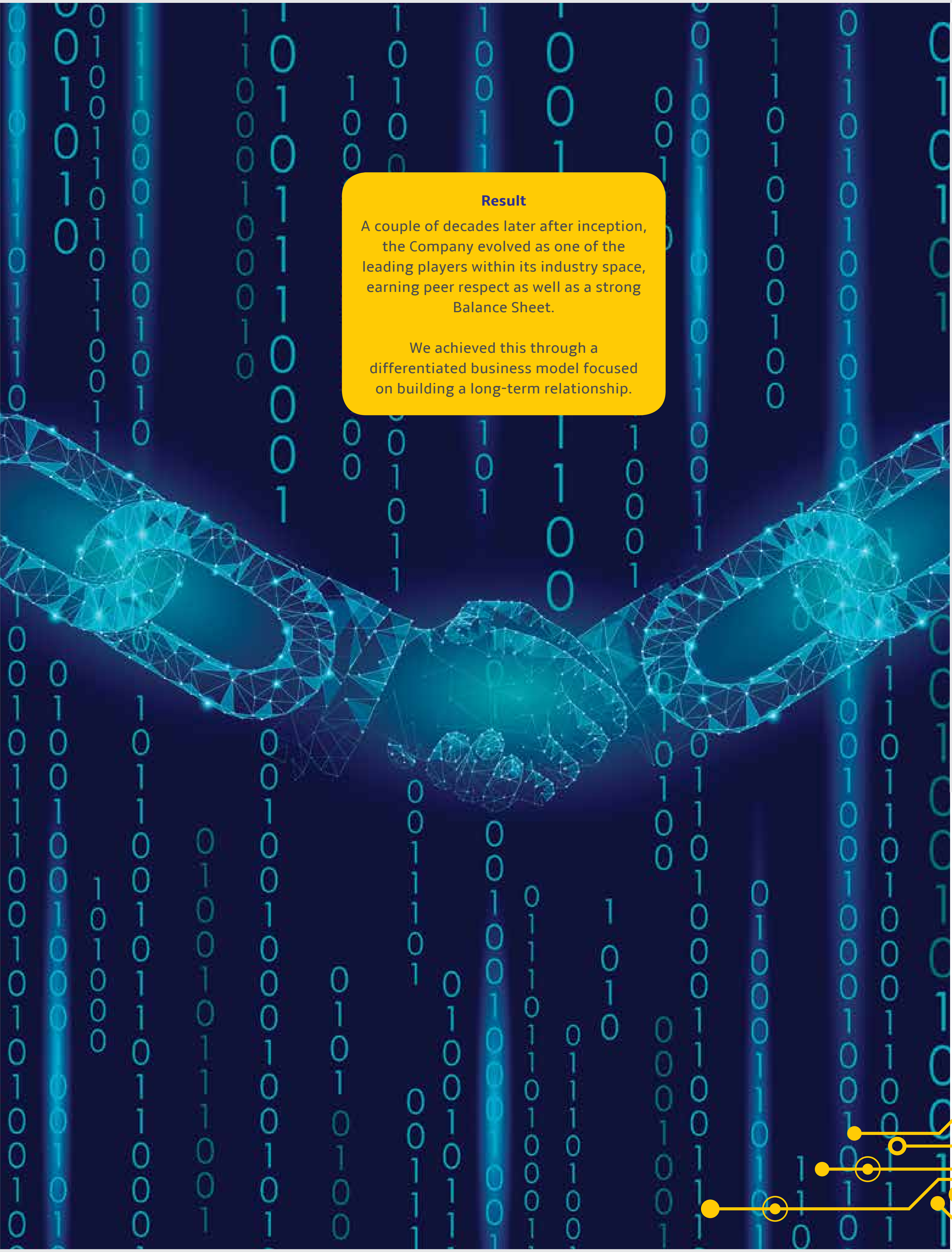
How it proved beneficial for Compuage?

Strong relationships with our allies is crucial as it helps in timely supply of products and services.

Close and lasting relationships with our clients gave us an in-depth understanding of their needs. We used these insights to identify and provide customized solutions from our broad range of product offerings.

Instead of a traditional view of just providing our downstream partners with a distribution pipeline, **we focused on establishing healthy relationships with them by arming them information on the potential strengths of our products.** This helped us map our markets better, price the products appropriately, enhance our sales and strengthen our brand value.

Thus these relationships have...
... Helped us through the challenging times
... Encouraged us to aim higher
... Propelled us to discover our strengths
... Positioned us as competitive partners with our allies



Result

A couple of decades later after inception, the Company evolved as one of the leading players within its industry space, earning peer respect as well as a strong Balance Sheet.

We achieved this through a differentiated business model focused on building a long-term relationship.

Resourcefulness

Survival in today's rapidly evolving business environment is dependent on the company's ability to evolve with changing scenarios. It must be ever resourceful and in line with the dynamic preferences of its customers.

Compuage ventured into the distribution business of IT and related products in response to a deeply-felt and unfulfilled need that continues to be relevant today nationally.

With time, Compuage has smoothly evolved into a complete solution provider with an enviable presence across the value chain. But the ability of the Company in terms of being nimble-footed is what is helping us stay ahead of the competition.

How?

By being a proactive organization, we responded to the changes by transforming our business strategies to match market fluctuations.

Through continuous and timely evolution of product offerings by venturing into new and challenging business segments like IT-enabled services, Mobility products and Cloud computing business.

It is felt that Cloud computing is often far more secure than traditional computing.

In 2011 and 2018, Compuage proposed the expansion of its business into the interesting segments of fast-growing Mobility products and the latest cloud computing business, respectively.

This enhancement does not represent an unrelated diversification; it represents a synergistic extension by adding value to the business.

Why?

One, India is fast evolving to become a digital economy with the Government's "Digital India" program.

Two, growing penetration of the high-speed mobile internet is resulting in increased demand for cloud-based applications.

Three, India's public cloud market is likely to rise by more than 53% as the world's fastest growing economy embraces digitization.

Four, companies, small, medium and big are now regularly investing a great deal in their IT spend on cloud applications, as cloud-based infrastructure enables the organization to be flexible on a large-scale and in quick time.

Five, the Indian smartphone market is promising to clock double digit growth.

Six, it is felt that Cloud Computing is often more secure than traditional computing.

The niche segment addressed by the Company represents a large US$ 4 billion opportunity by 2020.

Cloud opportunities... and the way forward!

Setting our sights high with futuristic opportunities

US$ 500 billion

Expected spending on the cloud market by 2020

Interesting fact

Cloud Accelerates Digital Transformation

2X on growth	**1.5X** on gross profit	**1.8X** on recurring revenue

Hence,

80%

Business houses across the globe are considering partially or fully embracing the Cloud

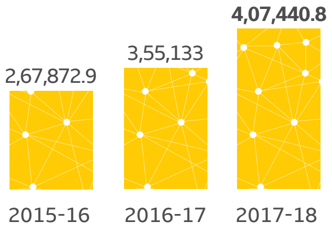
As per IDC research, Cloud partners outperform their peers

Financial Highlights

FINANCIAL TRANSFORMATION

NET SALES

(₹ IN LAKHS)

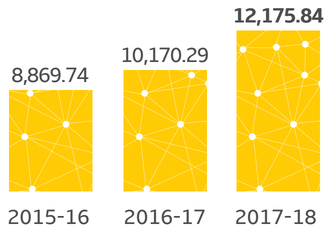


Y-o-Y GROWTH: **14.73%**

CAGR OVER THE LAST 3 YEARS: **23%**

FREE CASH

(₹ IN LAKHS)

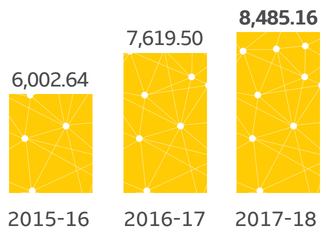


Y-o-Y GROWTH: **19.72%**

CAGR OVER THE LAST 3 YEARS: **17%**

EBIDTA

(₹ IN LAKHS)

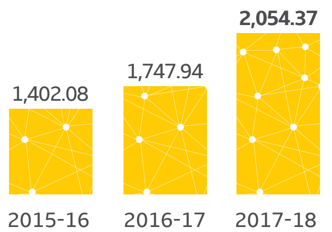


Y-o-Y GROWTH: **11.36%**

CAGR OVER THE LAST 3 YEARS: **19%**

PROFIT AFTER TAX

(₹ IN LAKHS)



Y-o-Y GROWTH: **17.53%**

CAGR OVER THE LAST 3 YEARS: **21%**

REVENUE

20%

CAGR over the past 10 years (2018)

PROFIT AFTER TAX

19%

CAGR over the past 10 years (2018)

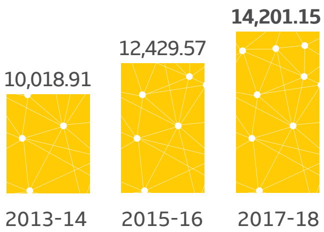
EBIDTA

17%

CAGR over the past 10 years (2018)

NET WORTH

(₹ IN LAKHS)



Y-o-Y GROWTH

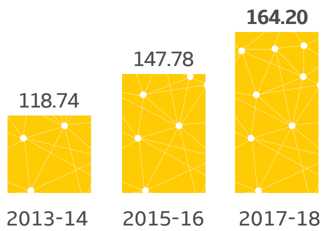
14.25%

CAGR OVER THE LAST 3 YEARS

19%

EMPLOYEE PRODUCTIVITY

(₹ IN LAKHS)



Y-o-Y GROWTH

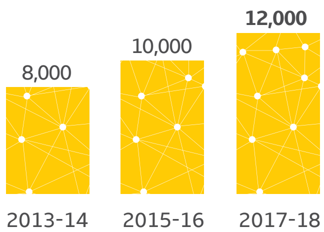
11.11%

CAGR OVER THE LAST 3 YEARS

18%

CUSTOMER* GROWTH

(IN NOS.)



Y-o-Y GROWTH

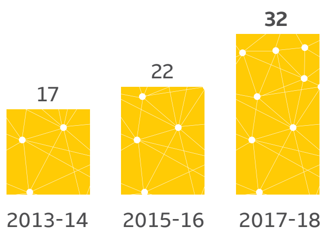
20%

CAGR OVER THE LAST 3 YEARS

22%

COMPUAGE'S GROWING BRAND ASSOCIATION

(IN NOS.)



*Customer in this case refers to Resellers, System Integrators, Online Retailers and Large Format Retailers

BOOK VALUE PER SHARE

Year	₹
2015-16	18.80
2016-17	21.30
2017-18	24.20

Note: During FY 2016-17, there was split in face value of Equity Share from ₹ 10/- per share to ₹ 2/- per share.

WORKING CAPITAL CYCLE

Year	No. of Days
2015-16	30
2016-17	35
2017-18	33

RETURN ON EQUITY (ROE)

Year	%
2015-16	13.99
2016-17	15.36
2017-18	14.25

Statutory Reports

- Directors' Report
- Corporate Governance Report
- Management Discussion and Analysis Report

Directors' Report

To,

The Members,

COMPUAGE INFOCOM LIMITED

Your Directors hereby present the 19th Annual Report on the business and operations of the Company along with the Audited Financial Statements for the financial year ended March 31, 2018.

FINANCIAL HIGHLIGHTS:

The highlights of the Financial Results are as tabulated below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	31st March 2018	31st March 2017	**31st March 2018**	31st March 2017
Revenue from Operations & Other Income	**408939.80**	357047.91	**408939.80**	357050.19
Less: Expenses	**400454.64**	349428.41	**400478.80**	349429.57
Profit before Interest, Taxation & Depreciation	**8485.16**	7619.50	**8461.00**	7620.62
Less: Finance Costs	**4949.93**	4493.89	**4949.93**	4493.89
Less: Depreciation	**340.91**	358.94	**342.14**	362.62
Profit before Tax	**3194.32**	**2766.67**	**3168.92**	**2764.11**
Less: Tax Expense	**1139.95**	1018.73	**1139.95**	1018.73
Profit after Tax Provision	**2054.37**	**1747.93**	**2028.97**	**1745.38**
Less: Other Comprehensive Income	-	-	**0.06**	2.24
Balance brought forward	**8844.99**	7379.84	**8936.56**	7476.21
Amount available for Appropriation:	**10899.36**	**9127.77**	**10965.47**	**9219.35**
Less: Dividend				
Dividend for Financial year 2016-2017	-	234.96	-	234.96
Dividend Tax for Financial year 2016-2017	-	47.83	-	47.83
Proposed Dividend	**234.96**	234.96	**234.96**	234.96
Dividend Distribution Tax	**47.83**	47.83	**47.83**	47.83
Less: Unrealised Profit	-	-	-	-
Less: Foreign Currency Translation Reserve	-	-	-	-
Less: Minority Interest	-	-	-	-
Balance Carried to Balance Sheet	**10616.57**	8844.99	**10682.68**	8936.56
EPS (Basic)	**3.50**	2.97	**3.45**	2.97
EPS (Diluted)	**3.50**	2.97	**3.45**	2.97

NOTE: TRANSITION TO IND AS:

These financial statements as at and for the year ended March 31, 2018 have been prepared in accordance with Indian Accounting Standards ("Ind AS") issued under the Companies (Indian Accounting Standards) Rules, 2015 and as amended thereafter.

For all periods upto and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements are the Company's first Ind AS financial statements and are covered by Ind AS 101, First-time adoption of Indian Accouting Standards. The transition to Ind AS has been carried out from the accouting principles generally adopted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101. An explanation of how the transition to Ind AS has affected the Company's Equity and its Net Profit is provided in Note 33(B). Financial Statements as at, and for the year ended March 31, 2017 have also been restated to conform to Ind AS.

BUSINESS PERFORMANCE:

Standalone:

The Company registered increase in revenue by 14.53%. The Company's revenue increased to ₹ 408939.80 Lakhs as compared to ₹ 357047.91 Lakhs in the previous year marking an increase by ₹ 51891.89 Lakhs. The Company's Net Profit After Tax stood at ₹ 2054.37 Lakhs as compared to ₹ 1747.93 Lakhs in the previous year recording an increase of 17.53%.

Consolidated:

The consolidated increase in revenue was 14.53%. Our consolidated revenue has grown to ₹ 408939.80 Lakhs as compared to ₹ 357050.19 Lakhs in the previous year. The Company's Net Profit after Tax stood at ₹ 2028.97 Lakhs as compared to ₹ 1745.37 Lakhs in the previous year and thus Net Profit recorded a growth rate of 16.25%. Overall the year gone by has been good and your Directors are hopeful of favourable time in future too.

DIVIDEND:

For the financial year 2017-18, your Directors have recommended a dividend of ₹ 0.40 paisa per share on face value of ₹ 2/- per share of the Company, i.e. 20 per cent of the face value. The said Dividend on Equity Shares is subject to the approval of the Shareholders at the Annual General Meeting (AGM).

TRANSFER TO RESERVES:

The whole profit after tax has been transferred to Surplus in the Statement of Profit & Loss. No amount is transferred to General Reserves Account.

BUSINESS STRATEGY:

Compuage is a leading technology products distribution Company in India by technology products primarily, we carry the IT and mobility products. During the year under review, Company has signed up new relationships with vendors for distribution of products in India. Its business strategy is based on following principles:

- Partnering up new viable businesses and build lasting relationships with existing, new and potential partners.
- To reach rural market, penetrate deeper in the current markets and trying to grow the business in the existing product line.
- Increase our reach and penetration from 800 cities and 12000 partners to 1000 cities and 15000 partners by 2020.
- Launch of online purchase model for Channel Partners which will help to tap larger market share.
- To deliver differentiated offerings to the clients which in turn will enhance their productivity and thus brings overall efficiency and effectiveness of the business.
- Periodically optimise various operational parameters to bring in effectiveness of organisational structure and processes which helps in aligning and meeting strategic goals.
- Materially enhancing the efficiency of our work delivery processes through good planning, flexibility amongst our workforce and utilising available technology and field tools.
- Ensuring the overall safety of our people, recruiting, training and retaining the best people and delivering on shareholder.

Basically, the Board is fairly bullish about future and working on the targets for upcoming years. Your Directors are making all good efforts to achieve the better results in years to come.

SUBSIDIARY COMPANY:

Compuage Infocom (S) Pte. Ltd.:

Compuage Infocom (S) Pte. Ltd. is a Wholly Owned Subsidiary of the Company. There was no business activity in the Subsidiary Company during the year since, Company has transferred its business to Singapore Branch.

In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the Subsidiary Company in Form AOC-1 is appended as Annexure A to the Board's Report.

Further, no new subsidiary was acquired nor any subsidiary ceased to exist.

OVERSEAS OPERATIONS:

Your Company's overseas operations are carried out through branch office established in Singapore. It has served as a medium to manage business more effectively. This overseas presence has enabled to achieve economies of scale.

CONSOLIDATED FINANCIAL STATEMENTS:

As stipulated by Regulation 33 of the Listing Regulations, the consolidated financial statements have been prepared by the Company in accordance with the Indian Accounting Standards (Ind AS). The audited consolidated financial statements together with Auditors' Report forms part of the Annual Report.

Pursuant to Section 136 of the Companies Act, 2013, the financial statements of the subsidiary are kept for inspection of the Shareholders at the Registered Office of the Company.

SHARE CAPITAL:

During the year, there was no change in the share capital structure of the Company. The Authorized Share Capital of your Company stands as follow as on March 31, 2018:

Sr. No.	Particulars	Amount (in ₹)
1.	96270000 Equity Shares of ₹ 2/- each	192540000/-
2.	4665600 Preference Shares of ₹ 0.10 (Ten paise) each	466560/-
3.	3369344 Preference Shares of ₹ 10/- each	33693440/-

The Issued, Subscribed and Paid-up Equity Share Capital of your Company is ₹ 11,74,79,990/- divided into 5,87,39,995 Equity Shares of ₹ 2/- each, fully paid-up.

LIQUIDITY:

We maintain sufficient liquidity to meet our strategic and operational requirements. We understand that liquidity in the Balance Sheet has to balance between earning adequate returns and the need to cover financial and business risks. We are agile and prepared to meet unforeseen business needs, if any.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Directors:

The current policy is an appropriate mix of Executive and Non-executive Directors to maintain the independence of the Board, and separate its function of governance and management. On March 31, 2018, the Board consists of 5 members, two of whom are Executive Directors and 3 are Non-executive Directors.

During the year under purview, Managing Director and Whole-time Director were re-appointed vide Shareholder's Resolution passed at the Annual General Meeting of the Company held on September 23, 2017.

Apart from above, there has been no change in the Board composition during the year under review.

Key Managerial Personnel:

Pursuant to the provisions of Section 203 of the Companies Act, 2013, following persons are Key Managerial Personnel of the Company:

- Mr. Atul H. Mehta – Managing Director
- Mr. Bhavesh H. Mehta – Whole Time Director
- Mr. Sunil Mehta - Chief Financial Officer and
- Mrs. Disha Shah - Company Secretary

There has been no change in the Key Managerial Personnel during the year.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board, Committees and Individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI Listing Regulations").

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of Committees, effectiveness of Committee Meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed at the Board Meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and Individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

BOARD MEETINGS:

The Board met twelve times during this financial year, the details of which are given in Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015.

DECLARATION BY INDEPENDENT DIRECTORS:

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CORPORATE SOCIAL RESPONSIBILITY:

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year is set out at report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer Annexure B which forms part of this report. The policy is available on the website of the Company.

ABSTRACT OF THE ANNUAL RETURN:

As provided under Section 92(3) and Section 134 (3) (a) of the Companies Act, 2013, the extract of annual return is given in Form MGT-9, which forms part of this report in Annexure C.

CORPORATE GOVERNANCE:

Report on Corporate Governance duly approved by the Board of Directors in accordance with Listing Regulations, along with a certificate from the Statutory Auditors confirming the compliance is given separately in this Annual Report in Annexure D.

MANAGEMENT DISCUSSION AND ANALYSIS:

A report on Management Discussion and Analysis which includes details on the state of affairs of the Company as required under the Regulation 34(2) (e) of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 forms part of the Boards' Report at Annexure E.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is given hereunder:

A. Conservation of energy:

Your Company is primarily engaged in Marketing and Trading activities and has not consumed energy of any significant level and hence no additional investment is required to be made for reduction of energy consumption. However, the Company will continue with its efforts to conserve the energy.

B. Technology absorption:

The Company's operations do not require significant absorption of technology.

C. Earnings And Outgo in Foreign Exchange:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Current Year (in ₹)	Previous Year (in ₹)	Current Year (in ₹)	Previous Year (in ₹)
Foreign Exchange Earnings	**13746.16**	14777.74	**13746.16**	14777.74
Foreign Exchange Outgo	**13721.26**	14742.18	**13721.26**	14742.18

PREVENTION AND REDRESSAL OF SEXUAL HARRASSEMENT AT WORK PLACE:

The Company has formed a Committee and framed a Policy on "Prevention of Sexual Harassment of Women at Work Place" and matters connected therewith or incidental thereto covering all the aspects as contained under the 'The Sexual Harassment of Women at Work Place (Prohibition, Prevention and Redressal) Act, 2013'. Your Directors state that during the year under review, no cases were filed pursuant to the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013".

HUMAN RESOURCES:

Your Company considers people as its biggest assets. It has put concerted efforts in talent management and succession planning practices, strong performance management, learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership. The Company has a structured induction process for all locations. During the year, your Company has ensured that rewards and recognition are commensurate with performance and that employees have the opportunity to develop and grow.

The enthusiasm and unstinting efforts of employees have enabled the Company to improve productivity across organization.

PERFORMANCE OF EMPLOYEES:

A. The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

i) Details of the ratio of remuneration of each Director to the median remuneration of the employees for the financial year:

Sr. No.	Name of the Directors	Designation	Ratio to median remuneration of the employees
1.	Mr. Atul H. Mehta	Chairman and Managing Director	58.37:1
2.	Mr. Bhavesh H. Mehta	Whole-time Director	58.37:1
3.	Mr. Ganesh Shiva Ganesh	Non-Executive & Independent Director	NA
4.	Mrs. Preeti Trivedi	Non-Executive & Independent Director	1.39:1
5.	Mr. Vijay Agarwal	Non-Executive & Independent Director	1.04:1

ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Sr. No.	Name of the Directors	Designation	% increase in remuneration
1.	Mr. Atul H. Mehta	Chairman and Managing Director	NIL
2.	Mr. Bhavesh H. Mehta	Whole-time Director	NIL
3.	Mr. Ganesh Shiva Ganesh	Non-Executive & Independent Director	NIL
4.	Mrs. Preeti Trivedi	Non-Executive & Independent Director	NIL
5.	Mr. Vijay Agarwal	Non-Executive & Independent Director	-25.00%*
6.	Mr. Sunil Mehta	Chief Finance Officer	NIL
7.	Ms. Disha Shah	Company Secretary	34.62%

**In the previous financial year, Mr. Vijay Agarwal attended 4 meeting while the financial year 17-18, he attended 3 meetings. Hence, there is decrease in remuneration is by 25%.*

iii) **The percentage increase in the median remuneration of employees in the financial year:**
During the year under purview, there has been increase in the number of employees and the class drawing low range salary was more compared to previous year. Because of this, median has come down resulting into decrease in the median remuneration of employees by 5.74%. We would also like to highlight the fact that the overall economy saw downfall in the financial year 2017-18 due to implementation of GST and banking challenges. We also confirm that there was no change in the remuneration of the Directors, KMP other than Company Secretary. The increase was on account of the mutual agreement since her appointment.

iv) **The number of permanent employees on the rolls of Company:** 862

v) **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 median percentage for the salaries of employees other than the managerial personnel decreased by 7.67%. Justification being same as highlighted at point iii above.

vi) **It is hereby affirmed that remuneration is as per the remuneration policy of the Company.**

B. Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name (Age)	Designation, Nature of duties & Date of commencement of Employment	Qualification /Experience	Gross Remuneration ₹	Nature of employment	Relationship
Atul H. Mehta (57)	Chairman & Managing Director, Specialized in Finance & Strategic Planning (16.06.2000)	MBA – U.S.A (28)	1,68,00,000/- (w.e.f. 08.09.2017)	Contractual	Brother of Mr. Bhavesh Mehta, Whole-time Director
Bhavesh H. Mehta (45)	Whole-time Director, Specialized in Imports & Logistics (18.10.2000)	M.Com (21)	1,68,00,000/- (w.e.f. 18.10.2017)	Contractual	Brother of Mr. Atul Mehta, Managing Director

Note:

1. Nature of employment is contractual.
2. The above amount does not include provision of gratuity, provident fund and leave encashment.

INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROLS:

The Company has an in-house Internal Audit (IA) function. To maintain its objectivity and independence, the IA function reports to the Chairman of the Audit Committee of the Board. The IA department evaluated the efficacy and adequacy of the internal control system, its compliance with operating systems and policies of the Company and accounting procedures at all locations of the Company.

Additionally, the Board has appointed M/s. Agarwal Desai & Shah, Chartered Accountants (Firm Reg. No. 124850W) as Internal Auditors of the Company in accordance with Section 138 of the Companies Act, 2013 to have financial control checks and ensure adequate transparency.

The Audit Committee of the Board of Directors periodically reviews the audit plans, internal audit reports and adequacy of internal controls.

AUDITORS:

The Company has appointed M/s. Bhogilal C. Shah & Co. having Firm Registration no.101424W, as the Statutory Auditors of the Company who holds the office for a period of 5 consecutive years from the conclusion of 18th Annual General Meeting till the conclusion of 23rd Annual General Meeting of the Company to be held in 2022.

AUDITORS' REPORT, DISCLAIMER AND MANAGEMENT'S REPLY:

There are no qualifications, reservations or adverse remarks made by M/s. Bhogilal C. Shah & Co., Statutory Auditors, in their report for the financial year ended March 31, 2018. Hence, the report is self-explanatory.

SECRETARIAL AUDITOR:

The Board of Directors have appointed Mr. Virendra G. Bhatt, Practicing Company Secretary, Mumbai, to conduct Secretarial Audit for the financial year 2017-18, as required under Section 204 of the Companies Act, 2013 and the rules framed thereunder. The Secretarial Audit Report in form MR-3, for the financial year 2017-18, forms part of this report at Annexure F.

SECRETARIAL AUDITOR'S OBSERVATION AND MANAGEMENT'S REPLY:

Observation	Management's Reply
The Company has not transferred the shares to IEPF Account and not filed the required forms which is under process.	The Company inadvertently failed to file the form on time. However, it has been filed and complied as per the statutory requirements.

RELATED PARTY:

As a part of its philosophy of adhering to ethical standards, transparency and accountability and in line with the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has adopted a policy on Related Party Transactions which is placed on the Company's website. All the Related Party Transactions are in ordinary and normal course of business and at arm's length.

All Related Party Transactions are periodically placed before the Audit Committee and also before the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) and applicable rules of the Companies Act, 2013 in Form AOC-2 is provided at Annexure G of this report.

LOANS, GUARANTEES & INVESTMENTS:

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

AUDIT COMMITTEE:

The Audit Committee meets regularly to review reports, including significant audit observations and follow-up actions thereon. The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on financial statements, including the financial reporting system, compliance to accounting policies and procedures.

The details pertaining to Audit Committee and its composition are included in the Corporate Governance Report which forms part of this report.

NOMINATION AND REMUNERATION COMMITTEE:

The Company follows a Policy on Remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination & Remuneration Committee and the Board. The main objective of the said policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, KMP and Senior Management employees. The Remuneration Policy for the Directors and Senior Management employees is given in the Corporate Governance Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The details pertaining to composition of the Committee is included in the Corporate Governance Report, which forms part of this report. The role of the Committee is explained in detail in the Corporate Governance Report enclosed herewith.

FAMILIARIZATION PROGRAMME:

The Familiarization Programme for Independent Directors aims to provide them an opportunity to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part.

The policy undertaken by the Company in this respect has been disclosed on the website of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (3) (c) and 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm:

i. That in preparation of the Annual Accounts for the year ended March 31, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

ii. That the Directors had selected such accounting policies and applied consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2018 and the profits of the Company for the year under review;

iii. That proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. That the annual accounts for the year ended March 31, 2018 have been prepared on a 'going concern basis'.

v. That proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively.

vi. That proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

INSURANCE & RISK MANAGEMENT:

Business risks exist for any enterprise having national and international exposure. Your Company also faces some such risks, the key ones being - a longer than anticipated delay in economic revival, unfavorable exchange rate fluctuations, emergence of inflationary conditions, rise in counterfeits and look-alikes and any unexpected changes in regulatory framework.

The Company is well aware of these risks and challenges and has put in place mechanisms to ensure that they are managed and mitigated with adequate timely actions.

FIXED DEPOSIT:

During the current financial year, the Company accepted Fixed Deposits from its Members and from Public, in accordance with the provisions of Section 73 and 76, and other applicable provisions of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

The details relating to deposits in terms of Rule 8(5)(v) of the Companies (Accounts) Rules, 2014 are given here in under:

Sr. No.	Particulars	Amount (₹ in Lakhs)
1.	Deposits accepted during the year from Members and/or Public	833.00
2.	Deposits repaid during the year to Members and/or Public	40.00
3.	Deposits outstanding as at March 31, 2018:	793.00
4.	Deposits remaining unpaid or unclaimed at the end of the year	0
5.	Whether there has been any default in repayment of deposits or payment of interest thereon during the year, and if so, number of such cases and the total amount involved :-	
	i. At the beginning of the year	NA
	ii. Maximum during the year	NA
	iii. At the end of the year	NA
6.	Details of deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.	NA

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company promotes ethical behaviour in all its business activities and in line with the best governance practices. For this purpose, a policy has been laid down through which Directors, employees and business associates can report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's Code of Conduct without fear of reprisal. The Whistle- Blower Protection Policy aims to:

- Allow and encourage stakeholders to bring to the Management notice concerns about unethical behavior, malpractice, wrongful conduct, actual or suspected fraud or violation of policies.
- Ensure timely and consistent organizational response.
- Build and strengthen a culture of transparency and trust.
- Provide protection against victimization.

The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's website.

MATERIAL CHANGES AND COMMITMENTS, IF ANY:

No material changes have took place affecting the financial position of the Company from the date of closure of financial year till the date of signing of this report.

APPRECIATION:

Your Directors are thankful to the Vendors, Customers, Bankers, Business Partners, Central and State Governments together with their departments and the local authorities, Employees for their valuable support and co-operation.

The Directors also wish to express their gratitude to investors for the faith that they continue to repose in the Company.

For and on behalf of the Board of Directors
Compuage Infocom Limited

Sd/-
Atul H. Mehta
Chairman and Managing Director

Place: Mumbai
Date: August 10, 2018

Registered Office:
D-601/602 & G-601/602,
Lotus Corporate Park,
Graham Firth Steel Compound,
Western Express Highway,
Goregaon (East),
Mumbai – 400 063.

ANNEXURE A

Form AOC-I

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARY

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

The financial performance of the Subsidiary Company included in the Consolidated Financial Statements is detailed below:

1.	Name of the Subsidiary	:	Compuage Infocom (S) Pte. Ltd.
2.	Turnover		
	Current Period	:	Nil
	Previous Period	:	Nil
	Growth (%)	:	Not applicable
3.	Profit/(Loss) Before Tax		
	Current Period	:	₹ (26.44) Lakhs
	Previous Period-	:	₹ (4.82) Lakhs
	Growth (%)-	:	Not applicable
4.	Profit/(Loss) After Tax		
	Current Period-	:	₹ (26.44) Lakhs
	Previous Period-	:	₹ (4.82) Lakhs
	Growth (%)-	:	Not applicable

PART "A": SUBSIDIARIES

Sr. No.	Particulars	Details
1.	Sl. No.	1
2.	Name of the Subsidiary	Compuage Infocom (S) Pte. Ltd.
3.	The date since when subsidiary was acquired	2009-2010
4.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Same as Parent Co.
5.	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	USD 1USD = 65.17 INR
6.	Share Capital	₹65.17 Lakhs
7.	Reserves and Surplus	₹ -61.10 Lakhs
8.	Total Assets	₹ 524.51 Lakhs
9.	Total Liabilities	₹ 424.67 Lakhs
10.	Investments	Nil
11.	Turnover	Nil
12.	Profit before taxation	₹ -26.44 Lakhs
13.	Provision for taxation	Nil
14.	Profit after taxation	₹ -26.44 Lakhs
15.	Proposed Dividend	Nil
16.	Extent of shareholding (in %)	100

Notes:

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

PART "B": ASSOCIATES AND JOINT VENTURES

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)

Since the Company does not have any Associate Company or any Joint Venture, the said para is not applicable.

For **Compuage Infocom Limited**

Sd/-
Atul H. Mehta
Chairman & Managing Director

Place: Mumbai
Date: August 10, 2018

ANNEXURE B

Annual Report on Corporate Social Responsibility (CSR) Activities

Your Company strongly believes in the concept of 'sustainable livelihood' and this can be achieved only through active contribution to socio-economic development of communities in which Company operates. Your Company's CSR policy is aimed at demonstrating care for the community through its focus on education & skill development, health & wellness and environmental sustainability including biodiversity, energy & water conservation.

CSR Policy of the Company is available on website of the Company at www.compuageindia.com

Composition of the CSR Committee:

Name of Director	Designation
Mr. G S. Ganesh (Independent Director)	Chairman
Mr. Vijay Agarwal (Independent Director)	Member
Mr. Bhavesh Mehta (Whole-Time Director)	Member

Average Net Profit of the Company for last 3 financial years : ₹ 2194.38 Lakhs

Threshold Limit (2% of the aforesaid amount) : ₹ 43.88 Lakhs

Details of CSR activities/projects undertaken during the year:

Particulars	CSR project/ activity identified	Sector in which the Project is covered	Projects/Programmes Local area/ Others	Amount outlay (Budget) project/ program wise	Amount spent on the project/ Programe	Cumulative spend upto the reporting period	Amount spent: Direct/ through implementation agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Health			Provided medical assistance.	1329243	1329243	1329243	Directly and through NGOs/ Charitable houses
Education			Provided financial assistance to needy students.	520536	520536	1849779	Directly and through NGOs/ Charitable houses
Sports			Encouraged sports by funding Marathon programme.	7500	7500	1857279	Directly
Social			To provide food and other necessities.	2654655	2654655	4511934	Directly and through NGOs/ Charitable houses

(a) Total amount to be spent for the year: ₹ 43.88 Lakhs

(b) Amount carried forward from earlier years: Nil

(c) Amount spent during the year: ₹ 45.11 Lakhs

(d) Amount carried forward for the year: Nil

* Details of the implementing agencies:

- United Way of Mumbai
- Lions Club of Bombay Uptown
- Inga Health Foundation
- Smt. Indiraben Amibhai Shah Foundation
- Rotary Club of Bombay North
- Shrimad Rajchandra Sarvamangal

For **Compuage Infocom Limited,**

Sd/-
Atul Mehta
Managing Director

Sd/-
Ganesh S. Ganesh
Chairman- CSR Committee

Place: Mumbai
Date: August 10, 2018

ANNEXURE C

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:-

Sr. No.	Particulars	Details
1.	CIN	L99999MH1999PLC135914
2.	Registration Date	27/07/1999
3.	Name of the Company	Compuage Infocom Limited
4.	Category / Sub-Category of the Company	Company Limited by Shares
5.	Address of the Registered Office of the Company	D-601/602 & G-601/602, Lotus Corporate Park, Graham Firth Steel Compound, Western Express, Highway, Goregaon (E), Mumbai-400063.
6.	Contact details of the Company	Tel No.: 022-67114444, Fax No.: 022-67114445
7.	Whether Listed Company: (Yes / No)	Yes
8.	Name, Address and Contact details of Registrar and Transfer Agent	Link Intime India Pvt. Ltd. C 101, 247 Park, L. B. S Marg, Vikhroli West, Mumbai 400 083. Tel No.: +91 22 49186270 Fax No.: +91 22 49186060

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.	Wholesale of computers, computer peripheral equipment and software	4651	Nil
2.	Wholesale of electronic and telecommunications equipment and parts	4652	Nil

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held Applicable Section	Applicable Section
1.	Compuage Infocom (S) Pte. Ltd.	Foreign Company	Subsidiary	100.00 %	2(87)

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity):-

i) Category-wise Share Holding –

Category of Shareholders	No. of Shares held at the beginning of the year-				No. of Shares held at the end of the year-				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a)Individual/HUF	36111620	0	36111620	61.48	36111620	0	36111620	61.48	0
b)Central Govt	0	0	0	0	0	0	0	0	0
c)State Govt (s)	0	0	0	0	0	0	0	0	0
d)Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	**36111620**	**0**	**36111620**	**61.48**	**36111620**	**0**	**36111620**	**61.48**	**0**

Category of Shareholders	No. of Shares held at the beginning of the year-				No. of Shares held at the end of the year-				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a)NRIs-Individuals	0	0	0	0	0	0	0	0	0
b)Other-Individuals	0	0	0	0	0	0	0	0	0
c)Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e)Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	**36111620**	**0**	**36111620**	**61.48**	**36111620**	**0**	**36111620**	**61.48**	**0**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	320	0	320	0.00	420	0	420	0.00	0.00
c) Central Government	0	0	0	0	0	0	0	0	0
d) State Governments	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f)Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Foreign Portfolio Investor)	5500000	0	5500000	9.36	5625000	0	5625000	9.58	0.21
Sub-total (B)(1):-	**5500320**	**0**	**5500320**	**9.36**	**5625420**	**0**	**5625420**	**9.58**	**0.21**
2. Non-Institutions									0
a) Bodies Corp.									
i. Indian	4240002	31765	4271767	7.27	3562123	31765	3593888	6.12	-1.15
ii. Overseas	-	-	-	-	-	-	-	-	-
b)Individuals									
(i)Individual shareholders holding nominal share capital upto ₹ 1 Lakh	2862810	324110	3186920	5.41	6887332	305370	7192702	12.25	6.83
(ii)Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	3043654	52845	3096499	5.27	2387271	52845	2440116	4.15	-1.12
c) Others (specify)									
i. Clearing Member	245614	0	245614	0.42	900738	0	900738	1.53	1.12
ii. Market Maker	320	0	320	0.00	320	0	320	0.00	0.00
iii. Non Resident Indians (Repat)	5254053	257510	5511563	9.38	1046399	253950	1300349	2.21	-7.17
iv. Non Resident Indians (Non Repat)	30346	320	30666	0.05	268882	320	269202	0.46	0.41
v. Foreign Companies	0	437800	437800	0.75	0	437800	437800	0.75	0.00
vi. HUF	147851	0	147851	0.25	387589	0	387589	0.66	0.41
vii. Foreign Portfolio Investor (Individual)	199055	0	199055	0.34	480251	0	480251	0.82	0.48
Sub-total (B)(2):-	**16023705**	**1104350**	**17128055**	**29.16**	**15920905**	**1082050**	**17002955**	**28.95**	**-0.20**
Total Public Shareholding(B)=(B)(1)+(B)(2)	**21524025**	**1104350**	**22628375**	**38.52**	**21546325**	**1082050**	**22628375**	**38.52**	**0.01**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**57635645**	**1104350**	**58739995**	**100**	**57657945**	**1082050**	**58739995**	**100**	**NA**

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year: No. of Shares	Shareholding at the beginning of the year: % of Total Shares of the Company	Shareholding at the beginning of the year: % of Shares Pledged / encumbered to total shares	Shareholding at the end of the year: No. of Shares	Shareholding at the end of the year: % of Total Shares of the Company	Shareholding at the end of the year: % of Shares Pledged / encumbered to total shares	% change in share holding during the year
1.	Bhavesh Harkishandas Mehta	14243880	24.25 %	-	14243880	24.25 %	-	0
2.	Atul Harkishandas Mehta	14243870	24.25 %	-	14243870	24.25 %	-	0
3.	Ajay Harkishandas Mehta	3623870	6.16 %	-	3623870	6.16 %	-	0
4.	Ajay Harkishandas Mehta	4000000	6.81 %	-	4000000	6.81 %	-	0
TOTAL		**36111620**	**61.48%**	**-**	**36111620**	**61.48%**	**-**	**0**

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

Sr. No.	Names of Promoter	Shareholding at the beginning of the year: No. of Shares	Shareholding at the beginning of the year: % of total shares of the Company	Datewise Increase/Decrease in Shareholding during the year	Reason	Cumulative Shareholding during the year: No. of Shares	Cumulative Shareholding during the year: % of total shares of the Company
				No Change			

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

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year: No. of Shares	Shareholding at the beginning of the year: % of total shares of the Company	Shareholding at the end of the year: No. of Shares	Shareholding at the end of the year: % of total shares of the Company
1.	Kitara India Micro Cap Growth Fund	5500000	9.36	5500000	9.36
2.	Karvy Stock Broking Ltd. (BSE)	14545	0.02	1616980	2.75
3.	Sahi Trading Private Limited	0	0.00	1054094	1.79
4.	Zaki Abbas Nasser	0	0.00	600000	1.02
5.	Brinda Upadhyaya	0	0.00	500000	0.85
6.	Hayyan Ali Malallah Al Lawati	199055	0.33	480251	0.82
7.	Deven Laxmichand Dedhia	94185	0.16	328185	0.56
8.	Ajay Upadhyaya	0	0.00	255000	0.43
9.	Network Oriented Data Systems Ltd.	243400	0.41	243400	0.41
10.	Master Capital Services Ltd.	18814	0.03	211213	0.36

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year: No. of Shares	Shareholding at the beginning of the year: % of total shares of the Company	Shareholding at the end of the year: No. of Shares	Shareholding at the end of the year: % of total shares of the Company
1	Mr. Atul H. Mehta	14243870	24.25%	14243870	24.25%
2	Mr. Bhavesh H. Mehta	14243880	24.25%	14243880	24.25%
3	Mr. Ganesh S. Ganesh	1255	0	1255	0
4	Mr. Vijay Agarwal	0	0	0	0
5	Mrs. Preeti Trivedi	0	0	0	0
6	Mr. Sunil Mehta	800	0	800	0
7	Ms. Disha Shah	0	0	0	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	18649.33	13384.94	0	32034.27
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	**18649.33**	**13384.94**	**0**	**32034.27**
Change in Indebtedness during the financial year				
• Addition	6316.95	2753.54	793.00	9863.49
• Reduction	500.00	384.43	0	884.43
Net Change	**5816.95**	**2369.11**	**793.00**	**8979.06**
Indebtedness at the end of the financial year				
i) Principal Amount	24466.28	15754.05	793.00	41013.33
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	**24466.28**	**15754.05**	**793.00**	**41013.33**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD		Total Amount
		Atul H. Mehta (Managing Director)	Bhavesh H. Mehta (Whole-Time Director)	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1,68,00,000	1,68,00,000	3,36,00,000
	(b) Value of perquisites u/s 17(2) 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	-	-	-
	- others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total	**1,68,00,000**	**1,68,00,000**	**3,36,00,000**

B. Remuneration to other Directors:

Particulars of Remuneration	Names of Non-Executive Independent Directors			Total Amount
	Ganesh Shiva Ganesh	Vijay Agarwal	Preeti K Trivedi	
Fee for attending Board / Committee meetings	0	300000	400000	700000
Commission	-	-	-	-
Others, please specify	-	-	-	-
Total	**0**	**300000**	**400000**	**700000**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
A.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	7,00,008	65,34,200	72,34,208
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
B.	Stock Option	-	-	-
C.	Sweat Equity	-	-	-
D.	Commission	-	-	-
	as % of profit	-	-	-
	others, specify...	-	-	-
E.	Others, please Specify	-	-	-
	Total	**7,00,008**	**65,34,200**	**72,34,208**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A.	**COMPANY**					
	Penalty	None	None	None	None	None
	Punishment					
	Compounding					
B.	**DIRECTORS**					
	Penalty	None	None	None	None	None
	Punishment					
	Compounding					
C.	**OTHER OFFICERS IN DEFAULT**					
	Penalty	None	None	None	None	None
	Punishment					
	Compounding					

For **Compuage Infocom Limited**

Sd/-
Atul H. Mehta
Chairman & Managing Director

Place: Mumbai
Date: August 10, 2018

ANNEXURE D

Corporate Governance Report

Corporate Governance is all about ethical conduct, openness, integrity and accountability of a Company. Healthy Corporate Governance enjoins a commitment of the Company to run the business in legal, ethical and transparent manner emanating from the top and permeating throughout the organization. It involves a set of relationships between a Company's Management, its Board, Shareholders and Stakeholders. It is one of the key elements in improving the economic efficiency of the Company. Credibility generated by sound Corporate Governance enables a Company in enhancing the confidence of the investors and in establishing productive and lasting business relationship with all stakeholders.

The report on Corporate Governance is in compliance with Schedule V of Regulation 24 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 is as follows:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Corporate Governance philosophy rests on the pillars of integrity and fairness, reliability and commitment, transparency, maintaining ethical standards and environmental responsibility that confirms fully with laws, regulations and guidelines. It aims to achieve business excellence and maximise shareholder value through ethical business conduct, which also includes building partnerships with all Stakeholders, Employees, Customers, Vendors, Service Providers, Local Communities and Government.

The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and provide the Management with the strategic direction catering to exigency of long term shareholders value. Its initiatives towards adhering to highest standards of Governance includes self-governance, professionalization of the Board, fair and transparent processes and reporting systems and going beyond the mandated Corporate Governance requirements of SEBI. The Corporate Governance Principles implemented by your Company seeks to protect, recognize and facilitate shareholders rights and ensure timely and accurate disclosure to them.

Compuage Infocom Limited believes, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving.

2. APPROPRIATE GOVERNANCE STRUCTURE WITH DEFINED ROLES AND RESPONSIBILITIES

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system.

The Corporate Governance structure at Compuage Infocom Limited is as follows:

1. **Board of Directors:** The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

2. **Committees of the Board:** The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders' Relationship Committee. Each of the said Committee has been mandated to operate within a given framework.

Compuage's Company Secretary acts as the Secretary to all the Committees.

3. BOARD OF DIRECTORS

The composition of the Board of your Company is in conformity with Regulation 17 of SEBI (LODR) Regulations, 2015 consisting of 2 Executive Directors and 3 Non-Executive Independent Directors.

The Directors on the Board are highly renowned professionals drawn from diverse fields, possess the requisite qualifications and experience in general corporate management, finance, banking, insurance, economics and other allied fields which enable them to contribute effectively to your Company and enhance the quality of Board's decision making process. They take active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business. The tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the prescribed criteria.

The Company through Familiarisation Programme familiarizes not only the Independent Directors but any new appointee on the Board, with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. They are also informed of the important policies of the Company.

Membership, Attendance & Other Directorships:

The names and categories of the Directors on the Board, their attendance at Board meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other Companies as on March 31, 2018 is given herein below:

Name of Director	Designation	No. of Directorship in other Public Ltd. Companies	Other Companies Committees	
			Membership	Chairmanship
Mr. Atul Mehta (DIN: 00716869)	Promoter, Executive, Chairman & Managing Director	1	Nil	Nil
Mr. Bhavesh Mehta (DIN: 00740861)	Promoter, Executive and Whole-time Director	Nil	Nil	Nil
Mr. Ganesh S. Ganesh (DIN: 00010877)	Non-Executive & Independent Director	1	Nil	Nil
Mr. Vijay Agarwal (DIN: 00058548)	Non-Executive & Independent Director	8	5	1
Mrs. Preeti Trivedi (DIN: 00179479)	Non-Executive & Independent Director	1	2	Nil

Notes:

1. The Directorship held by Directors as mentioned above, do not include Directorships in Compuage Infocom Limited and of Foreign Companies, Section 8 Companies of the Companies Act, 2013 and Private Limited Companies.
2. In accordance with SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, Memberships/ Chairmanships of only Audit Committee and Stakeholders Relationship Committee of all Public Limited Companies have been considered.
3. As required by the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) & SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, none of the Directors hold Directorship in more than 20 Public Companies, membership of Board Committees (Audit Committee/ Stakeholders Relationship Committee) in excess of 10 and Chairmanship of Board Committees as aforesaid in excess of 5.
4. Except Mr. Atul H. Mehta, Chairman & Managing Director and Mr. Bhavesh H. Mehta, Whole-time Director are related to each other as brothers, none of the other Director is related to any other Director on the Board in term of definition of 'relative' as per the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business strategies/policies including performance of the Company, employee relations, review the financial performance, etc. of the Company. The Board Meetings are pre-scheduled and notice and detailed agenda along with the relevant notes and other material information is circulated to the Directors well in advance to facilitate the Directors to plan their schedule. This ensures timely and informed decisions by the Board.

The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value.

In the financial year 2017-18, the Board met twelve times. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and Listing Regulations.

The dates on which the Board Meetings were held are as follows:

April 10, 2017 :: May 2, 2017 :: June 6, 2017 :: July 6, 2017 :: August 14, 2017 :: September 11, 2017 :: October 10, 2017 :: November 13, 2017 :: December 4, 2017 :: January 15, 2018 :: January 31, 2018 :: March 10, 2018.

Name of the Directors	Relationship with other Directors	No. of Board Meetings Held	No. of Board Meetings Attended	Attendance at last A.G.M.
Mr. Atul Mehta (DIN: 00716869)	Brother of Mr. Bhavesh Mehta	12	12	Yes
Mr. Bhavesh Mehta (DIN: 00740861)	Brother of Mr. Atul Mehta	12	12	Yes
Mr. Ganesh S. Ganesh (DIN: 00010877)	#	12	12	No
Mr. Vijay Agarwal (DIN: 00058548)	#	12	3	Yes
Mrs. Preeti Trivedi (DIN: 00179479)	#	12	4	No

There is no relationship among any of the Directors.

The Board has granted leave of absence to the Directors who were absent at the respective Board Meeting(s) at their request. Separate Board Meeting of Independent Directors was held to review the performance of Executive Directors and the Board as a whole.

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and Listing Regulations, a separate meeting of the Independent Directors of the Company was held on to review the performance of Non-independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties. All the Independent Directors of the Company were present at the meeting.

Code of Conduct:
The Board has formulated a Code of Conduct for the Board Members and Senior Management of the Company. All Board Members and Senior Management Personnel as on March 31, 2018 have affirmed their compliance with the code and the declaration to this effect given by the Chairman is enclosed at the end of this Report.

COMMITTEES OF THE BOARD

As per the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Company has following Committees:

A. Audit Committee,

B. Stakeholders' Relationship Committee,

C. Nomination and Remuneration Committee,

D. Corporate Social Responsibility Committee,

A. AUDIT COMMITTEE

a) Composition of Independent Audit Committee

The Committee comprises of three Members who possess strong accounting and financial management knowledge. All the members of Audit Committee are Independent Directors of the Company. Mr. Ganesh S. Ganesh, Chairs the Committee. The Company Secretary acts as a Secretary to the Committee.

The Committee is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The Chairman of the Audit Committee regularly interacts with the Internal Auditors and Statutory Auditors of the Company to have independent discussions with them.

The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulation. They function in accordance with its terms of reference that defines its authority, responsibility and reporting function.

b) Terms of Reference of Audit Committee:

The terms of reference/powers of the Audit Committee have been specified by the Board of Directors and includes all aspects specified under Listing Regulation, as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees;
- Approval of payment to Statutory Auditors for any other services rendered by them;
- Reviewing with the Management, the Annual Financial Statements and Auditors' Report before submission to the Board for approval, with particular reference to:
  - Matters to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by the Management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any Related Party Transactions.
  - Qualifications in the draft audit report, if any.
- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;

- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with the Internal Auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Establish a vigil mechanism for Directors and employees to report genuine concerns in such manner as may be prescribed;
- To review the functioning of whistle blower mechanism;
- Approval of appointment of CFO;
- The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the Internal and Statutory Auditors and the Management of the Company;
- To allow Auditors and Key Managerial Personnel, a right to be heard while considering the Auditor's Report;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- To mandatorily review the following information;
    - To define significant related party transactions;
    - Management discussion and analysis of financial condition and results of operations;
    - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
    - Management letters / letters of internal control weaknesses issued by the statutory auditors;
    - Internal audit reports relating to internal control weaknesses; and
    - The appointment, removal and terms of remuneration of the Chief Internal Auditor

The composition of the Audit Committee and the details of meetings attended by its Members are given below:

Name of Director	Category	Position	No. of meetings	
			Held	Attended
Mr. Ganesh S. Ganesh	Non-Executive Independent Director	Chairman	4	4
Mr. Vijay Agarwal	Non-Executive Independent Director	Member	4	3
Mrs. Preeti K. Trivedi	Non-Executive Independent Director	Member	4	4

The Committee met 4 times during the year under review. The said meetings were held on May 2, 2017, August 14, 2017, November 13, 2017 and January 31, 2018.

The necessary quorum was present for all the meetings.

B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act. To ensure that remuneration to the Board and senior management is in line with the strategic aims of the business, the Company has a Nomination & Remuneration Committee. The Nomination & Remuneration Committee reviews and approves the annual salaries, performance commissions, service agreements and other employment conditions for Executive Directors.

The role and terms of reference of Nomination & Remuneration Committee shall, inter-alia, include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other Employees;

- Formulation of criteria for evaluation of Independent Directors and the Board;

- Devising a policy on Board diversity;

- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

- The Nomination & Remuneration Committee recommends to the Board the compensation terms including periodic revision, performance bonus, incentives, commission, other services, perquisites and benefits payable to the Executive Directors;

- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of Executive Directors.

- Considering, approving and recommending to the Board the change in Designation and increase in salary of the Executive Directors.

- Ensuring the remuneration policy is good enough to attract, retain and motivate Directors.

- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of our Company and the Shareholders.

- Such other matters as the Board may from time to time request the Nomination & Remuneration Committee to examine and recommend / approve.

Composition

The composition of the Nomination & Remuneration Committee and the details of meetings attended by its members are given below;

Name of Director	Category	Position	No. of meetings	
			Held	Attended
Mr. Ganesh S. Ganesh	Non-Executive Independent Director	Chairman	4	4
Mr. Vijay Agarwal	Non-Executive Independent Director	Member	4	3
Mrs. Preeti K. Trivedi	Non-Executive Independent Director	Member	4	4

The Committee met 4 times during the year under review. The said meetings were held on May 2, 2017, August 14, 2017, November 13, 2017 and January 31, 2018.

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

Remuneration Policy

The Company's remuneration policy is based on the fundamental rule of rewarding performances as against earmarked objectives. While deciding on remuneration for Directors, the Board and Nomination & Remuneration Committee considers the performance of the Company, current trend in the industry, the qualification of the appointee, his experience, past performance and other relevant factors. This information is used to review the Company's remuneration policies. The policy aims at attracting and retaining high caliber talent and ensures equity, fairness and consistency in rewarding the employees.

The annual variable pay of Senior Managers is linked to the Company's performance in general and the performance of their functions/business units for the relevant year is measured against specific major performance areas which are closely aligned to the Company's objectives.

Remuneration to Executive Directors:

Name of Director	Position	Salary & Perquisite	Service Contract
Mr. Atul H. Mehta	Chairman & Managing Director	₹ 1,68,00,000/- p.a.	3 years w.e.f. 08.09.2017 to 07.09.2020.
Mr. Bhavesh H. Mehta	Whole Time Director	₹ 1,68,00,000/- p.a.	3 years w.e.f. 18.10.2017 to 17.10.2020.

Remuneration to Non-Executive Directors:

The remuneration paid to Non-Executive Independent Directors of the Company Mr. Vijay Agarwal and Mrs. Preeti K. Trivedi based on the recommendation of Nomination & Remuneration Committee is ₹ 1,00,000/- each per Board Meeting attended. Whereas, Mr. Ganesh S. Ganesh, Non-Executive Independent Directors of the Company stated his unwillingness towards acceptance of sitting fees for the Board and Committee meeting to be attended by him.

The remuneration excludes reimbursement of expenses on actual basis to Directors for attending meetings of the Board/Committee.

Name	Sitting Fees	Commission
Mr. Vijay Agarwal	₹ 300000/-	0
Mrs. Preeti K. Trivedi	₹ 400000/-	0

Presently, the Non-executive Directors of the Company are not paid commission.

Shareholding of Non-Executive Directors

Details of the Equity Shares held by Non-Executive Directors as on March 31, 2018 is as under:

Name	Nos. of Equity shares
Mr. Ganesh S. Ganesh	1255
Mr. Vijay Agarwal	NIL
Mrs. Preeti K. Trivedi	NIL

The Company does not have any Employee Stock Option Scheme. Additional details pertaining to remuneration is covered in Directors' Report.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Companies Act.

The broad terms of reference of the Stakeholders' Relationship Committee are as under:

- Consider and resolve the grievances of security holders of the Company including redressing of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice /annual reports, etc. and all other securities-holders related matters.
- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
- The Committee also monitors the implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015.

The composition of Stakeholders Relationship Committee and the details of meetings attended by its Members are given below:

Name of Director	Category	Position	No. of meetings	
			Held	Attended
Mrs. Preeti K. Trivedi	Non-Executive Independent Director	Chairperson	4	4
Mr. Atul Mehta	Chairman & Managing Director	Member	4	4
Mr. Ganesh S. Ganesh	Non-Executive Independent Director	Member	4	4

a) The Stakeholders' Relationship Committee met 4 times during the financial year on May 02, 2017, August 14, 2017, November 13, 2017 and January 31, 2018.

The Company Secretary is designated as the "Compliance Officer" who oversees the redressing of the investors' grievances.

b) The Company has also appointed Link Intime India Private Limited, Mumbai, to act as Registrar and Share Transfer Agent of the Company.

c) Details of investor complaints received and redressed during the year 2017-18 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing Balance
Nil	1	1	Nil

D. Corporate Social Responsibility (CSR) Committee:

CSR Committee of the Company is constituted in line with the provisions of Section 135 of the Companies Act. The broad terms of reference of CSR Committee are as follows:

- Formulate and recommend to the Board, a CSR policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the activities referred to above;
- Monitor the CSR Policy of the Company from time to time;

The Composition of the CSR Committee and details of meetings attended by its Members are given below:

Name of Director	Category	Position	No. of meetings attended	
			Held	Attended
Mr. Ganesh S. Ganesh	Non-Executive Independent Director	Chairperson	4	4
Mr. Vijay Agarwal	Non-Executive Independent Director	Member	4	3
Mr. Bhavesh Mehta	Whole-time Director	Member	4	4

a) The CSR Committee met 4 times during year on May 02, 2017, August 14, 2017, November 13, 2017 and January 31, 2018.

The details of the CSR initiatives of the Company forms part of the CSR Section in the Annual Report. The CSR Policy has been placed on the website of the Company and can be accessed through the following link:

http://www.compuageindia.com/share_pdf/CSR_POLICY.pdf

Subsidiary Companies:

Compuage Infocom (S) Pte. Ltd. is a Subsidiary of the Company, incorporated as per laws of Singapore located at 69, UBI Crescent, #03-04 CES Building, Singapore (408561).

Your Company does not have any material non-listed Indian Subsidiary Company, whose turnover or net worth exceeds 20% of the consolidated turnover or networth respectively, of the Company and its subsidiaries in the immediately preceding accounting year, in terms of Regulation 16(1)(c) of SEBI (LODR) Regulations, 2015.

The Audit Committee reviews the financial statements including investments. Also, copies of the minutes of the Subsidiary Company are placed before the Board of the Company on periodical basis.

GENERAL BODY MEETINGS

Annual General Meetings:

1. Location, date and time of General Meetings held in last 3 years:

Year	AGM/ EGM	Date	Time	Venue	Special Business
2016-17	18th AGM	23.09.2017	10:00 a.m.	Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Next to Girnar Tower, Mumbai – 400034	1. Re-appointment of Mr. Atul H. Mehta (DIN: 00716869) as Managing Director 2. Re-appointment of Mr. Bhavesh H. Mehta (DIN: 00740861) as a Whole-time Director 3. Shareholders request on service of documents
2015-16	17th AGM	24.09.2016	10.00 a.m.	Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Next to Girnar Tower, Mumbai – 400034	No Special Business
2014-15	16th AGM	25.09.2015	10.00 a.m.	Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Next to Girnar Tower, Mumbai – 400034	No Special Business

Extra Ordinary General Meetings:

No Extra Ordinary General Meetings were held during the financial year.

Postal Ballot:

During the year, one resolution was passed through Postal Ballot, details of which are as under:

The Company sought approval of its Members by way of Postal Ballot, notice dated June 6, 2017. Mr. Virendra Bhatt, Practicing Company Secretary from Mumbai was appointed by the Board of Directors as the Scrutinizer to conduct the Postal Ballot exercise. He conducted the process and submitted his report to Mr. Atul Mehta, Chairman and Managing Director. The date of passing resolution was July 27, 2017 while date of declaration of results was on July 29, 2017 as tabulated below:

RESOLUTION NO.1:

INVITATION AND ACCEPTANCE OF UNSECURED FIXED DEPOSITS FROM MEMBERS AND PUBLIC

Category	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of votes against on votes polled
	[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter and Promoter Group	36111620	36111620	100%	36111620	0	100	0
Public Institutions	5500320	0	0	0	0	0	0
Public Non Institutions	17128055	4891236	28.55%	4889421	1815	99.96%	0.03%
Total	**58739995**	**41002856**	**69.80%**	**41001041**	**1815**	**100.00%**	**0.01%**

IV. MEANS OF COMMUNICATION

We recognize communication as a key element of the overall Corporate Governance framework and therefore emphasis is on prompt, continuous, efficient and relevant communication to all external constituencies. We have established procedures to disseminate, in a planned manner, relevant information to our shareholders, analysts and the society at large.

I. Quarterly/Half Yearly/Annual Results:
The quarterly/ half yearly/ annual financial results are normally published in Business Standard having nationwide circular and in Mumbai Lakshadeep having regional circular. The results are also submitted to Stock Exchanges in accordance with the Listing Regulations.

II. **Website:** The Company`s website www.compuageindia.com contains a separate section 'Investor Relations' for use of investors. The quarterly, half yearly and annual financial results, press releases are promptly and prominently displayed on the website. Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern and other Corporate Communications made to the Stock Exchanges are also available on the website. The details of unclaimed dividends are also available in the Investor Relations section, to help the Shareholders to claim their dividend. In addition, various downloadable forms required to be executed by the shareholders have been also provided on the website.

III. **Communication to Shareholders on email:** As mandated by the Ministry of Corporate Affairs (MCA) documents like Notices, Annual Report, etc. were sent to the Shareholders at their email address, as registered with their Depository Participants/ Registrar and Transfer Agents (RTA). This helped in prompt delivery of document, reduce paper, consumption, save trees and avoid loss of documents in transit.

IV. **NEAPS (NSE Electronic Application Processing System), BSE Corporate Compliance & Listing Centre Portal:** NSE and BSE have developed web based applications for corporates. All compliances like Financial Results, Shareholding Pattern and Corporate Governance Report, etc. are filed electronically on NEAPS and BSE Listing Centre.

V. **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to Members and others entitled thereto. The Management Discussion and Analysis (MDA) Report forms part of the Annual Report. The Annual Report is also available on the Company's website.

V. GENERAL SHAREHOLDERS INFORMATION

1. ANNUAL GENERAL MEETING

Date and Time :
September 28, 2018 at 10.00 a.m.

Venue :
Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, next to Girnar Tower, Mumbai – 40003.

2. Board Meeting for considering of Audited Accounts:
May 4, 2018

3. Book Closure Date:
September 21, 2018 to September 28, 2018 (both days inclusive)

4. Dividend Payment Date:
On or after September 29, 2018

5. Financial year:
April 1, 2018 to March 31, 2019

6. Last date of receipts of proxy forms:
September 26, 2018 upto 10.00 a.m.

7. Registered Office: Compuage Infocom Ltd.
D-601/602 & G-601/602, Lotus Corporate Park, Graham Firth Steel Compound, Western Express Highway, Goregaon (East), Mumbai – 400 063.

9. Listed on Stock Exchange

At present, the Equity Shares of the Company are listed at:

- **BSE Limited**
  Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.

- **National Stock Exchange of India Ltd. (NSE)**
  Address: Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400051.

10 Stock Exchanges Codes:

ISIN No.	INE070C01037
BSE Security Code	532456
BSE Security Id	COMPUAGE
NSE Symbol	COMPINFO

11 Stock Price Data:

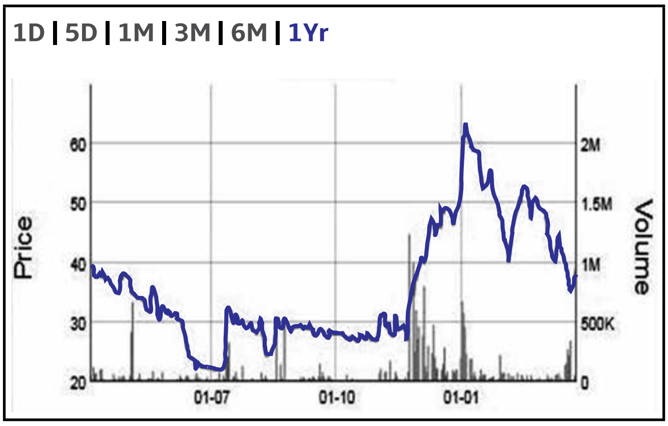
The monthly movement of Equity Share prices during the year at BSE and National Stock Exchange of India Limited (NSE) is summarized below:

Month	Monthly Share Price movement during the financial year ended 31st March 2018			
	*BSE		*NSE	
	High	Low	High	Low
April 2017	42.80	34.60	42.95	34.60
May 2017	39.50	29.65	39.75	29.30
June 2017	32.00	21.50	32.40	21.20
July 2017	34.95	21.35	35.05	21.05
August 2017	31.90	23.10	32.30	23.20
September 2017	31.40	26.00	31.50	27.00
October 2017	28.75	26.00	29.80	26.00
November 2017	38.60	26.45	38.30	25.45
December 2017	51.30	37.10	51.40	37.50
January 2018	64.85	46.75	65.00	46.45
February 2018	55.15	40.00	55.35	39.00
March 2018	51.00	34.85	50.45	34.30

Source: BSE Website and NSE Website

11. Stock Performance:

The Performance of the Company's shares relative to the BSE Sensitive Index (SENSEX) is given in the Chart below:



12. Corporate Identification Number (CIN):

Our Corporate Identification Number, allotted by the Ministry of Corporate Affairs, Government of India is L99999MH1999PLC135914 and our Registration Number is 135914.

13. Payment of Depository Fees:

Annual Custody/Issuer fees for the year 2018-19 have been paid by the Company to NSDL and CDSL.

14. Registrar & Transfer Agents (RTA):

Name & Address	:	Link Intime India Private Limited C 101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai: 400 083.
Phone No.	:	022 49186270
Fax No.	:	022 49186060
E-Mail	:	rnt.helpdesk@linkintime.co.in

15. Share Transfer System and Registrar and Transfer Agent:

All share transfer and other communications regarding share certificates, change of address, dividends, etc. should be addressed to Registrar and Transfer Agents. Stakeholders Relationship Committee is authorized to approve transfer of shares in the physical segment. The Committee has delegated authority for approving transfer and transmission of shares and other related matters to the officers of the Company. A summary of all the transfers/ transmissions, etc. so approved by officers of the Company is placed at every Committee Meeting. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations, and files a copy of the same with the Stock Exchanges.

16. (i) Distribution of Shareholding as on March 31, 2018:

No. of Equity Shares held	Shareholders		Shares	
	Nos.	%	Nos.	%
1-500	5949	70.29	1166039	1.99
501-1,000	1140	13.47	942560	1.60
1,001-2,000	564	6.66	895574	1.52
2,001-3,000	195	2.30	509556	0.87
3,001-4,000	161	1.90	580039	0.99
4,001-5,000	95	1.12	454150	0.77
5,001-10,000	158	1.87	1227396	2.08
10,001 – Above	201	2.38	52964681	90.17
Total	**8463**	**100.00**	**58739995**	**100.00**

(ii) Category of Shareholdings as on March 31, 2018:

Category	No. of shares	% of Shareholding
Promoters & Promoters Group	36111620	61.48
Clearing Member	900738	1.53
Foreign Company	437800	0.75
Foreign Portfolio Investor (Corporate)	5625000	9.58
Foreign Portfolio Investor (Individual)	480251	0.82
Hindu Undivided Family	387589	0.66
Market Maker	320	0.00
Nationalised Banks	320	0.00
Non Nationalised Banks	100	0.00
Non Resident (Non Repatriable)	269202	0.46
Non Resident Indians	1300349	2.21
Other Bodies Corporate	3593888	6.11
Public	9632818	16.40
Total	**58739995**	**100.00**

17. Financial Release Dates:

Quarter	Release Date (Tentative and subject to change)
1st Quarter ending 30th June	Mid of August 2018
2nd Quarter ending 30th September	Mid of November 2018
3rd Quarter ending 31st December	Mid of February 2018
4th Quarter ending 31st March	Mid of May 2019

18. Dematerialisation of shares and liquidity and Lock-in of Shares:

(a) Dematerialisation Position as on March 31, 2018:

Total No. of fully paid up Shares	Shares in Demat Form	Percentage %	Shares in Physical Form	Percentage %
58739995	57657945	98.16	1082050	1.84

The shares of the Company are traded in dematerialized form and are available for trading on both depositories in India i.e. NSDL & CDSL.

Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE070C01037.

(b) **Details of Locked-in Shares:** There are no locked-in shares at present.

19. Outstanding GDRs/ADRs:

The Company has not issued any GDRs/ADRs, therefore question of outstanding GDRs / ADRs, etc. as at the end of March 31, 2018, does not arise.

20. Address for Correspondence:

The Shareholders may address their communication/ suggestions/grievances/queries to the Registrar and Share Transfer Agents at the address mentioned above, or to the Company at:

The Company Secretary

Compuage Infocom Limited

D-601/602 & G-601/602, Lotus Corporate Park,
Graham Firth Steel Compound, Western Express Highway,
Goregaon (East), Mumbai – 400 063.
Tel. No.: 91-22-67114444,
Fax: 022-67114445
Email: investors.relations@compuageindia.com

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, payment of dividend on shares and any other query relating to shares of the Company:

(i) Registrar & Share Transfer Agent:

LINK INTIME INDIA PRIVATE LIMITED

C 101, 247 Park, L.B.S Marg,
Vikhroli West,
Mumbai- 400 083.
Tel: 022 49186270;
Fax: 022 49186060;
E-mail: rnt.helpdesk@linkintime.co.in

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

(ii) Any query on Annual Report: Send to Registered Office of the Company as mentioned aforesaid.

21. Dates for transfer of Unclaimed Dividend to IEPF Account:

The following dividends which remain unpaid and unclaimed for a period of seven years will be due for transfer to the Investor Education and Protection Fund (IEPF or Fund) of the Central Government:

Dividend	Date of declaration of Dividend	Due date for transfer to IEPF
2010-11(Final)	29.07.2011	26.09.2018
2011-12(Interim)	11.11.2011	09.01.2019
2011-12(Final)	30.08.2012	28.10.2019
2012-13 (Final)	07.09.2013	07.11.2020
2013-14(Final)	23.08.2014	21.10.2021
2014-15(Final)	25.09.2015	23.11.2022
2015-16(Final)	24.09.2016	24.11.2023
2016-17(Final)	23.09.2017	25.11.2024

22. Vigil Mechanism / Whistle Blower Policy:

With the rapid expansion of business in terms of volume, value and geography, various risks associated with the business have also increased considerably.

Ethics is at the core of any business. Your Company in staying true ethically and connected to its values of Strength, Performance and Passion has established a Vigil Mechanism/ Whistle Blower Policy to deal with instances of fraud and mismanagement, if any, pursuant to the Companies Act, 2013 and the Listing Regulations. Accordingly, this Whistleblower Policy ("the Policy") has been formulated for Directors and Employees of the Company to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct. Adequate safeguards have been provided in the policy to prevent victimization of anyone who is using this platform and direct access to the Chairman of the Audit Committee is also available in exceptional cases. The policy is also posted on the website of the Company. The Audit Committee has ensured that neither complaints have been lodged against vigil mechanism nor any personnel have been denied access to the Audit Committee.

23. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal into commodities and hence commodity price risk does not arise. However, the Company has adequate systems and measures to manage foreign exchange risk.

DISCLOSURES:

a) Transactions with related parties, are disclosed in notes to accounts annexed to the financial statements.

b) There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management, or their relatives or Subsidiaries that had potential conflict with the Company's interest. Required disclosure has been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at www.compuageindia.com

c) There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.

e) No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the year under review. The Company has in place a mechanism to inform the Board Members about the risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.

d) During the year ended March 31, 2018, the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 16 of the Listing Regulations. The Company has framed the policy for determining material subsidiary as required by under Regulation 16 of the Listing Regulation and the same is disclosed on the Company's website.

e) The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under the Companies Act, 2013 and the Listing Regulations.

f) The Company has implemented the mandatory requirements of Corporate Governance as set out in the Listing Regulations. In respect of compliance with the non-mandatory requirements, the internal auditor reports directly to the Audit Committee as well as Board.

g) Compliance Certificate as required under as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, obtained from Practicing Chartered Accountant, certifying the Compliance by the Company with the provisions of Corporate Governance of the Listing Regulations is given as an Annexure to this Report.

CMD & CFO Compliance Certificate

To,

The Board of Directors

Compuage Infocom Limited

D-601/602 & G-601/602, Lotus Corporate Park, Graham Firth,
Steel Compound, Western Express Highway, Goregaon (E),
Mumbai-400063.

A. We have reviewed Audited Financial Statements and the Cash Flow Statement for the year ended March 31, 2018 and that to the best of their knowledge and belief:

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

2. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the period which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. They have indicated to the Auditors and the Audit Committee that:

1. There were no significant changes in internal control over financial reporting during the year;

2. The changes in accounting policies, if any, during the period have been disclosed in the notes to the financial statements/ results; and

3. There were no instances of significant fraud of which they 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.

For **Compuage Infocom Limited**

Sd/-
Atul Mehta
Chairman & Managing Director

Sd/-
Sunil Mehta
Chief Financial Officer

Place: Mumbai
Date: May 4, 2018

Auditors' Certificate on Corporate Governance

To,

The Members of Compuage Infocom Limited

We have examined the compliance of conditions of Corporate Governance by Compuage Infocom Limited, ('the Company'), for the year ended on March 31, 2018 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We, further, 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.

For **M/s. Bhogilal C. Shah & Co.**
Chartered Accountants
Firm Registration No.: 101424W

Sd/-
Suril Shah
Partner
Membership No.: 042710

Place: Mumbai
Date: August 10, 2018

Declaration Regarding Code of Conduct

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.

For **Compuage Infocom Limited,**

Sd/-
Atul H. Mehta
Chairman & Managing Director

Place: Mumbai
Date: August 10, 2018

ANNEXURE E

Management Discussion And Analysis Report

OVERVIEW:

Compuage, one of the fortune 500 (India) companies, prides itself on being the very few peerless specialist distributors to invest in providing channel partners with genuine value-added product and services. To sum up, Compuage engages in aggressive market development through a large national reseller network. It seeks to constantly maintain the highest level of sales, marketing, operational and technical support for the benefit of its diverse range of customers.

With over three decades of expertise in the industry, Compuage has emerged as India's leading IT and Mobility Distribution Company offering world-class Products and Services to its resellers through a strong distribution network across India & SAARC nations. Your Company caters to dynamic requirements of all consumers, be it, SOHO, SMB, Mid-size, Large Enterprises and Government organisations through resellers and system integrators. The products and solutions of Compuage complement all the IT needs in Hardware, Software, Networking, Data Management or Storage sectors.

We combine our business knowledge and industry expertise of our domain specialists and the technical knowledge and implementation skills of our delivery team leveraging our products, platforms, partnerships and solutions in our development centers. These are widely located all across the country. Over the years, we have tied up with various renowned international brands.

The year gone by was marked by two prominent domestic policy developments; Constitutional amendment, paving the way by implementing the transformational Goods and Services Tax (GST), and demonetization of the two highest denomination notes. Though there were near-term pains on account of demonetization and challenges in GST implementation, these policies are expected to have major positive impacts on the future economic growth of the country.

INDUSTRY OUTLOOK:

Today Cloud Computing is the business buzzword. It leads enterprises toward digitisation and opens up opportunities previously unavailable. Cloud adoption is no longer confined to big enterprises; even small and mid-sized businesses are considering it a worthy investment.

Compuage's Business Model consists of the latest technology in PC, Components & Peripherals, Enterprise Solutions, Physical Safety & Security, Cloud Computing and Mobility Products. The overall business model seems promising which is evident from the industry outlook explained hereunder:

➢ PC, COMPONENTS & PERIPHERALS

Over the last five years, the global PC and computer peripheral market experienced robust growth and is expected to grow rapidly in coming years too.

Strong growth in the IT industry was a culmination of:

- rapid modernization of economies and growing disposable income;
- huge demand for newer technologies such as laptops, notebooks, tablets, and iPads; initiatives taken by both government and private sectors; and
- growth in IT adoption levels in education, government, and corporate sectors

As per the study, general growth drivers for the industry include advanced product features with high-speed connectivity which influenced the development of this industry. Massive demand for connectors with compact size and high performance are creating more opportunities for the development of the computer and peripheral connector industry.

➢ ENTERPRISE SOLUTIONS

Today, in the age of digitalization, technology companies face increasing pressure to improve time to market and ensure their offerings are best in class. They look for one-stop solutions that will cover all infrastructural requirements like networking, security, software products and so on that are typical for use by this industry only. This concept is at its infancy stage in India. Despite this, enterprises have experienced that such a concept is helping companies to enhance products and services, make better decisions, and improve its operations. This growing need is also expected to be conducive for market growth over a long span of time.

➢ PHYSICAL SAFETY AND SECURITY

The global need of physical safety to an environment aimed to mitigate or reduce crime or vandalism through theft, burglaries and fire are anticipated to be the key trends driving the market. Factors such as increasing expenditure on the security of critical infrastructure by organisations, adoption of Internet of Things (IoT) & cloud-based data storages and technological developments in video surveillance are expected to contribute to the physical security growth of the market. Over the past few years, leading industries and sectors such as transportation, commercial, and banking & finance, among others have witnessed a steady increase in the number of physical incident and breaches. The physical security to an environment thus continues to evolve globally. Rising threat incidents have surged the need to reinvigorate efforts towards maintaining a high physical safety infrastructure to business as well as residential premises.

CLOUD COMPUTING

- Cloud Computing is the delivery of computing services, such as servers, databases, storage, networking, software, analytics, amongst others, over the internet ("the cloud"). Cloud computing technology is relatively new but there are many corporations, government agencies, and other organisations that are beginning to adopt the use of this technology. Some of the benefits of cloud computing include the following:

- **Costs:** Cloud Computing eliminates the capital expenses of buying hardware and software to run data centers.

- **Speed:** Because most cloud computing services are provided on-demand, vast amounts of computing resources can be provisioned in minutes.

- **Scale:** Cloud computing provides the ability to scale globally, meaning that companies can get the right amount of resources in virtually any geographic location.

- **Productivity:** Cloud computing removes the need for hardware set up, software patching, and other time-consuming tasks, which increase productivity of employees in IT teams across companies.

- **Performance:** Since cloud computing services are run on a worldwide network of secure datacenters, they are regularly updated to the latest generation of fast and efficient computing hardware. This offers some benefits over a single corporate datacenter, including greater economies of scale and reduced network latency for applications.

- **Reliability:** Cloud computing makes data backup, disaster recovery, and business continuity easier and less expensive. Data can be mirrored at multiple sites on the cloud computing provider's network.

Compuage is strengthening its Cloud Portfolio with enhanced efficiencies and compatible systems. There are a myriad of benefits, as mentioned above, such as costs, scale, and productivity, which are driving the growth behind the increasing use of cloud computing in IT infrastructure. Cost, however, may be the biggest reason that organisations are switching from on-premise infrastructure to cloud deployments. An organisation may save nearly 30% in cost if it were to switch from an on-premise infrastructure (i.e. having physical servers, databases, etc...) over to a cloud framework ($630 per core per month to $440). This clearly reveals that these significant cost savings are a huge driver behind the increasing adoption of cloud computing across organisations in the world.

MOBILITY PRODUCTS

Mobility products have been taking the world by storm. This situation is even more widespread in India. The mobile phone market in India has grown exponentially in the past decade, and with the emergence of smartphones, the growth has increased substantially. The Indian economy is also affected by smartphone sales, with the smartphone market accounting for a significant portion of the GDP. India is also the fourth largest economy in terms of usage of mobile applications. With 4G services entering the Indian market, smartphone sales are expected to be at an all-time high. By 2025, India will have 700 million internet users, with the telecom market touching ₹ 10 trillion. The Indian government has been playing a vital role in making the country tech-savvy. The Indian mobility industry looks fertile, with new brands entering the market and making space with the existing ones. With budget phones a big hit among the educated middle class, more and more brands are jostling for space in the segment. At the same time, more expensive models are also gaining popularity. Market research predicts that it isn't too difficult for India to become the leading handset market in the years to come.

Considering the above, it is vividly clear that the overall industry outlook is very promising and Information Technology (IT) industry in India has and will play an instrumental role in making India a major player in the global horizon.

OPPORTUNITIES AND THREATS:

Technology is driving more change in the business world than ever before; with that change comes more opportunities for growth – and more threats. Going forward, the industry is expected to show positive growth across all segments on the back of a healthy economic outlook, finance penetration and investment. We believe our strengths give us the competitive advantage to position ourselves as a leading Global Distributor Company. We have long standing relationships with large corporations and organisations. We have maintained strong employee relationships, engagement and retention through a trusted partnership with our stakeholders.

Today, work transformation is driven by globalisation and technological revolutions, particularly the digital revolution – that is, the shift from mechanical to digital technology. Globalisation has generated gains for some and losses for others. The digital revolution has created new opportunities, but has also given rise to new challenges, such as irregular contracts and short-term work, which are asymmetrically distributed between highly skilled and unskilled workers. The economy is transforming keeping pace with the requirements of people for goods and services, through businesses which can match their needs.

Trends towards e-commerce in India are developing rapidly day by day. The internet user base in India might still be merely 400 million, which is much less than in other developed countries, but its surely expanding each day. The Indian internet population is projected to be the second largest in the coming years. During the last three years, there has been a rapid change in the e-commerce scenario in India. More users have been added during this period. The growth of internet users is on the fast track in India and is expected to continue growing at a lightning pace due to certain factors:

- **Awareness and affordability of technology:**

The increasing purchasing power of the Indian population has significantly boosted PC penetration in the country. Growth in per capita income and corporate spend on hardware. Transformation of IT products from an aspiration to a utilitarian need has made these products more affordable for people.

- **Market looking for digital leadership:**

The market is still sorting itself out. There is urgent need to be the best distributor with digital expertise so that retailers will be quick to choose you.

- **Information Technology Advancements:**

Technological advancements in inventory tracking and management can offer a meaningful boost to your Company's bottom line. For example, if there is a warehouse management system (WMS), it can be used to automatically track the physical location of inventory throughout the warehouse by scanning bar codes. It may include using automated materials handling systems to convey inventory and automatically place it in bins for later retrieval. WMS systems may also schedule dock personnel for loading and unloading according to anticipated traffic volumes.

- **Enhanced Order Management Systems:**

Online interfaces enable customers to place orders online, receive confirmations and shipping information, and track shipments. As customer orders are received and fulfilled, orders are automatically generated to suppliers so that inventory can be replenished. Financial systems capture order information and automatically generate accounts receivable and payable entries.

- **Shifting Financing Arrangements:**

Online interfaces enable customers to place orders online, receive confirmations and shipping information, and track shipments. As customer orders are received and fulfilled, orders are automatically generated to suppliers so that inventory can be replenished. Financial systems capture order information and automatically generate accounts receivable and payable entries.

- **Cloud Services:**

In a scenario where Cloud Computing is soon being clearly established as the future of buying and consuming IT infrastructure and Services, your Company has made significant investments towards building its capabilities as a Distributor and Services provider for Cloud products and Solutions. It is building its offerings in the Cloud space in reliable partnerships with the Udyog Software, NowFloats, ZOHO and many more.

B2B companies are facing a more competitive market as the industry follows in the footsteps of B2C enterprises and moves toward a larger digital presence. B2B e-Commerce is perhaps at its peak. Think B2C: since 2007, Circuit City went bankrupt and Best Buy lost 40% of its market cap because they, like other retailers, didn't go digital and thought that "business as usual" was a good business model. Customers, it turns out, disagreed. That same shift has begun in B2B, where digitally-knowledgeable people are no longer satisfied with archaic, outdated and anything-but-easy-to-use systems. What a company owns is now is less important than the channels and processes it adopts to simplify digital transactions.

CHALLENGES:

The IT industry has its own set of specific challenges requiring an enormous amount of resources to manage these. The ultimate test lies in integrating the unique needs and complexities of most B2B environments:

- **Increasing Competition:**

For most distributors, demand is closely linked to local economic activity. However, enhanced technology has added a layer of competition as manufacturers and large retailers begin to bypass the local distributor. Internet has made buying from distant distributors easier and prices continue to tighten as a result of competition. It is important to continuously review the competitive landscape because the pool of competitors is becoming comprehensive than ever before.

- **Ensuring Product and Customer Profitability:**

Every product in our portfolio must be a contributor to the Company, and ensuring product diversity and quality must be at the forefront of a Company's strategic initiatives. Assuming you have an accurate understanding of product or customer profitability is incorrect. This requires rolling up our sleeves to investigate how each product is performing. It's relatively common for Companies to be distracted by products or customers that do not significantly contribute to bottomline growth.

- **Product Lifecycle Management:**

Every product has a lifecycle that spans growth, plateau, and eventually, decline. It is important to assess how each of these products is performing in the cycle. You can then rejuvenate any products which may not be performing well and ensure that these survive through upgraded technology. Although product lives vary based on consumer demand, it is relatively certain that historical product offerings will need to be innovated in the near future.

- **Taxation:**

In comparison with other Asian low cost destinations, complex taxation policies in India makes the IT Industry less competitive. Frequent changes in taxation have resulted in companies not being able to firm up their long-term business plans, let alone make sizeable investments.

- **Limited incentives for investment:**

With no natural advantage for manufacturing and with uniform taxation across the value chain, sizable investments, especially at the components and sub-assembly level have evaded the segment. Further, due to various reasons, some of the current schemes have been unable to attract fresh investments in this sector. Early cloud leaders are finding it hard to sustain.

- **Inadequate infrastructure/logistics:**

The country's lack of infrastructure, coupled with insufficient international quality logistics, lack of power, land acquisition issues, pose a challenge to the growth of these segments.

RISK MANAGEMENT FRAMEWORK AND MITIGATION:

The technology risk landscape for mobiles, IT products and cloud services are changing swiftly. Companies are adjusting to keep up with the speed and velocity of change, including the adoption of emerging newer technologies. As a result, there is an increasingly direct connection between IT risk and enterprise risk—and, more broadly, enterprise strategy.

Many organisations operating in the digital age do not consider technology risk as a value center and still remain stuck in traditional, compliance-focused approaches to technology risk that don't offer the best control of technology assets, processes and people — including static qualitative measurement, reactive risk decision-making and a lack of innovation.

The concerns over cyber threats, breaches and reputational challenges, processes continue to be informal and ad hoc, while data aggregation, accuracy of data and measurement is still an ongoing struggle.

Major risk and initiatives for mitigation of these risks:

- **Information security and cyber security breaches that could result in systemic failures, losses, disclosures of confidential information:**

Strong counter measures to preempt these risks have been implemented and programmes to continuously monitor the effectiveness of the controls are in place. There is also a focus on sustaining controls and the constant improvement with newer solutions.

- **Regulatory compliances covering various federal, state, local and foreign laws relating to different aspects of the business operations are complex and non-compliances can result in substantial fines, sanctions, etc.:**

A program on statutory compliance is in place with the objective of tracking all applicable regulations and obligations arising from the same and corresponding action required to ensure compliance with necessary work flows are enabled.

- **Functional and operational risks arising from various operational processes:**

Appropriate risk and control matrix have been designed for all critical business processes and both the design and effectiveness are regularly tested under the Internal Financial Control Programmes.

- **A slowdown in economic growth in India could cause our business to suffer:**

Our performance and growth is dependent on the health of the Indian economy. The economy could be adversely affected by various factors, such as political or regulatory action, including adverse changes in liberalisation policies, social disturbances and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other features. Any slowdown in the Indian economy may have negative impacts on our business and financial performance.

- **Government Policies and Regulation:**

The role of the Indian central and state governments in the Indian economy has remained significant over the years. Changes in government policies and regulations that unfavourably impact the Company may have a material influence on the profitability of the business too.

- **Risks due to the Company's dependence on the Information Technology industry and any radical change or downturn may have an impact on our business:**

Our revenue is predominantly derived from the sale of IT hardware products as well as telecom products. The industry is highly fragmented and competitive in nature. In the case of a downturn in this industry, or if the demand does not keep pace with the supply build-up in the industry, our business operations may be adversely affected. Further, if we are unable to maintain an upgraded supply in line with new technological developments in our industry, our sales revenue will show a downturn, impacting our business.

- **Interest Rate Fluctuations Risk:**

The nature of business in which our Company is involved requires large amount of working capital. Our Company has sourced working capital facilities from various banks. Any change in the interest rates could significantly affect our financial condition and results of operations. If the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase. Any down grading in India's debt rating by the International agencies may damage our ability to raise requisite finances at reasonable costs. This may negatively impact our business operations, planned capital expenditures and cash flows.

INTERNAL CONTROL SYSTEMS:

Your Company has effective internal control and risk-mitigation systems, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and the complexities of its operations. The internal and operational audit is entrusted with a reputed firm of Chartered Accountants. The main thrust of any internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

Our well-defined organisation structure, policy guidelines, predefined authority levels, and an extensive system of internal controls ensure optimal utilisation and protection of resources, IT security, accurate reporting of financial transactions. It is compliant with applicable laws, regulations and policies. Compuage has designed systems and processes to provide reasonable assurance with regard to recording and providing reliable financial and operational information. The business complies with applicable statutes, executing transactions with adequate authorisation and ensuring compliance to corporate policies.

- The Company has an adequate system of internal control in place to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorised, recorded, and reported correctly.
- Periodic audits are conducted by the business for sound quality management, service management, information security, etc.
- Compuage's internal audit function is empowered to examine the adequacy, relevance and effectiveness of control systems, compliance with laws, regulations and policies, plans and statutory requirements.
- Compuage has an exhaustive budgetary control system. Actual performance is reviewed with reference to the budget by the management on an ongoing basis.
- Our Audit Committee of the Board closely reviews the findings and recommendations of the internal auditor.
- The system is improved and modified continuously to meet changes in business conditions, statutory and accounting requirements.

FINANCIAL PERFORMANCE:

Discussions on Financial Performance have been covered more specifically in the Board's Report.

DISCLAIMER:

Certain statements made in the management discussion and analysis report relating to the Company constitute as 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, natural calamities over which the Company does not have any direct control.

FOR **COMPUAGE INFOCOM LIMITED,**

Sd/-
Atul H. Mehta
Chairman & Managing Director

Place: Mumbai
Date: August 10, 2018

ANNEXURE F

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[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]

To,

The Members,

Compuage Infocom Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Compuage Infocom Limited** (Hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's Statutory Registers, papers, minute books, forms and returns filed with the ROC 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 during the audit period covering the financial year ended on March 31, 2018 has prima facie 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:

I have examined Statutory Registers, papers, minute books, forms and returns filed with the ROC and other records maintained by Compuage Infocom Limited ("the Company") for the financial year ended on March 31, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules & regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment & External Commercial Borrowings.

(v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 (SEBI Act):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended 31st March, 2018:-

(a) The Securities & Exchange Board of India (Issue & listing of Debt securities) Regulations,2008;

(b) 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;

(c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(d) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(e) The Securities & Exchange Board of India (Buyback of Securities) Regulations,1998;

(f) The Securities And Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009;

(vi) The Company is engaged in composite range of activities like Information Technology distribution products and services. In our opinion, the Company being operating in the aforesaid diversified activities, various laws/ regulations are applicable to it. In the absence of any identifiable specific major law/ regulation under which the sector and the Company operates we are not in a position to identify and report the same in our report.

For the other applicable laws our audit was limited to:-

(a) Industrial Disputes Act, 1947

(b) The Payment of Wages Act, 1936

(c) The Minimum Wages Act, 1948

(d) Employees State Insurance Act, 1948

(e) The Payment Of Bonus Act, 1965

(f) The Payment of Gratuity Act, 1972

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

(a) The Listing Agreement & SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 entered into by the Company with the BSE Limited and NSE Limited.

(b) Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India - Prima facie the Company has complied with the same.

During the period under review the Company has prima facie complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

(i) I rely on statutory auditor's reports in relation to the financial statements and accuracy of financial figures for, Sales Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under financial statements, Accounting Standard 18 & note on foreign currency transactions during our audit period and I have not verified the correctness and appropriateness of the books of accounts of the Company.

(ii) I further report that the board of directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors & Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

(iii) I further report that as per the information provided prima facie adequate notice is given to all directors to schedule the Board Meetings, agenda & detailed notes on agenda were sent at least seven days in advance & a system exists for seeking & obtaining further information & clarifications on agenda items before the meeting & for meaningful participation at the meeting.

(iv) The Company has not transferred the shares to IEPF Account and not filed the required forms which is under process.

(v) I further report that as per the information provided majority decision is carried through while the dissenting members' views are captured & recorded as part of the minutes.

(vi) I further report that there are prima facie adequate systems & processes in the company commensurate with the size & operations of the company to monitor & ensure compliance with applicable laws, rules, regulations & guidelines.

(vii) I further report that the management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/records required by the concerned authorities and internal control of the concerned department.

(viii) I further report that during the audit period the company has no specific events like Public/Right/Preferential issue of shares/debentures/sweat equity, etc.

(ix) I further report that my report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

4. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.

5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the Management has conducted the affairs of the company.

Virendra Bhatt
ACS No – 1157
COP No – 124

Place: Mumbai
Date: June 14, 2018

ANNEXURE G

Form No. AOC -2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. **Details of contracts or arrangements or transactions not at Arm's length basis:** Not applicable

2. **Details of material contracts or arrangements or transactions at Arm's length basis:** Not applicable

FOR **COMPUAGE INFOCOM LIMITED**

Sd/-
Atul H. Mehta
Chairman & Managing Director

Place: Mumbai
Date: August 10, 2018

Financial Statements

- Standalone Statements
- Consolidated Statements

Independent Auditor's Report

To,
The Members of
Compuage Infocom Limited

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying Standalone Ind AS Financial Statements of Compuage Infocom Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes 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 Ind AS 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 Ind AS financial statements based on 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 standalone Ind AS 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 Ind AS financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the standalone Ind AS 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 Ind AS 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 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 Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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, including the Ind AS, of the state of affairs of the Company as at March 31, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

OTHER MATTERS

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory standalone financial statements prepared in accordance with the accounting principles generally accepted in India, including the Accounting standards specified under Section 133 of the Act read with rule 7 of Companies (Accounts) Rules, 2014, audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 2, 2017 and May 2, 2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

We have not audited the financial statements and other financial information of one of the branches located outside India.

These financial statements and financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the standalone Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the foreign branch and our report in terms of section 143 (3) of the Act, insofar as it relates to the aforesaid foreign branch is based solely on the reports of the other auditors.

The financial statements and other financial information of the foreign branch which is located outside India whose financial statements and other financial information has been prepared in accordance with accounting principles generally accepted in that country and which has been audited by other auditors under generally accepted auditing standards applicable in that country. The Company's management has converted the financial statements of this branch located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of the branch located outside India is based on the reports of other auditors and the conversion adjustments prepared by the Management of the Company and audited by us.

Our opinion on the standalone Ind AS 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.

REPORT ON LEGAL AND OTHER REGULATORY REQUIREMENTS

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

2. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of its foreign branch, as noted 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 purpose of our audit;

   (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   (c) the Balance Sheet, Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) in our opinion the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) on the basis of the written representations received from the directors, as on March 31, 2018, and 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 operating effectiveness of such controls, refer to our separate report in Annexure B; and

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

      (i) the Company has disclosed the impact on pending litigations on its financial position in its standalone Ind AS financial statements;

      (ii) the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and

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

For **M/s. Bhogilal C. Shah & Co.**
Chartered Accountants
Firm's Registration No. 101424W

CA Suril Shah
Partner
Membership No. 042710

Mumbai, May 4, 2018

Annexure A to the Independent Auditor's Report

The Annexure A referred to in our Independent Auditor's Report to the Members of the Company on the Standalone Ind AS Financial Statements for the year ended March 31, 2018. We report that :

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

(b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion, is reasonable, considering the size and nature of its business. As explained to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.

(ii) As explained to us, the inventories have been physically verified by the management at reasonable intervals.

(iii) The Company has not granted any loans, secured or unsecured to Companies, firms, limited liability partnerships or other parties covered in the register maintained u/s 189 of the Act. Therefore the provisions of clause 3(iii) of the Order are not applicable to the Company.

(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 in respect of loans, investments, guarantees and security.

(v) In our opinion and according to the information and explanations given to us, the Company complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 and all other relevant provisions the Companies Act, 2013 and the rules framed thereunder in respect of acceptance of deposits from the public.

(vi) As explained to us, the Central Government has not prescribed the maintenance of Cost Records under section 148(1). Therefore the provisions of clause 3(vi) of the Order are not applicable to the Company.

(vii) (a) According to the information and explanation given to us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Goods & Services Tax, Cess and any other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Goods & Services 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, the amounts which have not been deposited as on March 31, 2018 on account of any dispute, are as follows :

Name of the statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Sales Tax & Entry Tax Acts of respective states	Sales Tax and Entry Tax	56.81	2007-2010	Tribunal
		0.78	2008-2009	A.C. Appeal
		0.44	2009-2010	A.C. Appeal
		14.38	2013-2014	A.C. Appeal
		32.97	2008-09 & 2009-10	Commissioner
		10.55	2011-2012	Commissioner
		18.94	2007-2013	D.C. Appeal
		4.49	2009-2010	D.C. Appeal
		29.23	2010-2011	D.C. Appeal
		26.63	2011-2012	D.C. Appeal
		8.08	2012-2013	D.C. Appeal
		15.00	2013-2014	D.C. Appeal
		32.65	2014-2015	D.C. Appeal

Name of the statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	6.49	2015-2016	D.C. Appeal
		15.05	2012-2013	J.C. Appeal
		41.90	2015-2016	J.C. Appeal
		0.59	2009-10	CIT (Appeals)
		2.41	2010-11	CIT (Appeals)
		4.12	2012-13	CIT (Appeals)
The Customs Act, 1962	Custom Duty	344.35	2008-2018	Departmental Authorities / CESTAT

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution or bank. There are no loans or borrowing from the government. There are no debenture holders.

(ix) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company during the year for the purpose for which they were raised. The Company has not raised moneys by way of initial public offering or further public offer during the year.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore the provisions of clause 3(xii) of the Order are not applicable to the Company.

(xiii) To the best of our knowledge and belief and according to the information and explanations given to us, all transactions with related parties are in compliance with Section 177 and 188 of the Act where applicable and details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore the provisions of clause 3(xiv) of the Order are not applicable to the Company.

(xv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore the provisions of clause 3(xv) of the Order are not applicable to the Company.

(xvi) To the best of our knowledge and belief and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For **M/s. Bhogilal C. Shah & Co.**
Chartered Accountants
Firm's Registration No. 101424W

CA Suril Shah
Partner
Membership No. 042710

Mumbai, May 4, 2018

Annexure B to the Independent Auditor's 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 Compuage Infocom Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS 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.

AUDITOR'S RESPONSIBILITY

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

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 and 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, 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 **M/s. Bhogilal C. Shah & Co.**
Chartered Accountants
Firm's Registration No. 101424W

CA Suril Shah
Partner
Membership No. 042710

Mumbai, May 4, 2018

Balance Sheet

as at March 31, 2018

(₹ in Lakhs unless otherwise stated)

Particulars	Note	March 31, 2018	March 31, 2017	April 01, 2016
A. ASSETS				
1. Non-Current Assets				
a) Property, Plant and Equipment	2	**4,397.98**	4,321.90	4,358.00
b) Intangible Assets	2	**8.30**	-	-
c) Financial Assets				
(i) Investments	3	**99.79**	99.48	100.99
(ii) Others Financial Assets	4	**3.66**	52.78	52.20
Total Non-Current Assets		**4,509.73**	**4,474.16**	**4,511.19**
2. Current Assets				
a) Inventories	5	**29,261.73**	33,488.60	25,430.42
b) Financial Assets				
(i) Investments	6	**257.00**	251.77	251.53
(ii) Trade Receivables	7	**57,751.80**	45,571.09	27,668.08
(iii) Cash and Cash Equivalents	8	**4,632.09**	3,630.51	3,036.55
(iv) Bank balances other than (iii) above	9	**7,563.74**	6,505.21	5,794.90
(v) Loans	10	**494.72**	626.96	608.08
(vi) Other Financial Assets	11	**835.06**	139.49	222.13
c) Current Tax Assets (Net)	12	**210.48**	-	-
d) Other Current Assets	13	**6,472.57**	2,002.89	2,125.16
Total Current Assets		**107,479.19**	92,216.52	65,136.85
TOTAL ASSETS		**111,988.92**	96,690.68	69,648.04
B. EQUITY AND LIABILITIES				
Equity				
a) Equity Share Capital	14	**1,174.80**	1,174.80	1,174.80
b) Other Equity	15	**13,026.35**	11,254.77	9,789.63
Total Equity		**14,201.15**	**12,429.57**	**10,964.43**
Liabilities				
1. Non-Current Liabilities				
a) Financial Liabilities				
(i) Borrowings	16	**1,365.69**	1,772.92	-
b) Deferred Tax Liabilities (Net)	17	**623.18**	607.87	572.08
Total Non-Current Liabilities		**1,988.87**	**2,380.79**	**572.08**
2. Current Liabilities				
a) Financial Liabilities				
(i) Borrowings	18	**39,647.64**	30,261.35	27,859.60
(ii) Trade Payables	19	**50,456.01**	46,511.68	26,217.36
(iii) Other Financial Liabilities	20	**2,808.39**	2,831.64	1,537.83
b) Other Current Liabilities	21	**2,876.86**	2,244.62	2,402.66
c) Provisions	22	**10.00**	10.00	7.50
d) Current Tax Liabilities (Net)	23	**-**	21.02	86.58
Total Current Liabilities		**95,798.90**	**81,880.31**	**58,111.53**
Total Liabilities		**97,787.77**	**84,261.10**	**58,683.61**
TOTAL EQUITY AND LIABILITIES		**111,988.92**	**96,690.68**	**69,648.04**
Significant accounting policies	1			

The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

For M/s. Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

CA Suril Shah
Partner
Membership No. : 042710

Place : Mumbai
Dated : May 4, 2018

For and behalf of the Board of Directors
of Compuage Infocom Limited

G. S. Ganesh
Independent Director
DIN: 00010877

Bhavesh H. Mehta
Whole Time Director
DIN: 00740861

Atul H. Mehta
Chairman & Managing Director
DIN: 00716869

Sunil Mehta
CFO

Disha Shah
Company Secretary

Statement of Profit and Loss

for the year ended on March 31, 2018

(₹ in Lakhs unless otherwise stated)

Particulars	Note	March 31, 2018	March 31, 2017
Revenue from Operations	24	**407,440.78**	355,132.98
Other Income	25	**1,499.02**	1,914.93
Total Income		**408,939.80**	**357,047.91**
Expenses			
Cost of Materials Consumed		-	-
Purchase of Stock-in-Trade	26	**388,961.20**	350,859.06
Changes in Inventories of Stock in Trade	27	**4,226.87**	(8,058.18)
Employee Benefits Expense	28	**3,812.29**	3,284.76
Finance Costs	29	**4,949.93**	4,493.89
Depreciation and Amortisation Expenses	2	**340.91**	358.94
Other Expenses	30	**3,454.28**	3,342.78
Total Expenses		**405,745.48**	**354,281.24**
Profit Before Exceptional Items and Tax		**3,194.32**	2,766.67
Exceptional Items		-	
Profit Before Tax		**3,194.32**	**2,766.67**
Tax Expense			
Current Tax	17	**1,124.64**	982.95
Deferred Tax	17	**15.31**	35.78
Total Tax Expense		**1,139.95**	**1,018.73**
Profit for the year		**2,054.37**	**1,747.94**
Other Comprehensive Income			
a) Items that will not be reclassified to profit and loss		-	-
b) Items that will be reclassified to profit and loss		-	-
Other Comprehensive Income, Net of tax		-	-
Total Comprehensive Income for the year		**2,054.37**	**1,747.94**
Earnings per Equity Share attributable to owners of the Company		**2,054.37**	**1,747.94**
No. of Shares		**587.39**	**587.39**
Basic and Diluted earning per Equity Share of ₹ 2.00 each		**3.50**	**2.97**

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date

For M/s. Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

CA Suril Shah
Partner
Membership No. : 042710

Place : Mumbai
Dated : May 4, 2018

For and behalf of the Board of Directors
of Compuage Infocom Limited

G. S. Ganesh
Independent Director
DIN: 00010877

Bhavesh H. Mehta
Whole Time Director
DIN: 00740861

Atul H. Mehta
Chairman & Managing Director
DIN: 00716869

Sunil Mehta
CFO

Disha Shah
Company Secretary

Statement of Cash Flows

for the year ended March 31, 2018

(₹ In Lakhs)

	Particulars	March 31, 2018	March 31, 2017
A.	Cash Flows From Operating Activities		
	Profit Before Tax	3,194.31	2,766.67
	Adjustment For:		
	Depreciation and Amortisation Expenses	340.91	358.94
	Finance Costs	4,949.93	4,493.89
	Interest Income from Financial Assets Measured at Amortised Cost	(1,488.49)	(1,431.18)
	Dividend Received on Current Investments	(10.53)	(12.74)
	Gain on Disposal of Investment Measured at FVPL	0.00	(0.04)
	Operating Profit Before Working Capital Changes	**6,986.13**	**6,175.53**
	Changes in Working Capital:		
	Decrease/(Increase) in Inventories	4,226.87	(8,058.18)
	Decrease/(Increase) in Trade Receivables	(12,180.71)	(17,903.01)
	Decrease/(Increase) in Current Loans	132.24	(18.88)
	Decrease/(Increase) in Other Current Assets	(4,469.68)	122.27
	Decrease/(Increase) in Other Financial Assets	9.43	82.64
	Increase /(Decrease) in Trade Payables	3,944.33	20,294.34
	Increase /(Decrease) in Other Financial Liabilities	(23.25)	1,293.81
	Increase /(Decrease) in Other Current Liabilities	632.24	(158.04)
	Increase /(Decrease) in Current provisions	0.00	2.50
	Total	**(7,728.53)**	**(4,342.55)**
	Income Tax Paid (Net of Refund)	(1,356.14)	(1,048.51)
	Net Cash Inflow/(Outflow) From Operating Activities (A)	**(2,098.54)**	**784.47**
B.	Cash Flows From Investing Activities		
	Purchase of Property, Plant and Equipment	(413.47)	(322.84)
	Purchase of Intangible Assets	(11.82)	0.00
	Sale/(Purchase) of Current Investments (Net)	(5.23)	(0.24)
	Sale/(Purchase) of Non-Current Investments	(0.31)	1.51
	Proceeds from / (Payment of) Fixed Deposits	(1,714.41)	(710.89)
	Interest Received on Financial Assets Measured at Amortised Cost	1,488.49	1,431.18
	Dividend Received on Current Investments	10.53	12.74
	Gain on Disposal of Investment Measured at FVPL	0.00	0.04
	Net Cash Inflow/(Outflow) From Investing Activities (B)	**(646.22)**	**411.50**

Statement of Cash Flows

for the year ended March 31, 2018

(₹ In Lakhs)

	Particulars	March 31, 2018	March 31, 2017
C.	Cash Flows From Financing Activities		
	Proceeds from / (Repayment of) Current Borrowings	9,386.29	2,401.77
	Proceeds from / (Repayment of) Non Current Borrowings	(407.23)	1,772.92
	Interest Paid	(4,949.93)	(4,493.89)
	Dividend on Equity Shares (including Dividend Distribution Tax)	(282.79)	(282.79)
	Net Cash Inflow/(Outflow) from Financing Activities (C)	**3,746.34**	**(601.99)**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**1,001.58**	**593.96**
	Cash and Cash Equivalents as at Beginning of the year	3,630.51	3,036.55
	Cash and Cash Equivalents as at End of the year	4,632.09	3,630.51

i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Statement of Cash Flows as notified under the Companies (Indian Accounting Standards) Rules, 2015.

ii) Cash flows from operating activities includes ₹45.12 Lakhs (March 31, 2017 : ₹48.09 Lakhs) being expenses towards Corporate Social Responsibility initiatives.

As per our report of even date

For M/s. Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

CA Suril Shah
Partner
Membership No. : 042710

Place : Mumbai
Dated : May 4, 2018

For and behalf of the Board of Directors
of Compuage Infocom Limited

G. S. Ganesh
Independent Director
DIN: 00010877

Bhavesh H. Mehta
Whole Time Director
DIN: 00740861

Atul H. Mehta
Chairman & Managing Director
DIN: 00716869

Sunil Mehta
CFO

Disha Shah
Company Secretary

Statement of Changes in Equity

for the year ended March 31, 2018

A. Equity Share Capital

Particulars	Note	Amount
As at April 01, 2016	14	1,174.80
Changes in Equity Share Capital during the year		-
As at March 31, 2017	14	**1,174.80**
Changes in Equity Share Capital during the year		-
As at March 31, 2018	14	**1,174.80**

B. Other Equity

Particulars	Reserves and Surplus					Other Reserves		Total Other Equity
	Securities Premium Reserve	General Reserve	Capital Reserve	Capital Redemption Reserve	Retained Earnings	FVOCI Equity Instruments	Foreign Currency Translation Reserve	
As at April 01, 2016	**2,109.85**	**35.38**	**134.84**	**129.72**	**7,379.84**	**-**	**-**	**9,789.63**
Profit for the year	-	-	-	-	1,747.94	-	-	1,747.94
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**1,747.94**	**-**	**-**	**1,747.94**
Dividend Paid (including Dividend Distribution Tax)	-	-	-	-	(282.79)	-	-	(282.79)
As at March 31, 2017	**2,109.85**	**35.38**	**134.84**	**129.72**	**8,844.99**	**-**	**-**	**11,254.78**
Profit for the year	-	-	-	-	2,054.37	-	-	2,054.37
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**2,054.37**	**-**	**-**	**2,054.37**
Transactions with owners in their capacity as owners:	-	-	-	-	-	-	-	-
Dividend Paid (including Dividend Distribution Tax)	-	-	-	-	(282.79)	-	-	(282.79)
As at March 31, 2018	**2,109.85**	**35.38**	**134.84**	**129.72**	**10,616.57**	**-**	**-**	**13,026.36**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Summary of Significant accounting policies to financial statements

for the year ended March 31, 2018

CORPORATE INFORMATION

Compuage Infocom Limited (the Company) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the BSE Ltd. and National Stock Exchange of India Ltd.

The Company is engaged in trading in Computer parts and peripherals, Software and Telecom Products. The Company also provides products support services for Information Technology products.

NOTE 1: NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2018

A. Significant Accounting Policies:

i) Basis of Preparation:

(a) Compliance with Ind AS

These financial statements are the separate financial statements of the Company prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended hereinafter referred to as the Ind AS, and other relevant provisions of the Companies Act, 2013.

The Financial Statements up to the year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 2013, hereinafter referred to as the 'Previous GAAP'.

These financial statements are the first financial statements of the Company under Ind AS. Refer Note 33 for an explanation of how the transition from Previous GAAP to Ind AS has affected the financial position, financial performance and cash flows of the Company and how the transition from Previous GAAP to Ind AS has affected the equity on the date of transition.

Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency.

(b) Use of Estimates:

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring adjustment to the carrying amounts of assets or liabilities in future periods.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(c) Historical Cost Convention:

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

(d) Recent accounting pronouncements: Standards issued but not yet effective:

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying amendments to:

(i) Ind AS 12, 'Income Taxes',

(ii) Ind AS 21, 'The Effects of Changes in Foreign Exchange Rates',

(iii) Ind AS 28, 'Investments in Associates and Joint Ventures,

(iv) Ind AS 40, 'Investment Property',

(v) Ind AS 115, 'Revenue from Contracts with Customers'.

These amendments are applicable to the Company from accounting period beginning on or after April 1, 2018.

The Company is in the process of evaluating the impact of these pronouncements on the financial statements of the Company.

ii) Current/ Non-Current classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

i. the asset/liability is expected to be realized/ settled in the Company's normal operating cycle;

ii. The asset is intended for sale or consumption;

iii. The asset/liability is held primarily for the purpose of trading;

iv. The asset/liability is expected to be realized/ settled within twelve months after the reporting period;

v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

vi. In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months.

iii) Tangible Assets /Property, Plant and Equipment:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

iv) Depreciation on Tangible Fixed Assets:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate and accordingly, accounted for prospectively.

v) Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life i.e. 3 years based on management assessment and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognised in the Statement of Profit and Loss.

vi) Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss.

vii) Impairment of Non-Financial Assets – Property Plant and Equipment and Intangible Assets:

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there are any indications of impairment based on internal / external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

Goodwill, intangible assets having indefinite useful life and intangible assets currently not in use by the Company are tested for impairment annually and also whenever there are indicators of impairments.

Reversal of impairment of Goodwill is not recognized.

viii) Lease:

Where the Company is Lessee:

Finance Leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments.

Lease payments are apportioned between the finance charges and reduction of lease liability, so as to achieve constant rate of interest of the remaining balance of the liability. Finance charges are recognized as finance cost in the statement of profit and loss. Lease management fees, legal charges, and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight line basis over the useful life of the asset as prescribed under Part C of Schedule II of the Companies Act, 2013.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate expected inflationary cost increases for the lessor.

ix) Borrowing Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowing and exchange differences arising from foreign currency borrowing to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

x) Revenue Recognition:

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates by the Company.

Revenue includes only the gross inflows of economic benefits, received and receivable by the Company, on its own account. Amounts collected on behalf of third parties such as Sales Tax, VAT and GST are excluded from revenue.

The Company bases its estimates on historical results, taking into consideration the type of customer, type of transaction and specifics of each arrangement. Accumulated experience is used to estimate and provide for discounts and returns. No element of financing is deemed present as sales are made with a credit term which is consistent to market practice.

Sale of products:

Revenue from sale of products is recognized when the Company transfers all significant risks and rewards of ownership to the buyer, while the Company retains neither continuing managerial involvement nor effective control over the products sold.

Rendering of services:

Revenue from product support services are recognized once the service is provided and the invoice is raised and are net of applicable taxes.

Interest:

Interest income from debt instruments is recognised using the effective interest rate method.

Dividend :

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

xi) Foreign Currency Transactions /Translations:

Functional and Presentation Currency:

Items included in the financial statement of the company are measured using the currency of the primary economic environment in which the company operates (functional currency). The financial statements of the Company are presented in Indian Currency, which is also the functional currency of the Company.

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Foreign exchange gain or loss resulting from the settlement of such transactions and from translation of monetary assets or liability denominated in foreign currencies at the year-end exchange rate are generally recognized in the profit and loss account except that they are deferred in equity if they relate to qualifying cash flow hedges.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

xii) Derivative Financial Instruments and Hedge Accounting:

The Company enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost.

The Company is not following hedge accounting. Consequently all derivative instruments are recognised and measured at Fair Value through Profit and Loss.

xiii) Inventories:

(a) Stock of goods traded is valued at lower of cost and net realizable value. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. The costs are determined on a weighted average basis.

(b) Saleable scrap is accounted for as and when sold.

xiv) Investments and Other Financial Assets:

Classification:

The Company classifies its financial assets in the following measurement categories:

i) Those to be measured subsequently at fair value (either through Other Comprehensive Income (OCI), or through Profit or Loss), and

ii) Those measured at amortised cost.

The classification depends on the business model of the entity for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Profit or Loss or Other Comprehensive Income.

For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income (OCI)

Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. 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. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement:

After initial recognition, financial assets are measured at:

i) Fair Value {either through Other Comprehensive Income (FVOCI) or through Profit or Loss (FTVPL)} or,

ii) Amortised Cost.

Debt Instruments:

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Measured at fair value through Other Comprehensive Income (FVOCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain / (loss) previously recognized in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

Measured at Fair Value Through Profit or Loss: (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FTVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

Equity Instruments:

The Company subsequently measures all investments in equity instruments other than subsidiary Companies, associate company and joint venture company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Other Comprehensive Income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in Subsidiary Companies, Associate Companies and Joint Venture Companies:

Investments in Subsidiary Companies, Associate Companies and Joint Venture Companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in Subsidiary Companies, Associate Companies and Joint Venture Companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Impairment of Financial Assets:

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

i) financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, and bank balance.

ii) trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

De-recognition:

A financial asset is de-recognized only when the Company

i) has transferred the rights to receive cash flows from the financial asset or

ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial Liabilities:

i) Classification as Debt or Equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

iv) De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting Financial Instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

xv). Retirement and Other Employee Benefits:

Short Term Employee Benefits:

All employee benefits payable within twelve months of service such as salaries, wages, bonus, ex gratia, medical benefits etc. are recognized in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet.

Defined Contribution plan:

Contributions to defined contribution schemes such as contribution to Provident Fund, Employees State Insurance Corporation, National Pension Scheme are charged as an expense to the statement of profit and loss on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as defined contribution schemes as the company has no further defined obligations beyond the monthly contributions.

Gratuity is accounted for on the basis of Actuarial valuation, based on premium calculated by LIC under its Group Gratuity (Cash Accumulation) Scheme.

xvi) Income Taxes:

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such an asset is reviewed at each Balance Sheet date

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognized if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit / (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

xvii) Cash and Cash Equivalents:

Cash and cash equivalents include cash in hand, demand deposits with banks and other short term deposits (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

xviii) Segment Reporting:

The Company operates only in one reportable segment.

xix) Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity share outstanding during the period.

For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xx) Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

xxi) Authorization for issue of the Financial Statements:

The Financial Statements were authorized for issue by the Board of Directors on May 4, 2018.

xxii)Transition to Ind AS:

These are the first Financial Statements of the Company prepared in accordance with Ind AS. The Accounting Policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended March 31, 2018, the comparative information presented in these Financial Statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS Balance Sheet as at April 1, 2016 (the date of transition).

In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in Financial Statements prepared in accordance with Previous GAAP.

An explanation of how the transition from Previous GAAP to Ind AS has affected the financial position, financial performance and cash flows of the Company is set out in the following tables and notes:

Exemptions availed on first-time adoption of Ind AS 101

Exemptions and exceptions availed in preparing these financial statements, the Company has availed certain exemptions and exceptions in accordance with "Ind AS 101 First-time Adoption of Indian Accounting Standards, (Ind AS 101)" as explained below. The resulting difference between the carrying values of the assets and liabilities in the Financial Statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This Note explains the adjustments made by the Company in restating its Previous GAAP Financial Statements, including the Balance Sheet as at April 1, 2016 and the Financial Statements as at and for the year ended March 31, 2017.

a) **Ind AS optional exemptions set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Previous GAAP to Ind AS.**

i) **Deemed cost :** Ind AS 101 in Para D5 permits a first time adopter to elect to measure an item of property, plant and equipment at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date. Accordingly, the Company has elected to measure Office premises at fair value and measured other items of Property, Plant and Equipment as per Ind AS on the date of transition.

ii) **Investment in subsidiary :** Ind AS 101 permits a first time adopter to measure it's investment in subsidiaries, joint ventures and associates at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall be it's fair value at date if transition to Ind AS of the Company, or Previous GAAP carrying value as at that date. The Company has elected to measure its investments in subsidiary as its Previous GAAP carrying value as deemed cost on the date of transition.

iii) **Designation of previously recognised financial instruments :** Ind AS 101 allows an entity to designate a financial asset as measured at fair value through profit or loss on the basis of facts and circumstances that exist at the date of transition to Ind AS. The Company has elected to apply this exemption for its investments other than those stated in (ii) above.

b) **Ind AS mandatory exceptions**

The Company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101.

i) Estimates in accordance with Ind AS at the transition date will be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in Accounting Policies) unless there is objective evidence that those estimates were erroneous Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP

1) Investment in equity instruments and mutual funds carried at FVPL

ii) Classification and measurement of financial assets Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Notes to Financial Statements

for the year ended March 31, 2018

NOTE 2 : PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs unless otherwise stated)

Particulars	Office Premises	IT Equipment	Vehicles	Office Equipment	Furniture and Fixture	Total Property, plant and equipment	Intangible Assets
Gross carrying amount							
Deemed cost as at April 1, 2016	3,172.42	1,460.28	84.38	445.11	1,272.98	**6,435.17**	-
Additions	-	134.53	60.24	41.26	86.81	**322.84**	-
Disposals	-					**-**	-
As at March 31, 2017	3,172.42	1,594.81	144.62	486.37	1,359.79	**6,758.01**	-
Additions	-	91.85	-	153.90	167.72	**413.47**	11.82
Disposals	-	-	-	-	-	**-**	-
As at March 31, 2018	**3,172.42**	**1,686.66**	**144.62**	**640.27**	**1,527.51**	**7,171.48**	**11.82**
Depreciation | Amortisation							
As at April 1, 2016	-	1,272.37	52.05	308.06	444.69	**2,077.17**	-
Charge for the year	58.01	99.52	11.55	64.40	125.46	**358.94**	-
Disposals	-	-	-	-	-	**-**	-
Upto March 31, 2017	58.01	1,371.89	63.60	372.46	570.15	**2,436.11**	-
Charge for the year	57.67	91.70	14.99	38.40	134.63	**337.39**	3.52
Disposals	-	-	-	-	-	**-**	-
Upto March 31, 2018	115.68	1,463.59	78.59	410.86	704.78	**2,773.50**	3.52
Net carrying amount							
As at April 01, 2016	**3,172.42**	**187.91**	**32.33**	**137.05**	**828.29**	**4,358.00**	**-**
As at March 31, 2017	**3,114.41**	**222.92**	**81.02**	**113.91**	**789.64**	**4,321.90**	**-**
As at March 31, 2018	**3,056.74**	**223.07**	**66.03**	**229.41**	**822.73**	**4,397.98**	**8.30**

i. Pursuant to Para D5 of Ind AS 101, the Company has exercised option to consider fair value on the date of transition as deemed cost for office premises. Rest all other assets are accounted as per Ind AS.

ii. The Company has hypothicated Office Premises to avail the loan from the Bank.

NOTE 3 : NON CURRENT INVESTMENTS

(₹ in Lakhs unless otherwise stated)

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
a) Investment in equity instruments of Subsidiary Company measured at cost 1,50,000 Ordinary Shares of Compuage Infocom Pte.Ltd - Singapore	**65.17**	64.86	66.37
Sub-total (a)	**65.17**	**64.86**	**66.37**
b) Investment in equity instruments of Other Company measured at FVTPL - Unquoted 1,15,416 Equity Shares of Bombay Marcantile Co- Op. Bank Ltd of ₹30 Each.	**34.62**	34.62	34.62
Sub-total (b)	**34.62**	**34.62**	**34.62**
Total	**99.79**	**99.48**	**100.99**

Notes to Financial Statements

for the year ended March 31, 2018

NOTE 4 : OTHER NON CURRENT FINANCIAL ASSETS

(₹ in Lakhs unless otherwise stated)

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Fixed Deposits with Banks, with maturity beyond 12 months	3.66	52.78	52.20
Total	**3.66**	**52.78**	**52.20**

NOTE 5 : INVENTORIES

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Stock in trade	29,261.73	33,488.60	25,430.42
Total	**29,261.73**	**33,488.60**	**25,430.42**

NOTE 6 : CURRENT INVESTMENTS

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Investment in Mutual Funds, unquoted, fair value through Profit and Loss 2,55,829.639 units [(2,50,625.851 units 31-03-17) (2,50,408.189 units 01-04-16)] of Birla Sun Life Cash Manager Weekly Dividend Mutual Fund	257.00	251.77	251.53
Total	**257.00**	**251.77**	**251.53**

NOTE 7 : TRADE RECEIVABLES

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good	57,751.80	45,571.09	27,668.08
Total	**57,751.80**	**45,571.09**	**27,668.08**

NOTE 8 : CASH AND CASH EQUIVALENTS

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Bank balances			
In current accounts	3,696.23	1,702.95	1,528.77
In unpaid dividend accounts	19.99	18.21	13.91
Cheques on hand	850.00	1,665.00	580.00
Cash on hand	6.93	5.31	13.87
Fixed Deposits with original maturity less than 3 months	58.94	239.04	900.00
Total	**4,632.09**	**3,630.51**	**3,036.55**

NOTE 9 : OTHER BANK BALANCES

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Fixed Deposits with remaining maturity less than 12 months	7,563.74	6,505.21	5,794.90
Total	**7,563.74**	**6,505.21**	**5,794.90**

NOTE 10 : CURRENT LOANS

(₹ in Lakhs unless otherwise stated)

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Security Deposits	425.71	593.96	449.82
Loans to Employees	69.01	33.00	53.26
Loans to others	-	-	105.00
Total	**494.72**	**626.96**	**608.08**

Notes to Financial Statements

for the year ended March 31, 2018

NOTE 11 : OTHER CURRENT FINANCIAL ASSETS

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Fixed Deposits other than Banks	705.00	-	-
Interest accrued on deposits	130.06	139.49	222.13
Total	**835.06**	**139.49**	**222.13**

NOTE 12 : CURRENT TAX ASSETS (NET)

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance income tax (net of provisions)	210.48		
Total	**210.48**	**-**	**-**

NOTE 13 : OTHER CURRENT ASSETS

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Prepaid expenses	193.22	256.01	291.15
Advances to staffs	21.45	3.85	35.98
Advances to supplier	1,168.18	177.66	138.06
Balances with Government authorities	5,089.72	1,565.37	1,659.97
Total	**6,472.57**	**2,002.89**	**2,125.16**

NOTE 14 : EQUITY SHARE CAPITAL

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Authorised			
9,62,70,000 Equity Shares of ₹2.00 each [During F.Y. 2015-16: 1,92,54,000 Equity Shares of ₹10.00 each]	1,925.40	1,925.40	1,925.40
46,65,600 Preference Shares of ₹0.10 (Ten paise) each	4.67	4.67	4.67
33,69,344 Preference Shares of ₹10.00 each	336.93	336.93	336.93
Total	**2,267.00**	**2,267.00**	**2,267.00**
Issued, Subscribed and Fully Paid-up			
5,87,39,995 Equity Shares of ₹2.00 each fully paid (During F.Y. 2015-16: 1,17,47,999 Equity Shares of ₹10.00 each fully paid) Note: The paid up value of Equity Share Capital is ₹117479990/-	1,174.80	1,174.80	1,174.80
Total	**1,174.80**	**1,174.80**	**1,174.80**

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. in Lakhs	₹ In Lakhs	No. in Lakhs	₹ In Lakhs	No. in Lakhs	₹ In Lakhs
At the beginning of the period	587.40	1,174.80	117.48	1,174.80	66.55	665.50
Add : Bonus Shares issued	-	-	-	-	39.93	399.30
Add : Preferential Allotment	-	-	-	-	11.00	110.00
Add : Shares split from face value of ₹10.00 to face value of ₹2.00	-	-	469.92	-	-	-
Outstanding at the end of the period	**587.40**	**1,174.80**	**587.40**	**1,174.80**	**117.48**	**1,174.80**

Notes to Financial Statements

for the year ended March 31, 2018

Terms / rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹2.00 per share. Each holder of Equity Shares is entitled to one vote per share.

In the event of liquidation of the Company, the holder 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 Sahres held by Shareholders.

The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. During the year ended March 31, 2018, the amount of per share final dividend proposed as distribution to the Equity Shareholders is ₹.0.40 per share (March 31, 2017 :₹0.40 per share)

c) Details of Shareholders holding more than 5% of Equity Shares:

Name of Shareholder	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Holding %	**No. of shares**	Holding %	No. of shares	Holding %	No. of shares In Lac
1. Atul Harkishandas Mehta	**24.25%**	**142.44**	24.25%	142.44	24.25%	28.49
2. Bhavesh Harkishandas Mehta	**24.25%**	**142.44**	24.25%	142.44	24.25%	28.49
3. Ajay Harkishandas Mehta	**12.98%**	**76.24**	12.98%	76.24	12.98%	15.25
4. Kitara India Micro Cap Growth Fund	**9.36%**	**55.00**	9.36%	55.00	9.36%	11.00

NOTE 15 : OTHER EQUITY

(₹ in Lakhs unless otherwise stated)

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
a) Capital Reserve	**134.84**	134.84	134.84
b) Capital Redemption Reserve	**129.72**	129.72	129.72
c) Securities Premium Reserve	**2,109.85**	2,109.85	2,109.85
d) General Reserve	**35.38**	35.38	35.38
e) Retained Earnings			
Balance at the beginning of the year	**8,844.99**	7,379.84	7,379.84
Add: Profit for the year	**2,054.37**	1,747.94	-
Less: Dividend on Equity Shares	**(234.96)**	(234.96)	-
Less: Dividend distribution tax on dividend	**(47.83)**	(47.83)	-
Balance as at the end of the year	**10,616.57**	**8,844.99**	**7,379.84**
Total	**13,026.35**	**11,254.77**	**9,789.63**

Nature and purpose of other reserves

a) Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

NOTE 16 : NON CURRENT BORROWINGS

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Term loans from banks	**1,243.33**	1,743.33	-
Term loans from others	**112.50**	-	-
Vehicle loans	**9.86**	29.59	-
Total	**1,365.69**	**1,772.92**	**-**

Term loan from Indian Bank (secured by hypothecation of office premises) carry interest of 10.50% p.a. and is repayable in 20 equal quarterly installment of ₹125 Lakhs each along with interest.

Term loan from other refer Loan from Tata Capital Financial Services Ltd. (secured by personal guarantee of Directors) carry interest of 11.00% p.a. and is repayable in 24 equal quarterly installment of ₹12.5 Lakhs each along with interest.

The Company has not defaulted on repayment of loans and interest during the year.

Notes to Financial Statements

for the year ended March 31, 2018

NOTE 17 : CURRENT AND DEFERRED TAX

The major components of income tax expense for the years ended March 31, 2018; March 31, 2017 and March 21, 2016 are:

a) Income Tax Expense

Particulars	As at March 31, 2018	As at March 31, 2017
i) Current Tax		
Current tax on profits for the year	**1,124.64**	929.58
Adjustments for current tax of prior period	**-**	53.37
Total Current Tax Expense	**1,124.64**	**982.95**
ii) Deferred Tax		
(Decrease)/Increase in deferred tax liabilities	**15.31**	35.78
Decrease/(Increase) in deferred tax assets	**-**	-
Total Deferred Tax Expense/(Benefit)	**15.31**	**35.78**
Income Tax Expense	**1,139.95**	**1,018.73**

b) The Statutory income tax rate applied for computing current tax @ 34.608 % & for Deferred Tax @ 34.944% as applicable to the Company.

c) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognised in Equity and not in Statement of Profit and Loss or Other Comprehensive Income.

d) Current Tax Liabilities (Net)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Opening balance		86.58	13.83
Add: Current tax payable for the year	-	929.58	740.00
Less: Taxes paid		995.14	667.25
Closing balance	**-**	**21.02**	**86.58**

e) Current Tax Assets (Net)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Opening balance	**(21.02)**	-	-
Add: Tax paid in advance, net of provisions during the year	**231.50**	-	-
Closing balance	**210.48**	**-**	**-**

f) Deferred Tax Liabilities (Net)

The balance comprises temporary differences attributable to the below items and corresponding movement in Deferred Tax Liabilities / (Assets):

Particulars	As at March 31, 2018	(Charged) / Credited to Profit and Loss	As at March 31, 2017	(Charged) / Credited to Profit and Loss	As at April 01, 2016
Property, plant and equipment & Intangible assets	**620.85**	16.81	604.04	31.95	572.08
Fair valuation of term loan	**2.33**	(1.50)	3.83	3.83	-
Total Deferred Tax Liabilities	**623.18**	**15.31**	**607.87**	**35.78**	**572.08**
Carry forward of losses	**-**	-	-	-	-
Total Deferred Tax Assets	**-**	**-**	**-**	**-**	**-**
Net Deferred Tax (Asset) / Liability	**623.18**	**15.31**	**607.87**	**35.78**	**572.08**

Notes to Financial Statements

for the year ended March 31, 2018

NOTE 18 : CURRENT BORROWINGS

(₹ in Lakhs unless otherwise stated)

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured			
Cash Credit from Banks	23,222.95	16,906.00	16,708.85
Unsecured			
Loan from related parties	2,479.95	2,844.65	2,327.05
Loan from others	13,151.74	10,510.70	8,823.70
Deposits	793.00	-	-
Total	**39,647.64**	**30,261.35**	**27,859.60**

NOTE 19 : TRADE PAYABLES

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Due to Micro, Small & Medium Enterprises	-	-	-
Others	50,456.01	46,511.68	26,217.36
Total	**50,456.01**	**46,511.68**	**26,217.36**

NOTE 20 : OTHER CURRENT FINANCIAL LIABILITIES

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current maturities of long term liabilities	669.73	513.44	96.73
Unpaid dividends	19.99	18.21	13.91
Amount due to Subsidiary Company	122.34	74.46	94.16
Other payables	1,996.33	2,225.53	1,333.03
Total	**2,808.39**	**2,831.64**	**1,537.83**

NOTE 21 : OTHER CURRENT LIABILITIES

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Statuory dues	1,490.51	365.94	1,271.72
Advances from customers	1,386.35	1,878.68	1,130.94
Total	**2,876.86**	**2,244.62**	**2,402.66**

NOTE 22 : CURRENT PROVISIONS

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for gratuity	10.00	10.00	7.50
Total	**10.00**	**10.00**	**7.50**

NOTE 23 : CURRENT TAX LIABILITIES (NET)

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for Income tax (Net of advance tax)	-	21.02	86.58
Total	**-**	**21.02**	**86.58**

Notes to Financial Statements

for the year ended March 31, 2018

NOTE 24 : REVENUE FROM OPERATIONS

(₹ in Lakhs unless otherwise stated)

Particluars	As at March 31, 2018	As at March 31, 2017
(a) Sale of Products		
Computer Components	**317,893.57**	271,131.02
Computer Softwares	**29,858.79**	27,679.11
Telecom Products	**58,676.52**	55,661.55
Total (a)	**406,428.87**	**354,471.68**
(b) Sale of Services		
Product Support Services	**1,011.91**	661.30
Total (b)	**1,011.91**	**661.30**
Total	**407,440.78**	**355,132.98**

NOTE 25 : OTHER INCOME

Particluars	As at March 31, 2018	As at March 31, 2017
Dividend from Mutual Funds	**10.53**	12.74
Interest from Bank Deposits	**463.71**	488.82
Interest from others	**1,024.78**	942.36
Gain on disposal of investment measured at FVTPL	-	0.04
Net exchange rate difference - gain	-	466.52
Miscellaneous Income	-	4.45
Total	**1,499.02**	**1,914.93**

NOTE 26 : PURCHASE OF STOCK-IN-TRADE

Particluars	As at March 31, 2018	As at March 31, 2017
Computer Components	**304,619.83**	268,913.03
Computer Softwares	**27,805.67**	26,312.94
Telecom Products	**56,535.70**	55,633.09
Total	**388,961.20**	**350,859.06**

NOTE 27 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particluars	As at March 31, 2018	As at March 31, 2017
(a) Stocks at the end of the year		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	**29,261.73**	33,488.60
Total (a)	**29,261.73**	**33,488.60**
Less :		
(b) Stocks at beginning of the year		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	**33,488.60**	25,430.42
Total (b)	**33,488.60**	**25,430.42**
(Increase) | Decrease in stocks	**4,226.87**	**(8,058.18)**

Notes to Financial Statements

for the year ended March 31, 2018

NOTE 28 : EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs unless otherwise stated)

Particluars	As at March 31, 2018	As at March 31, 2017
Salaries, Wages and Bonus	3,542.27	3,012.90
Contribution to provident and other funds	88.48	73.56
Gratuity	10.00	24.61
Staff Welfare	171.54	173.69
Total	**3,812.29**	**3,284.76**

NOTE 29 : FINANCE COSTS

Particluars	As at March 31, 2018	As at March 31, 2017
Interest on borrowings (at amortised cost)	4,949.93	4,493.89
Total	**4,949.93**	**4,493.89**

NOTE 30 : OTHER EXPENSES

Particluars	As at March 31, 2018	As at March 31, 2017
Rent and compensation	735.45	683.47
Power & fuel	76.67	70.08
Rates and taxes	49.56	81.57
Insurance	307.89	285.96
Payments to the Statutory Auditors		
a) Audit fees	13.99	13.99
b) Tax matters	5.00	5.00
c) Other matters	2.46	3.50
d) Out of pocket expenses	-	-
Expenditure on Corporate Social Reponsibility initiatives	45.12	48.09
Net exchange rate difference - loss	79.54	-
Miscellaneous expenses	2,138.60	2,151.12
Total	**3,454.28**	**3,342.78**

NOTE 31 : CONTINGENT LIABILITIES

The disputed demands for taxes and other matters amounts as of the reporting period ends are respectively as follows:

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Claims against the Company not acknowledged as debts			
Corporate Guarantee given on behalf of Subsidiary	NIL	NIL	331.85
Disputed demands in respect of VAT/Custom Duty (Based on legal opinion, the Company does not feel any liability will arise and hence no provision has been made in the accounts.)	649.25	649.12	634.20

The Company does not envisage any likely reimbursements in respect of the above.

The above matters are currently being considered by the tax authorities and the Company expects the judgment will be in its favour and has therefore, not recognised the provision in relation to these claims. Future cash outflow in respect of above will be determined only on receipt of judgement / decision pending with tax authorities. The potential undiscounted amount of total payments for taxes that the Company could be required to make if there was an adverse decision related to these disputed demands of regulators as of the date reporting period ends are as illustrated above.

Notes to Financial Statements

for the year ended March 31, 2018

NOTE 32 : EMPLOYEE BENEFIT OBLIGATIONS

Funded Scheme

a) **Defined Benefit Plans:**

Gratuity

The Company operates a gratuity plan through the Life Insurance Corporation of India'. Every Employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

NOTE 33 : TRANSITION TO IND AS

These are the First Financial Statements of the Company prepared in accordance with Ind AS.

The Accounting Policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended March 31, 2018, the comparative information presented in these Financial Statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS Balance Sheet as at April 1, 2016 (the date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in Financial Statements prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Previous GAAP). An explanation of how the transition from Previous GAAP to Ind AS has affected the financial position, financial performance and cash flows of the Company is set out in the following tables and notes:

NOTE 33 (A) : EXEMPTIONS AND EXCEPTIONS AVAILED

In preparing these Ind AS Financial Statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards (Ind AS 101), as explained below. The resulting difference between the carrying values of the assets and liabilities in the Financial Statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This Note explains the adjustments made by the Company in restating its Previous GAAP Financial Statements, including the Balance Sheet as at April 1, 2016 and the Financial Statements as at and for the year ended March 31, 2017.

a) **Ind AS optional exemptions**

Set out below are the applicable Ind AS 101 voluntary exemptions applied in the transition from Previous GAAP to Ind AS.

i) **Deemed cost**

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date except for certain class of assets which are measured at fair value as deemed cost.

ii) **Investments in Subsidiary Companies, Associate Company and Joint Venture Company**

Ind AS 101 permits a first-time adopter to measure it's investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost, The deemed cost of such investment shall be it's fair value at date of transition to Ind AS of the Company, or Previous GAAP carrying amount at that date. The Company has elected to measure its investment in Subsidiary Companies, Associate Company and Joint Venture Company under Previous GAAP carrying amount as its deemed cost on the transition date.

b) **Ind AS mandatory exceptions**

The Company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

i) **Estimates**

Estimates in accordance with Ind AS at the transition date will be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in Accounting Policies) unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP :

1) Investment in equity instruments carried at FVPL or FVOCI

2) Fair value of investment properties

ii) **Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

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

NOTE 33 (B) : RECONCILIATION BETWEEN PREVIOUS GAAP AND IND AS

Ind AS 101 requires an entity to reconcile Equity, Total Comprehensive Income and Cash Flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS.

a) Reconciliation of Balance Sheet as at March 31, 2017 and April 1, 2016

Particulars	Notes to reconciliation	As at March 31, 2017			As at April 01, 2016		
		Regrouped Previous GAAP*	Adjustments	Ind AS	Regrouped Previous GAAP*	Adjustments	Ind AS
A. ASSETS							
1. Non-Current Assets							
a) Property, Plant and Equipment	a	3,350.23	971.67	4,321.90	3,368.00	990.00	4,358.00
b) Intangible Assets		-	-	-	-	-	-
c) Financial Assets							
(i) Investments		99.48	-	99.48	100.99	-	100.99
(ii) Others Financial Assets		52.78	-	52.78	52.20	-	52.20
Total Non-Current Assets		**3,502.49**	**971.67**	**4,474.16**	**3,521.19**	**990.00**	**4,511.19**
2. Current Assets							
a) Inventories		33,488.60	-	33,488.60	25,430.42	-	25,430.42
b) Financial Assets							
(i) Investments		251.77	-	251.77	251.53	-	251.53
(ii) Trade Receivables		45,571.09	-	45,571.09	27,668.08	-	27,668.08
(iii) Cash and Cash Equivalents		3,630.51	-	3,630.51	3,036.55	-	3,036.55
(iv) Bank Balances other than (iii) above		6,505.21	-	6,505.21	5,794.90	-	5,794.90
(v) Loans		626.96	-	626.96	608.08	-	608.08
(vi) Other Financial Assets		139.49	-	139.49	222.13	-	222.13
c) Current Tax Assets (Net)		-	-	-	-	-	-
d) Other Current Assets		2,002.89	-	2,002.89	2,125.16	-	2,125.16
Total Current Assets		**92,216.52**	**-**	**92,216.52**	**65,136.85**	**-**	**65,136.85**
TOTAL ASSETS		**95,719.01**	**971.67**	**96,690.68**	**68,658.04**	**990.00**	**69,648.04**
B. EQUITY AND LIABILITIES							
EQUITY							
a) Equity Share Capital		1,174.80	-	1,174.80	1,174.80	-	1,174.80
b) Other Equity	e	10,328.76	926.02	11,254.77	8,844.11	945.52	9,789.63
Total Equity		**11,503.56**	**926.02**	**12,429.57**	**10,018.91**	**945.52**	**10,964.43**
LIABILITIES							
1. Non-Current Liabilities							
a) Financial Liabilities							
(i) Borrowings	b	1,779.59	(6.67)	1,772.92	-	-	-
b) Deferred Tax Liabilities (Net)	c	268.32	339.55	607.87	244.78	327.30	572.08
Total Non-Current Liabilities		**2,047.91**	**332.88**	**2,380.79**	**244.78**	**327.30**	**572.08**
2. Current Liabilities							
a) Financial Liabilities							
(i) Borrowings		30,261.35	-	30,261.35	27,859.60	-	27,859.60
(ii) Trade Payables		46,511.68	-	46,511.68	26,217.36	-	26,217.36
(iii) Other Financial Liabilities	b	2,836.05	(4.41)	2,831.64	1,537.83	-	1,537.83
b) Other Current Liabilities		2,244.62	-	2,244.62	2,402.66	-	2,402.66
c) Provisions	d	292.79	(282.79)	10.00	290.29	(282.79)	7.50
d) Current Tax Liabilities (Net)		21.02	-	21.02	86.58	-	86.58
Total Current Liabilities		**82,167.51**	**(287.20)**	**81,880.31**	**58,394.32**	**(282.79)**	**58,111.53**
Total Liabilities		**84,215.42**	**45.69**	**84,261.10**	**58,639.10**	**44.51**	**58,683.61**
TOTAL EQUITY AND LIABILITIES		**95,718.97**	**971.70**	**96,690.68**	**68,658.01**	**990.04**	**69,648.04**

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

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

b) Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars	Notes to reconciliation	Regrouped Previous GAAP*	Adjustments	Ind AS
Revenue from Operations		355,132.98	-	355,132.98
Other Income		1,914.93	-	1,914.93
Total Income		**357,047.91**	**-**	**357,047.91**
Expenses				
Cost of Materials Consumed		-	-	-
Purchase of Stock-in-Trade		350,859.06	-	350,859.06
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		(8,058.18)	-	(8,058.18)
Employee Benefit Expenses		3,284.76	-	3,284.76
Finance Costs	b	4,490.58	3.31	4,493.89
Depreciation and Amortisation Expenses	a	340.61	18.33	358.94
Other Expenses	b	3,357.15	(14.38)	3,342.78
Total Expenses		**354,273.98**	**7.26**	**354,281.24**
Profit Before Exceptional Items and Tax		**2,773.93**	**(7.26)**	**2,766.67**
Exceptional Items		-	-	-
Profit Before Tax From Continuing Operations		**2,773.93**	**(7.26)**	**2,766.67**
Tax Expense				
Current Tax		982.95	-	982.95
Deferred Tax	c	23.54	12.24	35.78
Total Tax Expense		**1,006.49**	**12.24**	**1,018.73**
Profit for the Year		**1,767.44**	**(19.50)**	**1,747.93**
Other Comprehensive Income		**-**	**-**	**-**
Total Comprehensive Income for the year		**1,767.44**	**(19.50)**	**1,747.93**

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

c) Impact of Ind AS adoption on the Standalone Statements of Cash Flows for the year ended March 31, 2017

The transition from Indian GAAP to Ind AS has not had a material impact on the Statement of Cash Flows.

NOTE 33 (C) : NOTES TO RECONCILIATION BETWEEN PREVIOUS GAAP AND IND AS

a) Property, Plant and Equipment

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date except for certain class of assets which are measured at fair value as deemed cost.

b) Fair Valuation of Long Term Borrowings

Under Ind AS loan processing fees / transaction costs are considered for calculating effective interest rate. The impact for the periods subsequent to the date of transition is reflected in the Statement of Profit and Loss.

c) Deferred Tax

Under Previous GAAP, deferred tax were accounted for using the income statement approach which focuses on differences between taxable profit and accounting profit for the period. Ind AS requires entities to account for deferred taxes using the Balance Sheet approach which focuses on temporary differences between the carrying amount of an asset or liability in the Balance Sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred taxes on temporary differences which were not required to be recorded under Previous GAAP.

In addition, the various transitional adjustments have led to deferred tax implications which the Company has accounted for. Deferred tax adjustments are recognised in correlation to the underlying transaction either in Retained earnings or Other Comprehensive Income on the date of transition.

Notes to Financial Statements

for the year ended March 31, 2018

d) Proposed Dividend

Under Previous GAAP, dividends proposed by the Board of Directors after the Balance Sheet date, but before the approval of the Financial Statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the Shareholders in the General Meeting. Accordingly, the liability for proposed dividend (including dividend distribution tax) of ₹282.79 Lakhs as at April 1, 2016 and ₹282.79 Lakhs as at March 31, 2017 included under current provisions has been reversed with corresponding adjustment to Retained earnings. Consequently, the total equity has increased by an equivalent amount.

e) Retained Earnings

Retained earnings as at April 1, 2016 have been adjusted consequent to the above Ind AS transition adjustments.

f) Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period are to be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss, but are shown in the Statement of Profit and Loss as Other Comprehensive Income which includes remeasurement of defined benefit plans, effective portion of gain | (loss) on cash flow hedging instruments and fair value gain | (loss) on FVOCI equity instruments. The concept of Other Comprehensive Income did not exist under Previous GAAP.

NOTE 34 : SEGMENT REPORTING

The Company operates only in one reportable segment.

NOTE 35 : LEASE ARRANGEMENTS

The Company procures office premises under operating lease agreements that are renewable on a periodic basis at the option of both lessor and lessee. The initial tenure of the lease is below 12 months. The lease rentals recognised in the Statement of Profit and Loss for the year are ₹ 735.45 Lakhs (previous year ₹ 683.47 Lakhs). The contingent rent recognised in the Statement of Profit and Loss for the year is Nil (previous year Nil).

NOTE 36 : DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

Particulars	2017-18	2016-17	2015-16
Face value of Equity Share (in ₹)	**2**	2	10
Weighted average number of Equity Shares outstanding (in Nos)	**58,739,995**	58,739,995	11,747,999
Profit for the year (₹ in Lakhs)	**2,054.37**	1,747.94	1402.08
Weighted average earnings per share (basic and diluted) (in ₹)	**3.50**	2.97	11.93

NOTE 37 : CAPITAL MANAGEMENT

Risk Management

The primary objective of Capital Management of the Company is to maximise Shareholder value. The Company monitors capital using Debt-Equity Ratio which is Total Debt divided by Total Equity. For the purposes of Capital Management, the Company considers the following components of its Balance Sheet to manage capital:

Total Equity includes General Reserve, Retained Earnings, Share Capital, Security Premium. Total Debt includes Current Debt plus Non-Current Debt less Cash and Cash Equivalents & Other Bank Balances.

Particluars	As at March 31, 2018	As at March 31, 2017
Total Debt	**41,013.33**	32,034.27
Less: Cash and Cash Equivalents & Other Bank Balances	**12,195.83**	10,135.72
Net Debt	**28,817.50**	**21,898.55**
Total Equity	**14,201.15**	12,429.57
Debt-Equity ratio	**2.03**	**1.76**

Notes to Financial Statements

for the year ended March 31, 2018

NOTE 38 : RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW:

A. Relationships –

Category I:
Subsidiaries:
Compuage Infocom (S) Pte Ltd

Category II: Jointly Controlled Entity: NA

Category III:
Key Management Personnel (KMP)

Atul H. Mehta	Executive Director
Bhavesh H. Mehta	Executive Director
Sunil Mehta	Chief Financial Officer
Disha Shah	Company Secretary

Non-Executive Directors
G. S. Ganesh
Vijay Agarwal
Preeti Trivedi

Category IV:
Others (Close family member of KMP and Entities in which the KMP or close family member of KMP have significant influence)

Bhavesh M. Mehta	Brother of Sunil Mehta
Falguni A. Mehta	Wife of Atul H. Mehta
Forum B. Mehta	Wife of Bhavesh H. Mehta
Ajay H. Mehta	Brother of Atul H. Mehta and Bhavesh H. Mehta
Nisha S. Mehta	Wife of Sunil Mehta
Sunil M. Mehta HUF	HUF of Sunil Mehta
Trillizo Holdings Ltd.	Entity in which close family member of KMP has significant influence

Transactions with the related parties:

Particulars of transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Paid to:		
Atul H.Mehta	**38.00**	37.61
Bhavesh H.Mehta	**40.62**	40.31
Bhavesh M. Mehta	**0.71**	-
Falguni A. Mehta	**0.60**	-
Forum B. Mehta	**0.62**	-
Ajay H. Mehta	**0.05**	-
Nisha S. Mehta	**1.08**	-
Sunil M. Mehta HUF	**1.79**	-
Remuneration Paid to:		
Atul H.Mehta	**168.00**	242.96
Bhavesh H.Mehta	**168.00**	237.83
Disha Shah	**7.00**	5.20
Sunil Mehta	**65.39**	65.34
Sitting Fees to Non-Executive Directors		
Vijay Agarwal	**3.15**	4.44
Preeti Trivedi	**4.15**	4.60
Rent Paid to:		
Trillizo Holdings Ltd.	**15.00**	15.00

Notes to Financial Statements

for the year ended March 31, 2018

Balances due from/to the related parties:

Particulars of transactions	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Outstanding receivables:			
Trillizo Holdings Ltd.	**138.00**	138.00	138.00
Outstanding payables:			
Atul H.Mehta	**1,372.41**	1,569.46	1223.66
Bhavesh H.Mehta	**1,107.54**	1,275.19	1103.39
Compuage Infocom (S) Pte Ltd	**122.34**	74.46	94.16
Trillizo Holdings Ltd.	**-**	1.12	-
Bhavesh M. Mehta	**20.41**	-	-
Falguni A. Mehta	**20.46**	-	-
Forum B. Mehta	**17.95**	-	-
Ajay H. Mehta	**15.05**	-	-
Nisha S. Mehta	**30.74**	-	-
Sunil M. Mehta HUF	**51.24**	-	-

NOTE 39 : OUTSTANDING DUES OF MICRO ENTERPRISE AND SMALL ENTERPRISE

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

NOTE 40 : VALUATION OF IMPORTS

Valuation of Imports calculated on C.I.F. basis for one year period ended March 31, 2018 is ₹ 66,164 Lakhs (Previous year ₹38,332.23 Lakhs).

NOTE 41 : FOREIGN CURRENCY TRANSACTIONS

Expenditure in Foreign currency:

(₹ in Lakhs)

Particluars	Current Period	Previous Period
Travelling	**111.20**	110.75
Mercantile Trade Purchase	**13610.06**	14631.43

Earnings in Foreign Currency

(₹ in Lakhs)

Particluars	Current Period	Previous Period
Mercantile Trade Sale	**13746.16**	14777.74

As per our report of even date

For M/s. Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

CA Suril Shah
Partner
Membership No. : 042710

Place : Mumbai
Dated : May 4, 2018

For and behalf of the Board of Directors
of Compuage Infocom Limited

G. S. Ganesh
Independent Director
DIN: 00010877

Bhavesh H. Mehta
Whole Time Director
DIN: 00740861

Atul H. Mehta
Chairman & Managing Director
DIN: 00716869

Sunil Mehta
CFO

Disha Shah
Company Secretary

Independent Auditor's Report on Consolidated Financial Statements

To,
The Members of
Compuage Infocom Limited

We have audited the accompanying Consolidated Ind AS Financial Statements of Compuage Infocom Limited ("the Holding Company") and its subsidiary (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS 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 Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance (including Other Comprehensive Income), Consolidated Cash Flows and Consolidated changes in Equity of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the Consolidated Ind AS 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 Ind AS 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 Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS 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 report of the other auditor on separate financial statements and on the other financial information of its subsidiary, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and its Consolidated Financial Performance (including Other Comprehensive Income), its Consolidated Cash Flows and Consolidated Changes in Equity for the year ended on that date.

OTHER MATTERS

The comparative financial information of the Group for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Consolidated Financial Statements, are based on the previously issued Statutory Consolidated Financial Statements prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014, audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 2, 2017 and May 2, 2016 respectively expressed an unmodified opinion on those Consolidated Financial Statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

We have not audited the financial statements and other financial information of the subsidiary. The subsidiary accounts for total assets of ₹ 402.17 Lakhs as at March 31, 2018, net loss of ₹ 26.44 Lakhs for the year ended March 31, 2018.

These financial statements and financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of section 143 (3) of the Act, insofar as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

The financial statements and other financial information of the subsidiary which is located outside India whose financial statements and other financial information has been prepared in accordance with accounting principles generally accepted in its respective country and which has been audited by other auditors under generally accepted auditing standards applicable in its respective country. The Holding Company's management has converted the financial statements of this subsidiary located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of the subsidiary located outside India is based on the reports of other auditors and the conversion adjustments prepared by the Management of the Company and audited by us.

Our opinion on the Consolidated Ind AS 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of its subsidiary, as noted 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 purpose of our audit of the aforesaid Consolidated Ind AS Financial Statements;

   (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept by the Company so far as appears from our examination of those books and the reports of the other auditors;

   (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;

   (d) in our opinion the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) on the basis of the written representations received from the Directors of the Holding Company as on March 31, 2018, and taken on record by the Board of Directors of the Holding Company, none of the Directors of the Group Company incorporated in India 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 Group and operating effectiveness of such controls, refer to our separate report in Annexure A; and

   (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiary, as noted in the "Other Matters" paragraph :

      (i) the Consolidated Ind AS Financial Statements disclose the impact on pending litigations on its financial position of the Group in its Consolidated Ind AS Financial Statements;

      (ii) the Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and

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

For **M/s. Bhogilal C. Shah & Co.**
Chartered Accountants
Firm's Registration No. 101424W

CA Suril Shah
Partner
Membership No. 042710

Mumbai, May 4, 2018

Annexure A to the Independent Auditor’s Report

Report on the Internal Financial Controls 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 Ind AS Financial Statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Compuage Infocom Limited (“the Holding Company”).

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Holding Company 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.

AUDITOR’S RESPONSIBILITY

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

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 and 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Holding 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 **M/s. Bhogilal C. Shah & Co.**
Chartered Accountants
Firm's Registration No. 101424W

CA Suril Shah
Partner
Membership No. 042710

Mumbai, May 4, 2018

Consolidated Balance Sheet

as at March 31, 2018

(₹ in Lakhs unless otherwise stated)

Particulars	Note	March 31, 2018	March 31, 2017	April 01, 2016
A. ASSETS				
1. Non-Current Assets				
a) Property, Plant and Equipment	2	**4,397.98**	4,323.13	4,362.98
b) Intangible Assets	2	**8.30**	-	-
c) Financial Assets				
(i) Investments	3	**34.62**	34.62	34.62
(ii) Others Financial Assets	4	**3.66**	52.78	52.20
Total Non-Current Assets		**4,444.56**	**4,410.53**	**4,449.80**
2. Current Assets				
a) Inventories	5	**29,261.73**	33,488.60	25,430.42
b) Financial Assets				
(i) Investments	6	**257.00**	251.77	251.53
(ii) Trade Receivables	7	**57,751.80**	45,571.09	28,182.40
(iii) Cash and Cash Equivalents	8	**4,635.59**	3,712.58	3,594.95
(iv) Bank Balances other than (iii) above	9	**7,563.74**	6,505.21	5,898.93
(v) Loans	10	**494.72**	626.96	617.24
(vi) Other Financial Assets	11	**835.06**	139.49	222.13
c) Current Tax Assets (Net)	12	**210.48**	-	-
d) Other Current Assets	13	**6,871.24**	2,406.13	2,529.72
Total Current Assets		**107,881.36**	92,701.83	66,727.32
TOTAL ASSETS		**112,325.92**	97,112.36	71,177.12
B. EQUITY AND LIABILITIES				
Equity				
a) Equity Share Capital	14	**1,174.80**	1,174.80	1,174.80
b) Other Equity	15	**13,061.04**	11,314.89	9,856.77
b) Non-Controlling Interest		**-**	-	-
Total Equity		**14,235.84**	**12,489.69**	**11,031.57**
Liabilities				
1. Non-Current Liabilities				
a) Financial Liabilities				
(i) Borrowings	16	**1,365.69**	1,772.92	-
b) Deferred Tax Liabilities (Net)	17	**623.18**	607.87	572.08
Total Non-Current Liabilities		**1,988.87**	**2,380.79**	**572.08**
2. Current Liabilities				
a) Financial Liabilities				
(i) Borrowings	18	**40,071.07**	30,682.74	29,296.67
(ii) Trade Payables	19	**50,456.01**	46,511.68	26,316.90
(iii) Other Financial Liabilities	20	**2,687.29**	2,771.81	1,449.16
b) Other Current Liabilities	21	**2,876.86**	2,244.62	2,402.66
c) Provisions	22	**10.00**	10.00	7.50
d) Current Tax Liabilities (Net)	23	**-**	21.02	100.58
Total Current Liabilities		**96,101.23**	**82,241.87**	**59,573.47**
Total Liabilities		**98,090.10**	**84,622.66**	**60,145.55**
TOTAL EQUITY AND LIABILITIES		**112,325.92**	**97,112.36**	**71,177.12**
Significant accounting policies	1			

The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

For M/s. Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

CA Suril Shah
Partner
Membership No. : 042710

Place : Mumbai
Dated : May 4, 2018

For and behalf of the Board of Directors
of Compuage Infocom Limited

G. S. Ganesh
Independent Director
DIN: 00010877

Bhavesh H. Mehta
Whole Time Director
DIN: 00740861

Atul H. Mehta
Chairman & Managing Director
DIN: 00716869

Sunil Mehta
CFO

Disha Shah
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended on March 31, 2018

(₹ in Lakhs unless otherwise stated)

Particulars	Note	March 31, 2018	March 31, 2017
Revenue from Operations	24	407,440.78	355,132.98
Other Income	25	1,499.02	1,917.21
Total Income		408,939.80	357,050.19
Expenses			
Cost of Materials Consumed		-	-
Purchase of Stock-in-Trade	26	388,961.20	350,859.06
Changes in Inventories of Stock in Trade	27	4,226.87	(8,058.18)
Employee Benefits Expense	28	3,812.29	3,284.76
Finance Costs	29	4,949.93	4,493.89
Depreciation and Amortisation Expenses	2	342.14	362.62
Other Expenses	30	3,478.44	3,343.94
Total Expenses		405,770.87	354,286.08
Profit Before Exceptional Items and Tax		3,168.92	2,764.11
Exceptional Items		-	
Profit Before Tax		3,168.92	2,764.11
Tax Expense			
Current Tax	17	1,124.64	929.58
Deferred Tax	17	15.31	35.78
Prior Period	17	-	53.37
Total Tax Expense		1,139.95	1,018.73
Profit for the year		2,028.97	1,745.38
Other Comprehensive Income			
a) Items that will not be reclassified to profit and loss		-	-
b) Items that will be reclassified to profit and loss			
Foreign exchange gain/loss on translation of foreign operations		(0.06)	(2.24)
Other Comprehensive Income, Net of tax		(0.06)	(2.24)
Total Comprehensive Income for the year		2,028.91	1,743.14
Earnings per Equity Share attributable to owners of the Company		2,028.91	1,743.14
No. of Shares		587.39	587.39
Basic and Diluted Earning per Equity share of ₹2.00 each		3.45	2.97

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date

For M/s. Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

CA Suril Shah
Partner
Membership No. : 042710

Place : Mumbai
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Sunil Mehta
CFO

Disha Shah
Company Secretary

Consolidated Statement of Cash Flows

for the year ended March 31, 2018

(₹ In Lakhs)

	Particulars	March 31, 2018	March 31, 2017
A.	Cash Flows From Operating Activities		
	Profit Before Tax	3,168.92	2,764.11
	Adjustment For:		
	Depreciation and Amortisation Expenses	342.14	362.62
	Unrealised Exchange Rate Difference (Net)	-0.06	-4.26
	Finance Costs	4,949.93	4,493.89
	Interest Income from Financial Assets Measured at Amortised Cost	-1,488.49	-1,431.18
	Dividend Received on Current Investments	-10.53	-12.74
	Gain on Disposal of Investment Measured at FVPL	-	-0.04
	Operating Profit Before Working Capital Changes	6,961.91	**6,172.40**
	Changes in Working Capital:		
	Decrease/(Increase) in Inventories	4,226.87	-8,058.18
	Decrease/(Increase) in Trade Receivables	-12,180.71	-17,388.69
	Decrease/(Increase) in Current Loans	132.24	-9.72
	Decrease/(Increase) in Other Current Assets	-4,465.11	123.59
	Decrease/(Increase) in Other Financial Assets	9.43	82.64
	Increase /(Decrease) in Trade Payables	3,944.33	20,194.78
	Increase /(Decrease) in Other Financial Liabilities	-84.52	1,322.65
	Increase /(Decrease) in Other Current Liabilities	632.24	-158.04
	Increase /(Decrease) in Current Provisions	-	2.50
	Total	-7,785.23	**-3,888.47**
	Income Tax Paid (Net of Refund)	-1,356.14	-1,062.51
	Net Cash Inflow/(Outflow) From Operating Activities (A)	-2,179.46	**1,221.42**
B.	Cash Flows From Investing Activities		
	Purchase of Property, Plant and Equipment	-413.47	-322.77
	Purchase of Intangible Assets	-11.82	-
	Sale/(Purchase) of Current Investments (Net)	-5.23	-0.24
	Proceeds from / (Payment of) Fixed Deposits	-1,714.41	-606.86
	Interest Received on Financial Assets Measured at Amortised Cost	1,488.49	1,431.18
	Dividend Received on Current Investments	10.53	12.74
	Gain on Disposal of Investment Measured at FVPL	-	0.04
	Net Cash Inflow/(Outflow) From Investing Activities (B)	-645.91	**514.09**

Consolidated Statement of Cash Flows

for the year ended March 31, 2018

(₹ In Lakhs)

	Particulars	March 31, 2018	March 31, 2017
C.	Cash Flows From Financing Activities		
	Proceeds from / (Repayment of) Current Borrowings	9,388.33	1,386.07
	Proceeds from / (Repayment of) Non Current Borrowings	-407.23	1,772.92
	Interest Paid	-4,949.93	-4,493.89
	Dividend on Equity Shares (including Dividend Distribution Tax)	-282.79	-282.95
	Net Cash Inflow/(Outflow) from Financing Activities (C)	**3,748.38**	**-1,617.85**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**923.01**	**117.66**
	Cash and Cash Equivalents as at Beginning of the year	3,712.58	3,594.95
	Cash and Cash Equivalents as at End of the year	4,635.59	3,712.58

i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Statement of Cash Flows as notified under the Companies (Indian Accounting Standards) Rules, 2015.

ii) Cash flows from operating activities includes ₹ 45.12 Lakhs (March 31, 2017 : ₹ 48.09 Lakhs) being expenses towards Corporate Social Responsibility initiatives.

As per our report of even date
For M/s. Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

CA Suril Shah
Partner
Membership No. : 042710

Place : Mumbai
Dated : May 4, 2018

For and behalf of the Board of Directors
of Compuage Infocom Limited

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Whole Time Director
DIN: 00740861

Atul H. Mehta
Chairman & Managing Director
DIN: 00716869

Sunil Mehta
CFO

Disha Shah
Company Secretary

Consolidated Statement of Changes in Equity

for the year ended March 31, 2018

(₹ in Lakhs unless otherwise stated)

A. Equity Share Capital

Particulars	Note	Amount
As at April 01, 2016	14	1,174.80
Changes in Equity Share Capital during the year		-
As at March 31, 2017	14	**1,174.80**
Changes in Equity Share Capital during the year		-
As at March 31, 2018	14	**1,174.80**

B. Other Equity

Particulars	Reserves and Surplus					Other Reserves		Non-Controlling Interest	Total Other Equity
	Securities Premium Reserve	General Reserve	Capital Reserve	Capital Redemption Reserve	Retained Earnings	FVOCI equity Instruments	Foreign Currency Translation Reserve		
As at April 01, 2016	**2,109.85**	**35.38**	**134.84**	**129.72**	**7,476.21**	**-**	**(29.23)**		**9,856.77**
Profit for the year	-	-	-	-	1,745.38	-	-		1,745.38
Other Comprehensive Income	-	-	-	-	(2.24)	-	-		(2.24)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**1,743.14**	**-**	**-**		**1,743.14**
Foreign Exchange Gain/ Loss on Translation of Foreign Operations	-	-	-	-	-	-	(2.24)		(2.24)
Dividend Paid (including Dividend Distribution Tax)	-	-	-	-	(282.79)	-	-		(282.79)
As at March 31, 2017	**2,109.85**	**35.38**	**134.84**	**129.72**	**8,936.56**	**-**	**(31.47)**		**11,314.89**
Profit for the year	-	-	-	-	2,028.97	-	-		2,028.97
Other Comprehensive Income	-	-	-	-	(0.06)	-	-		(0.06)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**2,028.91**	**-**	**-**		**2,028.91**
Transaction with owners in their capacity as owners :									
Dividend Paid (including Dividend Distribution Tax)	-	-	-	-	(282.79)	-	-		(282.79)
As at March 31, 2018	**2,109.85**	**35.38**	**134.84**	**129.72**	**10,682.68**	**-**	**(31.47)**		**13,061.02**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Summary of Significant accounting policies to consolidated financial statements

for the year ended March 31, 2018

CORPORATE INFORMATION

Compuage Infocom Limited (the Company) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the BSE Ltd. and National Stock Exchange of India Ltd.

The Company is engaged in trading in Computer Parts and Peripherals, Software and Telecom Products. The Company also provides products support services for Information Technology Products.

GROUP OVERVIEW

The Company and its subsidiary Company are referred to as the Group here under.

The group of Companies are engaged in trading in Computer Parts and Peripherals, Software and Telecom Products.

Group Structure

Name of Company	Country of incorporation	% of shares held by the Parent Company	
		As at March 31, 2017	As at March 31, 2016
Compuage Infocom (S) Pte Ltd.	Singapore	100%	100%

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Preparation:

(a) Compliance with Ind AS

These Consolidated Financial Statements are the separate Consolidated Financial Statements of the Group prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended hereinafter referred to as the Ind AS, and other relevant provisions of the Companies Act, 2013.

The Consolidated Financial Statements up to the year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 2013, hereinafter referred to as the 'Previous GAAP'.

These Consolidated Financial Statements are the first Consolidated Financial Statements of the Group under Ind AS. Refer Note 33 for an explanation of how the transition from Previous GAAP to Ind AS has affected the financial position, financial performance and cash flows of the Group and how the transition from Previous GAAP to Ind AS has affected the equity on the date of transition.

Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency.

(b) Use of Estimates:

The preparation of Consolidated Financial Statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring adjustment to the carrying amounts of assets or liabilities in future periods.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(c) Historical Cost Convention:

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these Consolidated Financial Statements.

(d) Recent accounting pronouncements:

Standards issued but not yet effective:

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying amendments to:

(i) Ind AS 12, 'Income Taxes',

(ii) Ind AS 21, 'The Effects of Changes in Foreign Exchange Rates',

(iii) Ind AS 28, 'Investments in Associates and Joint Ventures,

(iv) Ind AS 40, 'Investment Property',

(v) Ind AS 115, 'Revenue from Contracts with Customers'.

These amendments are applicable to the Group from Accounting period beginning on or after April 1, 2018.

The Group is in the process of evaluating the impact of these pronouncements on the Consolidated Financial Statements of the Group.

Principles of Consolidation and Equity Accounting:

i) Subsidiary Companies:

Subsidiary Companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary Companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the Financial Statements of the Parent and its Subsidiary Companies line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group Companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of Subsidiary Companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interest in the results and equity of Subsidiary Companies are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet, respectively.

ii) Associate Companies:

Associate Companies are all entities over which the Group has significant influence, but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in Associate Companies are accounted for using the equity method of accounting {see (iv) below}.

iii) Joint Arrangements:

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has interest only in one Joint Venture Company.

Joint Venture Company

Interest in Joint Venture Company are accounted for using the Equity Method {see (iv) below}.

iv) Equity Method:

Under the Equity Method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize share of the Group in post-acquisition profit and loss of the investee in profit and loss, and share of the Group in Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from Associate Company and Joint Venture Company are recognized as a reduction in the carrying amount of the investment.

When the Group share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its Associate Company and Joint Venture Company are eliminated to the extent of the Group interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting Policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in (xiv) below

v) Changes in Ownership Interest :

The Group treats transactions with non-controlling interest that do not result in a loss of control as transactions with Equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary companies. Any difference between the amount of the adjustment to non-controlling interest and any consideration paid or received is recognized within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate company, joint venture company or financial asset. In addition, any amount previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss.

If the ownership interest in a Joint Venture Company or an Associate Company is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in Other Comprehensive Income are reclassified to the Statement of Profit and Loss where appropriate

Group's consolidated financial statements are presented in Indian Rupees (₹), which is also its functional currency.

ii) Current/ Non-Current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

i. the asset/liability is expected to be realized/ settled in the Group's normal operating cycle;

ii. the asset is intended for sale or consumption;

iii. the asset/liability is held primarily for the purpose of trading;

iv. the asset/liability is expected to be realized/ settled within twelve months after the reporting period;

v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

vi. In the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months.

iii) Tangible Assets /Property, Plant and Equipment:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other nonrefundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

iv) Depreciation on Tangible Fixed Assets:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate and accordingly, accounted for prospectively.

v) Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life i.e. 3 years based on management assessment and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method for an Intangible Asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on Intangible Assets is recognised in the Statement of Profit and Loss.

vi) Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss.

vii) Impairment of Non-Financial Assets – Property Plant and Equipment and Intangible Assets:

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal / external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

Goodwill, Intangible Assets having indefinite useful life and Intangible Assets currently not in use by the Group are tested for impairment annually and also whenever there are indicators of impairments.

Reversal of impairment of Goodwill is not recognized.

viii) Lease:

Where the Group is Lessee:

Finance Leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments.

Lease payments are apportioned between the finance charges and reduction of lease liability, so as to achieve constant rate of interest of the remaining balance of the liability. Finance charges are recognized as finance cost in the Statement of Profit and Loss. Lease management fees, legal charges, and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight line basis over the useful life of the asset as prescribed under Part C of Schedule II of the Companies Act, 2013.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate expected inflationary cost increases for the lessor.

ix) Borrowing Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowing and exchange differences arising from foreign currency borrowing to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

x) Revenue Recognition:

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Group in the ordinary course of its activities and the amount of revenue can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates by the Group.

Revenue includes only the gross inflows of economic benefits, received and receivable by the Group, on its own account. Amounts collected on behalf of third parties such as Sales Tax, VAT and GST are excluded from revenue.

The Group bases its estimates on historical results, taking into consideration the type of customer, type of transaction and specifics of each arrangement. Accumulated experience is used to estimate and provide for discounts and returns. No element of financing is deemed present as sales are made with a credit term which is consistent to market practice.

Sale of products:

Revenue from sale of products is recognized when the Group transfers all significant risks and rewards of ownership to the buyer, while the Group retains neither continuing managerial involvement nor effective control over the products sold.

Rendering of services:

Revenue from product support services are recognized once the service is provided and the invoice is raised and are net of applicable taxes.

Interest:

Interest income from debt instruments is recognised using the effective interest rate method.

Dividend:

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

xi) Foreign Currency Transactions /Translations:

Functional and Presentation Currency:

Items included in the financial statement of the Group are measured using the currency of the primary economic environment in which the Group operates (functional currency). The Consolidated financial statements of the Group are presented in Indian Currency, which is also the functional currency of the Group.

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Foreign exchange gain or loss resulting from the settlement of such transactions and from translation of monetary assets or liability denominated in foreign currencies at the year end exchange rate are generally recognized in the profit and loss account except that they are deferred in equity if they relate to qualifying cash flow hedges.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

xii) Derivative financial instruments and hedge accounting:

The Group enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost.

The Group is not following hedge accounting. Consequently all derivative instruments are recognised and measured at Fair Value through Profit and Loss.

xiii) Inventories:

(a) Stock of goods traded is valued at lower of cost and net realizable value. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. The costs are determined on a weighted average basis.

(b) Saleable scrap is accounted for as and when sold.

xiv) Investments and other financial assets:

Classification:

The Group classifies its financial assets in the following measurement categories:

i Those to be measured subsequently at fair value (either through Other Comprehensive Income (OCI), or through profit or loss), and

ii) Those measured at amortised cost.

The classification depends on the business model of the entity for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income.

For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income (OCI).

Initial recognition and measurement:

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. 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. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement:

After initial recognition, financial assets are measured at:

i) Fair value {either through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)} or,

ii) Amortised cost.

Debt Instruments:

Subsequent measurement of debt instruments depends on the business model of the Group for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Measured at Amortised Cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Measured at fair value through Other Comprehensive Income (OCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain / (loss) previously recognized in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

Measured at fair value through Profit or Loss: (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

Equity Instruments:

The Group subsequently measures all investments in equity instruments other than Subsidiary Companies, Associate Company and Joint Venture Company at fair value. The Management of the Group has elected to present fair value gains and losses on such equity investments in Other Comprehensive Income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in Subsidiary Companies, Associate Companies and Joint Venture Companies:

Investments in Subsidiary Companies, Associate Companies and Joint Venture Companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in Subsidiary Companies, Associate Companies and Joint Venture Companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Impairment of Financial Assets:

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

i) financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, and bank balance.

ii) trade receivables.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

De-recognition:

A financial asset is de-recognized only when the Group

i) has transferred the rights to receive cash flows from the financial asset or

ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial Liabilities:

i) Classification as debt or equity financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii) Initial recognition and measurement financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iii) Subsequent measurement financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

iv) De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting Financial Instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

xv) Retirement and Other Employee Benefits:

Short Term Employee Benefits:

All employee benefits payable within twelve months of service such as salaries, wages, bonus, ex gratia, medical benefits etc. are recognized in the year in which the employees render the related service and are presented as current employee benefit obligations within the balance sheet.

Defined Contribution Plan:

Contributions to defined contribution schemes such as contribution to Provident Fund, Employees State Insurance Corporation, National Pension Scheme are charged as an expense to the Statement of Profit and Loss on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as defined contribution schemes as the Group has no further defined obligations beyond the monthly contributions.

Gratuity is accounted for on the basis of Actuarial valuation, based on premium calculated by LIC under its Group Gratuity (Cash Accumulation) Scheme.

xvi) Income Taxes:

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such an asset is reviewed at each Balance Sheet date

Deferred Income Tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, Deferred Tax Liabilities are not recognized if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit / (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

xvii) Cash and Cash Equivalents:

Cash and Cash Equivalents include Cash in Hand, Demand Deposits with Banks and other Short Term Deposits (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

xviii) Segment Reporting:

The Group operates only in one reportable segment.

xix) Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity share outstanding during the period.

For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xx) Provisions and contingent liabilities:

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

xxi) Authorization for Issue of the Consolidated Financial Statements:

The Consolidated Financial Statements were authorized for issue by the Board of Directors on May 4, 2018.

xxii) Transition to Ind AS:

These are the first Consolidated Financial Statements of the Group prepared in accordance with Ind AS. The Accounting Policies set out in Note 1 have been applied in preparing the Consolidated Financial Statements for the year ended March 31, 2018, the comparative information presented in these Consolidated Financial Statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS Balance Sheet as at April 1, 2016 (the date of transition).

In preparing its opening Ind AS Balance Sheet, the Group has adjusted the amounts reported previously in Consolidated Financial Statements prepared in accordance with Previous GAAP.

An explanation of how the transition from Previous GAAP to Ind AS has affected the financial position, financial performance and cash flows of the Group is set out in the following tables and notes:

Exemptions availed on first-time adoption of Ind AS 101

Exemptions and exceptions availed in preparing these Consolidated Financial Statements, the Group has availed certain exemptions and exceptions in accordance with “Ind AS 101 First-time Adoption of Indian Accounting Standards, (Ind AS 101)” as explained below. The resulting difference between the carrying values of the assets and liabilities in the Consolidated Financial Statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This Note explains the adjustments made by the Group in restating its Previous GAAP Consolidated Financial Statements, including the Balance Sheet as at April 1, 2016 and the Consolidated Financial Statements as at and for the year ended March 31, 2017.

a) **Ind AS optional exemptions set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Previous GAAP to Ind AS.**

   i) **Deemed cost :** Ind AS 101 in Para D5 permits a first time adopter to elect to measure an item of property, plant and equipment at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date. Accordingly, the Group has elected to measure Office premises at fair value and measured other items of Property, Plant and Equipment as per Ind AS on the date of transition.

ii). **Investment in subsidiary :** Ind AS 101 permits a first time adopter to measure its investment in subsidiaries, joint ventures and associates at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall be its fair value at date if transition to Ind AS of the Group, or Previous GAAP carrying value as at that date. The Group has elected to measure its investments in subsidiary as its Previous GAAP carrying value as deemed cost on the date of transition.

iii) **Designation of previously recognised financial instruments:** Ind AS 101 allows an entity to designate a financial asset as measured at fair value through profit or loss on the basis of facts and circumstances that exist at the date of transition to Ind AS. The Group has elected to apply this exemption for its investments other than those stated in (ii) above.

b) **Ind AS mandatory exceptions**

The Group has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101.

i) Estimates in accordance with Ind AS at the transition date will be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in Accounting Policies) unless there is objective evidence that those estimates were erroneous Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP

1) Investment in equity instruments carried at FVPL

ii) Classification and measurement of financial assets Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

As per our report of even dated attached

Notes to Financial Statements

for the year ended March 31, 2018

(₹ in Lakhs unless otherwise stated)

NOTE 2 : PROPERTY, PLANT AND EQUIPMENT

Particulars	Office Premises	IT Equipment	Vehicles	Office Equipment	Furniture and Fixture	Total Property, plant and equipment	Intangible Assets
Gross carrying amount							
Deemed cost as at April 1, 2016	3,172.42	1,466.02	84.38	453.19	1,287.59	**6,463.60**	-
Additions	-	134.53	60.24	41.26	86.81	**322.84**	-
Disposals	-	(0.13)	-	(0.18)	(10.68)	**(10.99)**	-
As at March 31, 2017	3,172.42	1,600.42	144.62	494.27	1,363.72	**6,775.45**	-
Additions	-	91.85	-	153.90	167.72	**413.47**	11.82
Disposals	-	-	-	-	-	-	-
As at March 31, 2018	**3,172.42**	**1,692.27**	**144.62**	**648.17**	**1,531.44**	**7,188.92**	**11.82**
Depreciation / Amortisation						-	
As at April 1, 2016	-	1,276.62	52.05	312.85	459.10	**2,100.62**	-
Charge For the year	58.01	101.00	11.55	66.40	125.66	**362.62**	-
Disposals	-	(0.12)	-	(1.91)	(8.89)	**(10.92)**	
Upto March 31, 2017	58.01	1,377.50	63.60	377.34	575.87	**2,452.32**	-
Charge For the year	57.67	91.70	14.99	39.63	134.63	**338.62**	3.52
Disposals						-	
Upto March 31, 2018	115.68	1,469.20	78.59	416.97	710.50	**2,790.94**	3.52
Net carrying amount						-	
As at April 01, 2016	**3,172.42**	**189.40**	**32.33**	**140.34**	**828.49**	**4,362.98**	**-**
As at March 31, 2017	**3,114.41**	**222.92**	**81.02**	**116.93**	**787.85**	**4,323.13**	**-**
As at March 31, 2018	**3,056.74**	**223.07**	**66.03**	**231.20**	**820.94**	**4,397.98**	**8.30**

i. Pursuant to Para D5 of Ind AS 101, the Company has exercised option to consider fair value on the date of transition as deemed cost for office premises. Rest all other assets are accounted as per Ind AS.

ii. The Company has hypothicated Office Premises to avail the Loan from the Bank.

NOTE 3 : NON CURRENT INVESTMENTS

Particluars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Investment in Equity instruments of Other Company measured at FVTPL - Unquoted			
1,15,416 Equity Shares of Bombay Marcantile Co- Op. Bank Ltd of ₹ 30 each	**34.62**	34.62	34.62
Total	**34.62**	**34.62**	**34.62**

NOTE 4 : OTHER NON CURRENT FINANCIAL ASSETS

Particluars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Fixed Deposits with Banks with maturity beyond 12 months	**3.66**	52.78	52.20
Total	**3.66**	**52.78**	**52.20**

Notes to Financial Statements

for the year ended March 31, 2018

(₹ in Lakhs unless otherwise stated)

NOTE 5 : INVENTORIES

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Stock in trade	29,261.73	33,488.60	25,430.42
Total	**29,261.73**	**33,488.60**	**25,430.42**

NOTE 6 : CURRENT INVESTMENTS

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Investment in Mutual Funds, Unquoted, Fair Value through Profit and Loss 2,55,829.639 units [(2,50,625.851 units 31-03-17) (2,50,408.189 units 01-04-16)] of Birla Sun Life Cash Manager Weekly Dividend Mutual Fund	257.00	251.77	251.53
Total	**257.00**	**251.77**	**251.53**

NOTE 7 : TRADE RECEIVABLES

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
a) Unsecured, Considered Good	57,751.80	45,571.09	28,182.40
Total	**57,751.80**	**45,571.09**	**28,182.40**

NOTE 8 : CASH AND CASH EQUIVALENTS

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Bank Balances			
In Current Accounts	3,699.73	1,785.02	2,086.55
In Unpaid Dividend Accounts	19.99	18.21	13.91
Cheques on Hand	850.00	1,665.00	580.00
Cash on Hand	6.93	5.31	14.49
Fixed Deposits with original maturity less than 3 months	58.94	239.04	900.00
Total	**4,635.59**	**3,712.58**	**3,594.95**

NOTE 9 : OTHER BANK BALANCES

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Fixed Deposits with remaining maturity less than 12 months	7,563.74	6,505.21	5,898.93
Total	**7,563.74**	**6,505.21**	**5,898.93**

NOTE 10 : CURRENT LOANS

(₹ in Lakhs unless otherwise stated)

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Security Deposits	425.71	593.96	458.98
Loan to Employees	69.01	33.00	53.26
Loan to Others	-	-	105.00
Total	**494.72**	**626.96**	**617.24**

Notes to Financial Statements

for the year ended March 31, 2018

(₹ in Lakhs unless otherwise stated)

NOTE 11 : OTHER CURRENT FINANCIAL ASSETS

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Fixed Deposits other than Banks	705.00	-	-
Interest accrued on Deposits	130.06	139.49	222.13
Total	**835.06**	**139.49**	**222.13**

NOTE 12 : CURRENT TAX ASSETS (NET)

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance Income Tax (Net of Provisions)	210.48	-	-
Total	**210.48**	-	-

NOTE 13 : OTHER CURRENT ASSETS

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Prepaid Expenses	193.22	256.01	291.15
Advances to Staffs	21.45	3.85	35.98
Advances to Supplier	1,168.18	177.66	138.06
Balances with Government Authorities	5,488.39	1,968.61	2,064.53
Total	**6,871.24**	**2,406.13**	**2,529.72**

NOTE 14 : EQUITY SHARE CAPITAL

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Authorised			
9,62,70,000 Equity Shares of ₹2.00 each [During the F.Y. 2015-16: 1,92,54,000 Equity Shares of ₹10.00 each]	1,925.40	1,925.40	1,925.40
46,65,600 Preference Shares of ₹0.10 (Ten paise) each	4.67	4.67	4.67
33,69,344 Preference Shares of ₹10.00 each	336.93	336.93	336.93
Total	**2,267.00**	**2,267.00**	**2,267.00**
Issued, Subscribed and Fully Paid-up			
5,87,39,995 Equity Shares of ₹2.00 each fully paid (During the F.Y. 2015-16: 1,17,47,999 Equity Shares of ₹10.00 each fully paid) Note: The paid up value of Equity Share Capital is ₹117479990/=	1,174.80	1,174.80	1,174.80
Total	**1,174.80**	**1,174.80**	**1,174.80**

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. in Lakhs	₹ in Lakhs	No. in Lakhs	₹ in Lakhs	No. in Lakhs	₹ in Lakhs
At the beginning of the Period	587.40	1,174.80	117.48	1,174.80	66.55	665.50
Add : Bonus Shares Issued	-	-	-	-	39.93	399.30
Add : Preferential Allotment	-	-	-	-	11.00	110.00
Add : Shares Split from Face Value of ₹10.00 to Face Value of ₹2.00	-	-	469.92	-	-	-
Outstanding at the end of the period	**587.40**	**1,174.80**	**587.40**	**1,174.80**	**117.48**	**1,174.80**

Notes to Financial Statements

for the year ended March 31, 2018

(₹ in Lakhs unless otherwise stated)

Terms / Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹2.00 per share. Each holder of Equity Shares is entitled to one vote per share.

In the event of liquidation of the Company, the holder 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 Shareholders.

The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. During the year ended March 31, 2018, the amount of per share final dividend proposed as distribution to the Equity Shareholders is ₹0.40 per share (March 31, 2017 : ₹ 0.40 per share)

c) Details of Shareholders holding more than 5% of Equity Shares:

Name of Shareholder		As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
		Holding %	**No. of shares**	Holding %	No. of shares	Holding %	No. of shares In Lac
1.	Atul Harkishandas Mehta	**24.25%**	**142.44**	24.25%	142.44	24.25%	28.49
2.	Bhavesh Harkishandas Mehta	**24.25%**	**142.44**	24.25%	142.44	24.25%	28.49
3.	Ajay Harkishandas Mehta	**12.98%**	**76.24**	12.98%	76.24	12.98%	15.25
4.	Kitara India Micro Cap Growth Fund	**9.36%**	**55.00**	9.36%	55.00	9.36%	11.00

NOTE 15 : OTHER EQUITY

Particluars		As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
a)	Capital Reserve	**134.84**	134.84	134.84
b)	Capital Redemption Reserve	**129.72**	129.72	129.72
c)	Securities Premium Reserve	**2,109.85**	2,109.85	2,109.85
d)	General Reserve	**35.38**	35.38	35.38
e)	Foreign Currency Translation Reserve			
(i)	Exchange difference in translating the financial statements of a foreign operation			
	Balance as at the beginning of the year	**(31.47)**	(29.23)	(7.90)
	Add: Changes in foreign currency translation reserve	**-**	(2.24)	(21.33)
	Balance as at the end of the year	**(31.47)**	(31.47)	(29.23)
f)	Retained Earnings			
	Balance at the beginning of the year	**8,936.54**	7,476.21	7,476.21
	Add: Profit for the year	**2,028.91**	1,743.12	-
	Less: Dividend on Equity Shares	**(234.96)**	(234.96)	-
	Less: Dividend Distribution Tax on Dividend	**(47.83)**	(47.83)	-
	Balance as at the end of the year	**10,682.66**	**8,936.54**	**7,476.21**
Total		**13,061.02**	**11,314.89**	**9,856.77**

Nature and purpose of other reserves

a) Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b) Foreign Currency Translation Reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in Accounting Policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Notes to Financial Statements

for the year ended March 31, 2018

(₹ in Lakhs unless otherwise stated)

NOTE 16 : NON CURRENT BORROWINGS

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Term loans from Banks	**1,243.33**	1,743.33	-
Term loans from Others	**112.50**	-	-
Vehicle Loans	**9.86**	29.59	-
Total	**1,365.69**	**1,772.92**	**-**

Term loan from Indian Bank (secured by hypothecation of office premises) carry interest of 10.50% p.a. and is repayable in 20 equal quarterly installment of ₹125 Lakhs each along with interest.

Term loan from other refer Loan from Tata Capital Financial Services Ltd. (Secured by Personal Guarantee of Directors) carry interest of 11.00% pa and is repayable in 24 equal quarterly installment of ₹12.5 Lakhs each along with interest.

The Company has not defaulted on repayment of loans and interest during the year.

NOTE 17 : CURRENT AND DEFERRED TAX

The major components of income tax expense for the years ended March 31, 2018, March 31, 2017, March 31, 2016 are:

a) Income Tax Expense

Particulars	As at March 31, 2018	As at March 31, 2017
i) Current Tax		
Current Tax on profits for the year	**1,124.64**	929.58
Adjustments for current tax of prior period	**-**	53.37
Total Current Tax Expense	**1,124.64**	**982.95**
ii) Deferred Tax		
(Decrease) / Increase in Deferred Tax Liabilities	**15.31**	35.78
Decrease / (Increase) in Deferred Tax Assets	**-**	-
Total Deferred Tax Expense / (Benefit)	**15.31**	**35.78**
Income Tax Expense	**1,139.95**	**1,018.73**

b) The Statutory Income Tax rate applied for computing Current Tax @ 34.608 % and for Deferred Tax @ 34.944% as applicable to the Company.

c) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognised in equity and not in Statement of Profit and Loss or Other Comprehensive Income.

d) Current Tax Liabilities (Net)

Particulars	As at March 31, 2018	As at March 31, 2017	As at 01-04-2016
Opening Balance		86.58	13.83
Add: Current Tax payable for the year	**-**	929.58	740.00
Less: Taxes Paid		995.14	667.25
Closing Balance	**-**	**21.02**	**86.58**

e) Current Tax Assets (Net)

Particulars	As at March 31, 2018	As at March 31, 2017	As at 01-04-2016
Opening Balance	**(21.02)**	-	-
Add: Tax paid in advance, net of provisions during the year	**231.50**	-	-
Closing Balance	**210.48**	**-**	**-**

Notes to Financial Statements

for the year ended March 31, 2018

(₹ in Lakhs unless otherwise stated)

f) Deferred Tax Liabilities (Net)

i) The balance comprises temporary differences attributable to the below items and corresponding movement in Deferred Tax Liabilities / (Assets):

Particulars	As at March 31, 2018	(Charged) / Credited to Profit and Loss	As at March 31, 2017	(Charged) / Credited to Profit and Loss	As at April 01, 2016
Property, Plant and Equipment & Intangible Assets	620.85	16.81	604.04	31.95	572.08
Fair valuation of term loan	2.33	(1.50)	3.83	3.83	-
Total Deferred Tax Liabilities	**623.18**	**15.31**	**607.87**	**35.78**	**572.08**
Carry forward of losses	-	-	-	-	-
Total Deferred Tax Assets	-	-	-	-	-
Net Deferred Tax (Asset) / Liability	**623.18**	**15.31**	**607.87**	**35.78**	**572.08**

NOTE 18 : CURRENT BORROWINGS

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured			
Cash credit from banks	23,222.95	16,906.00	16,708.85
Unsecured			
Loan from Related Parties	2,479.95	2,844.65	2,327.05
Loan from Others	13,575.17	10,932.09	10,260.77
Deposits	793.00	-	-
Total	**40,071.07**	**30,682.74**	**29,296.67**

NOTE 19 : TRADE PAYABLES

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Due to Micro, Small & Medium Enterprises	-	-	-
Others	50,456.01	46,511.68	26,316.90
Total	**50,456.01**	**46,511.68**	**26,316.90**

NOTE 20 : OTHER CURRENT FINANCIAL LIABILITIES

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current Maturities of Long Term Liabilities	669.73	513.44	96.73
Unpaid Dividends	19.99	18.21	13.91
Other Payables	1,997.57	2,240.16	1,338.52
Total	**2,687.29**	**2,771.81**	**1,449.16**

NOTE 21 : OTHER CURRENT LIABILITIES

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Statuory Dues	1,490.51	365.94	1,271.72
Advances from Customers	1,386.35	1,878.68	1,130.94
Total	**2,876.86**	**2,244.62**	**2,402.66**

Notes to Financial Statements

for the year ended March 31, 2018

(₹ in Lakhs unless otherwise stated)

NOTE 22 : CURRENT PROVISIONS

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for Gratuity	10.00	10.00	7.50
Total	**10.00**	**10.00**	**7.50**

NOTE 23 : CURRENT TAX LIABILITIES (NET)

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for Income Tax (Net of Advance Tax)	-	21.02	100.58
Total	-	**21.02**	**100.58**

NOTE 24 : REVENUE FROM OPERATIONS

Particluars	2017-18	2016-17
(a) Sale of Products		
Computer Components	317,893.57	271,131.02
Computer Softwares	29,858.79	27,679.11
Telecom Products	58,676.52	55,661.55
Total (a)	**406,428.87**	**354,471.68**
(b) Sale of Services		
Product Support Services	1,011.91	661.30
Total (b)	**1,011.91**	**661.30**
Total	**407,440.78**	**355,132.98**

NOTE 25 : OTHER INCOME

Particluars	2017-18	2016-17
Dividend from Mutual Funds	10.53	12.74
Interest from Bank Deposits	463.71	488.82
Interest from Others	1,024.78	942.36
Gain on disposal of investment measured at FVPL	-	0.04
Net Exchange Rate Difference - Gain	-	468.80
Miscellaneous Income	-	4.45
Total	**1,499.02**	**1,917.21**

NOTE 26 : PURCHASE OF STOCK-IN-TRADE

Particluars	2017-18	2016-17
Computer Components	304,619.83	268,913.03
Computer Softwares	27,805.67	26,312.94
Telecom Products	56,535.70	55,633.09
Total	**388,961.20**	**350,859.06**

Notes to Financial Statements

for the year ended March 31, 2018

(₹ in Lakhs unless otherwise stated)

NOTE 27 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particluars	2017-18	2016-17
(a) Stocks at the end of the year		
Finished Goods	-	-
Work-in-Progress	-	-
Stock-in-Trade	29,261.73	33,488.60
Total (a)	**29,261.73**	**33,488.60**
Less :		
(b) Stocks at beginning of the year		
Finished Goods	-	-
Work-in-Progress	-	-
Stock-in-Trade	33,488.60	25,430.42
Total (b)	**33,488.60**	**25,430.42**
(Increase) / Decrease in Stocks	**4,226.87**	**(8,058.18)**

NOTE 28 : EMPLOYEE BENEFIT EXPENSES

Particluars	2017-18	2016-17
Salaries, Wages and Bonus	3,542.27	3,012.90
Contribution to Provident and Other Funds	88.48	73.56
Gratuity	10.00	24.61
Staff Welfare	171.54	173.69
Total	**3,812.29**	**3,284.76**

NOTE 29 : FINANCE COSTS

Particluars	2017-18	2016-17
Interest on Borrowings (At Amortised Cost)	4,949.93	4,493.89
Total	**4,949.93**	**4,493.89**

NOTE 30 : OTHER EXPENSES

Particluars	2017-18	2016-17
Rent and Compensation	735.45	683.47
Power and Fuel	76.67	70.07
Rates and Taxes	49.56	81.57
Insurance	307.89	285.96
Payments to the Statutory Auditors		
a) Audit Fees	15.23	15.18
b) Tax Matters	5.00	5.00
c) Other Matters	2.46	3.50
d) Out of Pocket Expenses	-	-
Expenditure on Corporate Social Reponsibility Initiatives (refer Note 27.16)	45.12	48.09
Net Exchange Rate Difference - Loss	94.88	-
Miscellaneous Expenses	2,146.18	2,151.10
Total	**3,478.44**	**3,343.94**

NOTE 31 : CONTINGENT LIABILITIES

The disputed demands for taxes and other matters amounts as of the reporting period ends are respectively as follows:

Particluars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Claims against the Company not acknowledged as debts			
Corporate Guarantee given on behalf of Subsidiary	NIL	NIL	331.85
Disputed demands in respect of VAT/Custom Duty (Based on legal opinion, the Company does not feel any liability will arise and hence no provision has been made in the accounts.)	649.25	649.12	634.20

The Company does not envisage any likely reimbursements in respect of the above.

The above matters are currently being considered by the tax authorities and the Company expects the judgment will be in its favour and has therefore, not recognised the provision in relation to these claims. Future cash outflow in respect of above will be determined only on receipt of judgement / decision pending with tax authorities. The potential undiscounted amount of total payments for taxes that the Company could be required to make if there was an adverse decision related to these disputed demands of regulators as of the date reporting period ends are as illustrated above.

Notes to Financial Statements

for the year ended March 31, 2018

(₹ in Lakhs unless otherwise stated)

NOTE 32 : EMPLOYEE BENEFIT OBLIGATIONS

Funded Scheme

a) **Defined Benefit Plans:**

Gratuity

The Company operates a gratuity plan through the Life Insurance Corporation of India. Every Employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company Scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

NOTE 33 : TRANSITION TO IND AS

These are the first Financial Statements of the Group prepared in accordance with Ind AS.

The Accounting Policies set out in Note 1 have been applied in preparing the Cosolidated Financial Statements for the year ended March 31, 2018, the comparative information presented in these Consolidated Financial Statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS Balance Sheet as at April 1, 2016 (the date of transition). In preparing its opening Ind AS Balance Sheet, the Group has adjusted the amounts reported previously in Consolidated Financial Statements prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Previous GAAP). An explanation of how the transition from Previous GAAP to Ind AS has affected the financial position, financial performance and cash flows of the Group is set out in the following tables and notes:

NOTE 33 (A) : EXEMPTIONS AND EXCEPTIONS AVAILED

In preparing these Ind AS Consolidated Financial Statements, the Group has availed certain exemptions and exceptions in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards (Ind AS 101), as explained below. The resulting difference between the carrying values of the assets and liabilities in the Consolidated Financial Statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in Equity (Retained Earnings or another appropriate category of Equity). This note explains the adjustments made by the Group in restating its Previous GAAP Consolidated Financial Statements, including the Balance Sheet as at April 1, 2016 and the Consolidated Financial Statements as at and for the year ended March 31, 2017.

a) **Ind AS Optional Exemptions**

Set out below are the applicable Ind AS 101 voluntary exemptions applied in the transition from Previous GAAP to Ind AS.

i) **Business Combinations**

Ind AS 103 'Business Combinations' has not been applied to acquisitions of Subsidiary Companies or of interests in Associate Company and Joint Venture Company that occurred before April 01, 2016. The carrying amounts of assets and liabilities in accordance with Previous GAAP is considered as their deemed cost at the date of acquisition. After the date of the acquisition, measurement is in accordance with Ind AS. The carrying amount of Goodwill in the opening Ind AS Balance Sheet is its carrying amount in accordance with the Previous GAAP.

ii) **Cumulative Translation Differences**

Ind AS 101 permits cumulative translation gains and losses to be reset to zero at the transition date. This provides relief from determining cumulative currency translation differences in accordance with Ind AS 21 from the date a subsidiary or equity method investee was formed or acquired.

The Group elected to reset all cumulative translation gains and losses to zero by transferring it to opening retained earnings at its transition date.

iii) **Deemed Cost**

The Group has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date except for certain class of assets which are measured at fair value as deemed cost.

b) **Ind AS Mandatory Exceptions**

The Group has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

i) **Estimates**

Estimates in accordance with Ind AS at the transition date will be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in Accounting Policies) unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP :

1) Investment in Equity Instruments carried at FVPL or FVOCI

2) Fair value of Investment Properties

ii) **Non-Controlling Interests**

Ind AS 110 requires entities to attribute the profit or loss and each component of Other Comprehensive Income to the owners of the parent and to the non- controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be applied prospectively from the date of transition. Consequently, the Group has applied the above requirement prospectively.

iii) **Classification and Measurement of Financial Assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets (Investment in Debt Instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Notes to Financial Statements

for the year ended March 31, 2018

NOTE 33 (B) : RECONCILIATION BETWEEN PREVIOUS GAAP AND IND AS

Ind AS 101 requires an entity to reconcile Equity, Total Comprehensive Income and Cash Flows for prior periods. The following tables Represent the Reconciliations from Previous GAAP to Ind AS.

a) Reconciliation of Consolidated Balance Sheet as at March 31, 2017 and April 1, 2016

Particulars	Notes to reconciliation	As at March 31, 2017			As at April 01, 2016		
		Regrouped Previous GAAP*	Adjustments	Ind AS	Regrouped Previous GAAP*	Adjustments	Ind AS
A. ASSETS							
1. Non-Current Assets							
a) Property, Plant and Equipment	a	3,351.46	971.67	4,323.13	3,372.98	990.00	4,362.98
b) Intangible Assets		-	-	-	-	-	-
c) Financial Assets							
(i) Investments		34.62	-	34.62	34.62	-	34.62
(ii) Others Financial Assets		52.20	0.58	52.78	52.20	-	52.20
Total Non-Current Assets		**3,438.28**	**972.25**	**4,410.53**	**3,459.80**	**990.00**	**4,449.80**
2. Current Assets							
a) Inventories		33,488.60	-	33,488.60	25,430.42	-	25,430.42
b) Financial Assets							
(i) Investments		251.77	-	251.77	251.53	-	251.53
(ii) Trade Receivables		45,571.09	-	45,571.09	28,182.40	-	28,182.40
(iii) Cash and Cash Equivalents		3,712.58	-	3,712.58	3,594.95	-	3,594.95
(iv) Bank Balances other than (iii) above		6,505.21	-	6,505.21	5,898.93	-	5,898.93
(v) Loans		626.96	-	626.96	617.24	-	617.24
(vi) Other Financial Assets		139.49	-	139.49	222.13	-	222.13
c) Current Tax Assets (Net)		-	-	-	-	-	-
d) Other Current Assets		2,406.13	-	2,406.13	2,529.71	0.01	2,529.72
Total Current Assets		**92,701.83**	**-**	**92,701.83**	**66,727.31**	**0.01**	**66,727.32**
TOTAL ASSETS		**96,140.11**	**972.25**	**97,112.36**	**70,187.11**	**990.01**	**71,177.12**
B. EQUITY AND LIABILITIES							
EQUITY							
a) Equity Share Capital		1,174.80	-	1,174.80	1,174.80	-	1,174.80
b) Other Equity		10,388.88	926.01	11,314.89	8,911.27	945.50	9,856.77
c) Non-Controlling Interest	e	-	-	-	-	-	-
Total Equity		**11,563.68**	**926.01**	**12,489.69**	**10,086.07**	**945.50**	**11,031.57**
LIABILITIES							
1. Non-Current Liabilities							
a) Financial Liabilities							
(i) Borrowings	b	1,779.59	(6.67)	1,772.92	-	-	-
b) Deferred Tax Liabilities (Net)	c	268.32	339.55	607.87	244.78	327.30	572.08
Total Non-Current Liabilities		**2,047.91**	**332.88**	**2,380.79**	**244.78**	**327.30**	**572.08**
2. Current Liabilities							
a) Financial Liabilities							
(i) Borrowings		30,682.74	-	30,682.74	29,296.67	-	29,296.67
(ii) Trade Payables		46,511.68	-	46,511.68	26,316.90	-	26,316.90
(iii) Other Financial Liabilities	b	2,776.22	(4.41)	2,771.81	1,449.16	-	1,449.16
b) Other Current Liabilities		2,244.62	-	2,244.62	2,402.66	-	2,402.66
c) Provisions	d	292.79	(282.79)	10.00	290.29	(282.79)	7.50
d) Current Tax Liabilities (Net)		21.02	-	21.02	100.58	-	100.58
Total Current Liabilities		**82,529.07**	**(287.20)**	**82,241.87**	**59,856.26**	**(282.79)**	**59,573.47**
Total Liabilities		**84,576.98**	**45.68**	**84,622.66**	**60,101.04**	**44.51**	**60,145.55**
TOTAL EQUITY AND LIABILITIES		**96,140.66**	**971.69**	**97,112.36**	**70,187.11**	**990.01**	**71,177.12**

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Notes to Financial Statements

for the year ended March 31, 2018

b) Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

Particulars	Notes to reconciliation	Regrouped Previous GAAP*	Adjustments	Ind AS
Revenue from Operations		355,132.98	0.00	355,132.98
Other Income		1,914.99	2.24	1,917.23
Total Income		**357,047.97**	**2.24**	**357,050.21**
Expenses				
Cost of Materials Consumed		-	-	-
Purchase of Stock-in-Trade		350,859.06	0.00	350,859.06
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		(8,058.18)	-	(8,058.18)
Employee Benefit Expenses		3,284.76	(0.00)	3,284.76
Finance Costs	b	4,490.58	3.31	4,493.89
Depreciation and Amortisation Expenses	a	344.29	18.33	362.62
Other Expenses	b	3,358.33	(14.40)	3,343.94
Total Expenses		**354,278.85**	**7.24**	**354,286.08**
Profit before Exceptional Items and Tax		**2,769.12**	**(5.00)**	**2,764.13**
Exceptional Items		-	-	-
Profit before Tax from Continuing Operations		**2,769.12**	**(5.00)**	**2,764.13**
Tax Expense				
Current Tax		929.58	-	929.58
Deferred Tax	c	23.54	12.24	35.78
Prior Period		53.37	-	53.37
Total Tax Expense		**1,006.49**	**12.24**	**1,018.73**
Profit for the year		**1,762.63**	**(17.24)**	**1,745.39**
Other Comprehensive Income		**-**	**(2.24)**	**(2.24)**
Total Comprehensive Income for the year		**1,762.63**	**(19.48)**	**1,743.15**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

c) Impact of Ind AS adoption on the Consolidated Statements of Cash Flows for the year ended March 31, 2017

The transition from Indian GAAP to Ind AS has not had a material impact on the Statement of Cash Flows.

NOTE 33 (C) : NOTES TO RECONCILIATION BETWEEN PREVIOUS GAAP AND IND AS

a) Property, plant and equipment

The Group has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date except for certain class of assets which are measured at fair value as deemed cost.

b) Fair valuation of long term borrowings

Under Ind AS loan processing fees / transaction costs are considered for calculating effective interest rate. The impact for the periods subsequent to the date of transition is reflected in the Statement of Profit and Loss.

c) Deferred tax

Under Previous GAAP, deferred tax were accounted for using the income statement approach which focuses on differences between taxable profit and accounting profit for the period. Ind AS requires entities to account for deferred taxes using the Balance Sheet approach which focuses on temporary differences between the carrying amount of an asset or liability in the Balance Sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred taxes on temporary differences which were not required to be recorded under Previous GAAP.

In addition, the various transitional adjustments have led to deferred tax implications which the Group has accounted for. Deferred tax adjustments are recognised in correlation to the underlying transaction either in Retained earnings or Other Comprehensive Income on the date of transition.

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

d) Proposed dividend

Under previous GAAP, dividends proposed by the Board of Directors after the Balance Sheet date, but before the approval of the Financial Statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the Shareholders in the General Meeting. Accordingly, the liability for proposed dividend (including dividend distribution tax) of ₹282.79 Lakhs as at April 1, 2016 and ₹282.79 Lakhs as at March 31, 2017 included under current provisions has been reversed with corresponding adjustment to Retained earnings. Consequently, the total equity has increased by an equivalent amount.

e) Retained earnings

Retained earnings as at April 1, 2016 have been adjusted consequent to the above Ind AS transition adjustments.

f) Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period are to be included in the Consolidated Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss, but are shown in the Consolidated Statement of Profit and Loss as Other Comprehensive Income which includes remeasurement of defined benefit plans, effective portion of gain / (loss) on cash flow hedging instruments and fair value gain / (loss) on FVOCI equity instruments. The concept of Other Comprehensive Income did not exist under Previous GAAP.

NOTE 34 : SEGMENT REPORTING

The Company operates only in one reportable segment.

NOTE 35 : LEASE ARRANGEMENTS

The Company procures office premises under operating lease agreements that are renewable on a periodic basis at the option of both lessor and lessee. The initial tenure of the lease is below 12 months. The lease rentals recognised in the Statement of Profit and Loss for the year are ₹ 735.45 Lakhs (previous year ₹ 683.47 Lakhs). The contingent rent recognised in the Statement of Profit and Loss for the year is ₹ NIL (previous year ₹ NIL).

NOTE 36 : DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

Particulars	2017-18	2016-17	2015-16
Face value of Equity Share (in ₹)	**2**	2	10
Weighted average number of Equity Shares outstanding (in Nos)	**58,739,995**	58,739,995	11,747,999
Profit for the year (₹ in Lakhs)	**2,028.91**	1,743.12	1,402.08
Weighted average earnings per share (basic and diluted) (in ₹)	**3.45**	2.97	11.93

NOTE 37 : CAPITAL MANAGEMENT

Risk Management

The primary objective of Capital Management of the Company is to maximise Shareholder value. The Company monitors capital using Debt-Equity ratio which is total debt divided by total equity. For the purposes of Capital Management, the Company considers the following components of its Balance Sheet to manage capital:

Total Equity includes General Reserve, Retained Earnings, Share Capital, Security Premium. Total debt includes current debt plus non-current debt less Cash and Cash equivalents & other Bank balances.

Particluars	As at March 31, 2018	As at March 31, 2017
Total Debt	**41,436.76**	32,455.66
Less: Cash and Cash Equivalents & Other Bank balances	**12,199.33**	10,217.79
Net Debt		
Total Equity	**14,235.82**	12,489.69
Debt-Equity Ratio	**2.91**	**2.60**

Notes to Financial Statements

for the year ended March 31, 2018

NOTE 38 : RELATED PARTY DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW:

A. Relationships –

Category I:
Subsidiaries:
Compuage Infocom (S) Pte Ltd

Category II: Jointly Controlled Entity: NA

Category III:
Key Managerial Personnel (KMP)

Atul H. Mehta	Executive Director
Bhavesh H. Mehta	Executive Director
Sunil Mehta	Chief Financial Officer
Disha Shah	Company Secretary

Non-Executive Directors
G. S. Ganesh
Vijay Agarwal
Preeti Trivedi

Category IV:
Others (Close family members of KMP and Entities in which the KMP or close family member of KMP have significant influence)

Bhavesh M. Mehta	Brother of Sunil Mehta
Falguni A. Mehta	Wife of Atul H. Mehta
Forum B. Mehta	Wife of Bhavesh H. Mehta
Ajay H. Mehta	Brother of Atul H. Mehta and Bhavesh H. Mehta
Nisha S. Mehta	Wife of Sunil Mehta
Sunil M. Mehta HUF	HUF of Sunil Mehta
Trillizo Holdings Ltd.	Entity in which close family member of KMP has significant influence

Transactions with the related parties:

Particulars of transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Paid to:		
Atul H.Mehta	**38.00**	37.61
Bhavesh H.Mehta	**40.62**	40.31
Bhavesh M. Mehta	**0.71**	-
Falguni A. Mehta	**0.60**	-
Forum B. Mehta	**0.62**	-
Ajay H. Mehta	**0.05**	-
Nisha S. Mehta	**1.08**	-
Sunil M. Mehta HUF	**1.79**	-
Remuneration Paid to:		
Atul H.Mehta	**168.00**	242.96
Bhavesh H.Mehta	**168.00**	237.83
Disha Shah	**7.00**	5.20
Sunil Mehta	**65.39**	65.34
Sitting Fees to Non-Executive Directors		
Vijay Agarwal	**3.15**	4.44
Preeti Trivedi	**4.15**	4.60
Rent Paid to:		
Trillizo Holdings Ltd.	**15.00**	15.00

Notes to Financial Statements

for the year ended March 31, 2018

Balances due from/to the related parties:

Particulars of transactions	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Outstanding receivables:			
Trillizo Holdings Ltd.	**138.00**	138.00	138.00
Outstanding payables:			
Atul H.Mehta	**1,372.41**	1,569.46	1223.66
Bhavesh H.Mehta	**1,107.54**	1,275.19	1103.39
Compuage Infocom (S) Pte Ltd	**122.34**	74.46	94.16
Trillizo Holdings Ltd.	**-**	1.12	-
Bhavesh M. Mehta	**20.41**	-	-
Falguni A. Mehta	**20.46**	-	-
Forum B. Mehta	**17.95**	-	-
Ajay H. Mehta	**15.05**	-	-
Nisha S. Mehta	**30.74**	-	-
Sunil M. Mehta HUF	**51.24**	-	-

NOTE 39 : OUTSTANDING DUES OF MICRO ENTERPRISE AND SMALL ENTERPRISE

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

NOTE 40 : VALUATION OF IMPORTS

Valuation of imports calculated on C.I.F. basis for one year period ended March 31, 2018 is ₹ 66,164 Lakhs (Previous year ₹ 38,332.23 Lakhs).

NOTE 41 : FOREIGN CURRENCY TRANSACTIONS

Expenditure in Foreign Currency:

(₹ in Lakhs)

Particluars	Current Period	Previous Period
Travelling	**111.20**	110.75
Mercantile Trade Purchase	**13610.06**	14631.43

Earnings in Foreign Currency

(₹ in Lakhs)

Particluars	Current Period	Previous Period
Mercantile Trade Sale	**13746.16**	14777.74

As per our report of even date

For M/s. Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

For and behalf of the Board of Directors
of Compuage Infocom Limited

CA Suril Shah
Partner
Membership No. : 042710

G. S. Ganesh
Independent Director
DIN: 00010877

Bhavesh H. Mehta
Whole Time Director
DIN: 00740861

Atul H. Mehta
Chairman & Managing Director
DIN: 00716869

Place : Mumbai
Dated : May 4, 2018

Sunil Mehta
CFO

Disha Shah
Company Secretary

Notice

Notice is hereby given that the Nineteenth Annual General Meeting of the Members of Compuage Infocom Limited will be held on Friday, 28th day of September 2018 at 10.00 A.M. at Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, next to Girnar Tower, Mumbai – 400034 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2018 and the reports of the Directors and the Auditors thereon.
2. To declare a dividend on Equity shares for the financial year ended March 31, 2018.
3. To appoint a Director in place of Mr. Bhavesh H. Mehta (DIN: 00740861), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4 **To appoint Branch Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Board of Directors of the Company be and are hereby authorised to appoint Branch Auditors, AAA Assurance PAC, Public Accountants and Chartered Accountants, Singapore, having Co. Registration No.201408818E to audit the accounts in respect of the Company's branch office located at Singapore and to fix their terms and conditions of appointment and remuneration, plus taxes, as may be applicable, and reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the branch office outside India for the year ending March 31, 2019 as may be mutually agreed upon by the Board of Directors and the Accountants."

5. **To approve the aggregate annual remuneration payable to the Promoter - Executive Directors / Members of the Promoter Group exceeding 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013, and in this regard to pass, the following resolution as a Special Resolution:**

"**RESOLVED THAT** pursuant to sub regulation 6 (e) of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval be and is hereby accorded to pay the aggregate annual remuneration to the existing Promoters Executive Directors/Members of the Promoter Group exceeding 5 per cent of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013 for the remaining tenure.

RESOLVED FURTHER THAT any Director and/or Company Secretary of the Company be and is hereby severally authorized to do all such acts and take such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board
For **Compuage Infocom Limited,**

Sd/-
Disha Shah
Company Secretary

Place: Mumbai
Date: August 10, 2018

Registered Office:
D- 601/602 & G – 601/602, Lotus Corporate Park,
Graham Firth Steel Compound,
Western Express Highway,
Goregaon (E), Mumbai – 400 063, India.
CIN: L99999MH1999PLC135914
E-mail: investors.relations@compuageindia.com

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, is annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY TO BE EFFECTIVE SHOULD BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

   Corporate members intending to send their authorized representative to attend the meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

   Pursuant to Section 105, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. The Register of Members and the Share Transfer Books of the Company will remain close from Friday, September 21, 2018 to Friday, September 28, 2018 (both days inclusive) for the purpose of declaration of dividend, if any, approved by the Members.

4. The Dividend for the year ended March 31, 2018 as recommended by the Board, if approved by the Members at the Annual General Meeting will be paid on or after September 29, 2018 to those members whose names appear in the Company's Register of Members on September 20, 2018. In respect of shares in electronic form, the dividend will be payable on the basis of beneficial ownership as per the details furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

5. Details under Regulation 36 of the SEBI Listing Regulations, 2015, with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.

6. Electronic copy of the 19th Annual Report 2017-18, inter alia, indicating the process and manner of e-voting along with the Proxy Form is being sent to all the Members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For the Members who have not registered their email address, physical copies of the Notice of the 19th Annual Report 2017-18, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form has been sent in the physical mode.

7. Members are requested to :-

   i. Write to the Company at least 7 days before the date of the meeting, in case they desire any information as regards the Audited Accounts for the financial year ended March 31, 2018, so as to enable the Company to keep the information ready.

   ii. Bring their copy of the Annual Report, Attendance slip and their photo identity proof at the Annual General Meeting.

   Members who hold shares in dematerialized form are requested to write their client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.

   iii. Intimate to the Registrar & Transfer Agent (R&TA) of the Company immediately, about any change in their address, where the shares are held in electronic form, such change is to be informed to the Depository Participant (DP) and not to the Company / R&TA.

   iv. Quote Registered Folio no. or DP ID/Client ID no. in all their correspondence.

   v. Approach the R&TA of the Company for consolidation of folios.

   vi. Avail Nomination facility by filing in form SH-13 in accordance with Section 72 of the Companies Act, 2013 and forward the same to the R&TA, if not done. (Applicable for those holding shares in physical form).

   vii. Send all share transfer lodgments (physical mode)/ correspondence to the R&TA of the Company, Link Intime India Private Limited upto the date of book closure.

LINK INTIME INDIA PRIVATE LIMITED
C 101, 247 Park,
L B S Marg, Vikhroli West,
Mumbai – 400 083.

   viii. Convert their physical holding into demat mode as w.e.f. 5th December 2018, no transfer requests will be accepted for shares held in physical mode. Only transmission and transposition requests will be considered.

8. Members holding shares in electronic form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for the payment of dividend. The Company or its Registrars and Transfer Agents, LINK INTIME INDIA PRIVATE LIMITED cannot act on any request received directly from the Members holding shares in electronic form for any change in address, change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.

9. The Company's shares are listed on BSE Limited and National Stock Exchange of India Limited and applicable listing fees have been paid upto the date.

10. All the documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11:00 a.m. to 3:00 p.m. on all working days except Sundays, 1st and 2nd Saturdays and Public Holidays until the date of the Annual General Meeting or any adjournment(s) thereof.

11. Pursuant to the provisions of Section 123 of the Companies Act, 2013 and Section 205A of the Companies Act, 1956, the following dividends which remain unpaid and unclaimed for a period of seven years will be due for transfer to the Investor Education and Protection Fund (IEPF or Fund) of the Central Government:

Dividend	Date of declaration of Dividend	Due date for transfer to IEPF
2010-11 (Final)	29.07.2011	26.09.2018
2011-12 (Interim)	11.11.2011	01.09.2018
2011-12 (Final)	30.08.2012	28.10.2019
2012-13 (Final)	07.09.2013	07.11.2020
2013-14 (Final)	23.08.2014	21.10.2021
2014-15 (Final)	25.09.2015	23.11.2022
2015-16 (Final)	24.09.2016	29.11.2023
2016-17 (Final)	23.09.2017	25.11.2024

Shareholders who have not encashed the dividend draft(s) are requested to return the unclaimed/ unpaid dividend draft(s) for revalidation or write to the Company's Registrar & Share Transfer Agent at the above address to obtain duplicate dividend draft, immediately.

12. Members are requested to note that the dividend which remains Unclaimed / Unpaid for a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per Section 125 of the Companies Act, 2013 (Section 205A & 205 C of the erstwhile Companies Act, 1956), be transferred to the Investor Education and Protection Fund (IEPF).

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form shall submit their PAN details to Link Intime India Private Limited.

14. Members may also note that the electronic copy of the Notice of the 19th Annual General Meeting and the Annual Report 2017-18 will be available on the Company's website, www.compuageindia.com. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us: investors.relations@compuageindia.com

15. Voting through Electronic means:

I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on Tuesday, September 25, 2018 (9:00 am) and ends on Thursday, September 27, 2018 (5:00 pm). During this period, Members' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of September 21, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

V. The Members who have registered their email Id with the Company/RTA/Depository Participants will receive an email from NSDL while the Members who have not registered their email Id will receive a physical copy of Annual Report along with Attendance Slip of the 19th AGM wherein EVEN no, User ID and Password will be provide. The process and manner for remote e-voting is as under:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1: Log-in to NSDL e-Voting website is mentioned below:

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2: Cast your vote electronically on NSDL e-Voting system is given below:

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bhattvirendra1945@gmail.com or bhattvirendra1945@yahoo.co.in with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

VI. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

VIII. The voting rights of Members shall be in proportion to their shares of the paid up Equity Share Capital of the Company as on the cut-off date of September 21, 2018.

IX. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. August 17, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or rnt.helpdesk@linkintime.co.in.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

X. A Member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XI. A person, whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XII. Mr. Virendra G. Bhatt, Practicing Company Secretary, (C.P. No.124) has been appointed for as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Polling Paper" for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XIV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.compuageindia.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LODR) REGULATIONS, 2015:

Pursuant to Section 152(6) of the Companies Act, 2013, Mr. Bhavesh H. Mehta (DIN: 00740861) is liable to retire by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible offers himself for re-appointment. Re-appointment at the AGM as a Director retiring by rotation would not constitute break in his appointment as Whole-time Director.

Mr. Bhavesh H. Mehta, aged 45 is a Whole-Time Director at Compuage Infocom Limited (hereinafter referred to as "CIL"). He is a M. Com Graduate holding Master's degree in Commerce with a specialization in marketing with expertise in the areas of Operations and Supply Chain Management. He joined CIL in October 2000 and has experience of more than 21 years in the IT Distribution Business. He has been a part of the core team and key managerial person that has enabled CIL to expand over the years.

In his long career with CIL since joining in the year 2000, apart from being responsible for Operations & Supply Chain Management, he advises on Business and Sales Strategies which leads to the company's growth. He has taken many challenging roles and responsibilities for driving growth in the company which includes constant endeavor to improve the systems and process, enhancing productivity and bringing new relationships on the table for the Company.

Companies (other than Compuage Infocom Limited) in which Mr. Bhavesh H. Mehta holds Directorship and Committee membership.

Directorship

He does not act as a Director on the Board of any other company.

Chairperson of Board Committees

None

Member of Board Committees

Corporate Social Responsibility Committee of Compuage Infocom Limited.

Shareholding in the Company

As on March 31, 2018, Mr. Bhavesh H. Mehta holds 14243880 Equity Shares of the Company.

In view of the above, the Board recommends his re-appointment.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

ITEM NO. 5:

Securities and Exchange Board of India vide its notification dated 9th May 2018 amended sub-regulation 6, of Regulation 17 of Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) (Amendment) Regulations, 2018 by inserting new clause (e).

As per the amendment, if the aggregate annual remuneration payable to more than one Executive Director who belongs to the Promoter or is a Member of the Promoter Group, exceeds 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 then approval of the Shareholders by way of Special Resolution is required. Such approval of the Shareholders under this provision shall be valid only till the expiry of the term of such Director. The said amendment shall come into force with effect from April 1, 2019.

The Company sought Members approval at the 18th Annual General Meeting of the Company for re-appointment of Mr. Atul Mehta, Managing Director and Mr. Bhavesh Mehta, Whole-time Director with annual remuneration of ₹168.00 Lakhs each, aggregating to ₹336.00 Lakhs, for a tenure of 3 (three) year commencing from September 8, 2017 to September 7, 2020 and October 18, 2017 to October 17, 2020, respectively.

As on March 31, 2018, 5% the Net Profit calculated as per Section 198 of the Companies Act, 2013, comes to ₹176.87 Lakhs. Since, the annual remuneration payable to Executive Directors i.e. Mr. Atul Mehta, Managing Director and Mr. Bhavesh Mehta, Whole-time Director, exceeds 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013, it is necessary to obtain approval of the Members.

In view of the above, the Board recommends the Special Resolution at item no.5 as set in the accompanying notice for the approval of Members.

Except Mr. Atul Mehta and Mr. Bhavesh Mehta, none of Directors/Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in this resolution.

By order of the Board
For **Compuage Infocom Limited,**

Sd/-
Disha Shah
Company Secretary

Place: Mumbai
Date: August 10, 2018

ROUTE MAP

Source: Google Map

Speed
Reliability
Value Performance

COMPUAGE INFOCOM LIMITED

E-COMMUNICATION REGISTRATION FORM

To,
LINK INTIME INDIA PRIVATE LIMITED
C 101, 247 Park,
L B S Marg, Vikhroli West,
Mumbai - 400 083.

REF: Green Initiative in Corporate Governance

Dear Sir/Madam,

I agree to receive all communication from the Company in electronic mode. Please register my e-mail id in your records for sending communication through e-mail.

Folio No. : ______________________________

DP ID : ______________________________

Client ID : ______________________________

PAN : ______________________________

Name of 1st Registered Holder : ______________________________

Name of Joint Holder(s) : ______________________________

Registered Address : ______________________________

E-mail ID : ______________________________

Date : ______________________________

Signature of the first holder : ______________________________

Important Notes:
1) On registration, all the communication will be sent to the e-mail ID registered in the Folio/DP ID & Client ID.
2) The form is also available on the website of the Company www.compuageindia.com
3) Shareholders are also requested to keep RTA informed as and when there is any change in the e-mail address.

Unless the email Id given above is changed by you by sending another communication in writing, the RTA will continue to send the notices/documents to you on the above mentioned e-mail ID.

Speed
Reliability
Value Performance

COMPUAGE INFOCOM LIMITED

CIN: L99999MH1999PLC135914
Regd Office: D-601/602 & G-601/602, Lotus Corporate Park, Graham Firth Steel Compound, Western Express Highway, Goregaon (East), Mumbai – 400 063.
Tel: 022-6711 4444. Fax: 022-6711 4445
Email: investors.relations@compuageindia.com | website: www.compuageindia.com

ATTENDANCE SLIP

(To be presented at the entrance)
Annual General Meeting of the Company held on Friday, 28th September 2018 at 10.00 a.m.
at Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Mumbai- 400034.

Folio No. : ______________________________

DP ID : ______________________________

Client ID : ______________________________

Name of the Member : ______________________________

Signature of the Member : ______________________________

Name of the Proxyholder : ______________________________

Signature of the Proxyholder : ______________________________

Notes:
1. Only Member/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.

Speed
Reliability
Value Performance

COMPUAGE INFOCOM LIMITED

CIN: L99999MH1999PLC135914
Regd Office: D-601/602 & G-601/602, Lotus Corporate Park, Graham Firth Steel Compound, Western Express Highway, Goregaon (East), Mumbai – 400 063.
Tel: 022-6711 4444. Fax: 022-6711 4445
Email: investors.relations@compuageindia.com | website: www.compuageindia.com

Form No. MGT-11
Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	:	L99999MH1999PLC135914
Name of the Company	:	COMPUAGE INFOCOM LIMITED
Registered office	:	D-601/602 & G-601/602, Lotus Corporate Park, Graham Firth Steel Compound, Western Express Highway, Goregaon (East), Mumbai – 400 063.

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 above mentioned Company, hereby appoint

1. Name : ______________________________
   Address : ______________________________
   E-mail Id : ______________________________
   Signature : ______________________________, or failing him/her
2. Name : ______________________________
   Address : ______________________________
   E-mail Id : ______________________________
   Signature : ______________________________, or failing him/her
3. Name : ______________________________
   Address : ______________________________
   E-mail Id : ______________________________
   Signature : ______________________________, or failing him/her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Nineteenth Annual General Meeting of the Company, to be held on Friday, 28th day of September 2018 at 10:00 am at Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Mumbai- 400034 thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Resolution No.	Particulars of resolution
1.	To receive, consider and adopt the Audited Financial Statements for the year ended March 31, 2018
2.	To declare a dividend on Equity Shares
3.	To appoint a Director in place of Mr. Bhavesh H. Mehta (DIN: 00740861), who retires by rotation and being eligible, offers himself for re-appointment
4.	To appoint Branch Auditors and fix their remuneration.
5.	To approve the aggregate annual remuneration payable to the Promoter-Executive Directors/ Members of the Promoter Group exceeding 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013.

Signed this ______________________ day of ____________ 2018

Signature ______________________________

Signature of Proxy holder ______________________________

Affix a
One Rupee
Revenue
Stamp

Note:

This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

If undelivered, please return to:

COMPUAGE INFOCOM LIMITED

CIN: L99999MH1999PLC135914

Regd. Office: D-601/602 & G-601/602, Lotus Corporate Park,

Graham Firth Steel Compound, Western Express Highway,

Goregaon (East), Mumbai – 400 063.

Tel.: 022-6711 4444. Fax: 022-6711 4445

Email: investors.relations@compuageindia.com

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