

**SILVER TOUCH TECHNOLOGIES LIMITED**

**REGD. OFFICE**

**2nd FLOOR, SAFFRON BUILDING, NR.  
PANCHVATI CIRCLE, AMBAWADI,  
AHMEDABAD : 380 006.**

**AUDITORS**

**PRIYAM R SHAH & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

**Behind Handloom House,  
Near Gandhi Gram Station,  
Navrangpura,  
Ahmedabad-380009**

**CONSOLIDATED ANNUAL REPORT  
FOR THE YEAR ENDED 31/03/2018**

# ***Priyam R. Shah & Associates***

**CHARTERED ACCOUNTANTS**

202, Pelican, Gujarat Chamber of Commerce Compound, Ashram Road, Ahmedabad-380 009.

Tel (O) 079-40042700-01-02-03 • E-mail : rmshah@rmshah.net



## **INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS TO THE MEMBERS OF M/s. SILVER TOUCH TECHNOLOGIES LIMITED**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of M/s. SILVER TOUCH TECHNOLOGIES LIMITED ("the Holding Company") and its subsidiaries ("the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit & Loss and Consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

The Holding 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 consolidated financial statements that give a true and fair view of the financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the consolidated financial statements 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 managements, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the Information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2018;
- (b) In the case of the consolidated Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) In the case of consolidated Cash flow statement, of the cash flows for the year ended on that date.

### Other Matters

- (a) Consolidated Financials have been prepared on the basis of consolidating financials of following five subsidiaries / JVs:

Sr. No.	Name of Subsidiary	Country of Inc	Extent of Holding
1	Silver Touch Technologies (UK) Ltd	UK	100%
2	Silver Touch Technologies Inc.	USA	100%
3	Shark Identity Pvt Ltd	India	49%
4	Silver Touch Technologies SAS	France	50%
5	Start-N-Excel (Partnership Firm)	India	70%

We did not audit the financial statement of above mentioned subsidiaries / JVs whose financial statements reflect total assets of Rs 11742087 as at 31st March 2018 , total revenues from operations of Rs.78763568 for the year ended on that date, as considered in the consolidated financial statements.

Financial Statements of one of the subsidiary, Lime Software (UK) Ltd has not been considered as details of the same not available with management.

These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries / JVs, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries / JVs, is based solely on such unaudited financial statements.

- (b) Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements / financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As acquired by section 143(3) of the Act, we report that:

- a. We have obtain 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated cash flow statement dealt with by this report are in agreement with the books of account;



- d. In our opinion, the aforesaid Consolidated financial statements, comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors of the Holding Company as on 31st March 2018, and taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31st March 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";
- 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 There is no pending litigation that may have impact on its financial statements except pending Income Tax appeals as mentioned in Note 26 to Notes on accounts;
  - ii The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii There is no amount to be transferred to Investors Education Protection Fund by the Holding Company.

**For PRIYAM R SHAH & ASSOCIATES**

**Chartered Accountants**

**Firm Reg. No. : 118421W**

*Mitesh*



**CA Mitesh M Nagar**

**Partner**

**M.No. 173787**

**Ahmedabad**

**25/05/2018**



**Priyam R. Shah & Associates**

**CHARTERED ACCOUNTANTS**

202, Pelican, Gujarat Chamber of Commerce Compound, Ashram Road, Ahmedabad-380 009.  
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Annexure A

## **INDEPENDENT AUDITORS' REPORT ON INTERNAL FINANCIAL CONTROL**

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

- 1 We have audited the internal financial controls over financial reporting of Silver Touch technologies Limited (Holding Company) as at 31st March 2018 in conjunction with our audit of the Balance Sheet, Statement of Profit & loss, Cash Flow statement & notes forming part of financial statement.

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

- 2 Management is responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the 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, 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 by The Companies Act, 2013 ('the Act').

### **Auditor's Responsibility**

- 3 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 and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
- 4 Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
- 5 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

6 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. 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

7 In our opinion, 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 31st March, 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.

**For PRIYAM R SHAH & ASSOCIATES**

**Chartered Accountants**

**Firm Reg. No. : 118421W**

 

**CA Mitesh M Nagar**

**Partner**

**M.No. 173787**

**Ahmedabad**

**25/05/2018**

**SILVER TOUCH TECHNOLOGIES LIMITED**  
CIN-U72200GJ1995PLC024465

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st March 2018**

(Amount in ₹.)

PARTICULARS	31st March 2018		2016-17	
<b>A. Cash Inflow/(outflow) from the operating activities</b>				
Net profit before Tax and Prior Period Adjustments		13,52,18,513		5,96,68,325
Adjustments for:				
Depreciation	2,63,59,038		2,85,25,383	
Interest paid	82,74,093		2,14,12,225	
Profit/(loss) from start n excel	8,46,639			
Interest Income	(79,94,949)		(63,77,626)	
Provision of Gratuity payable	7,46,061		(20,00,508)	
(Profit)/Loss on sale of Assets	-		-	
Provision for CSR Expenditure	-1,94,419	2,80,36,462	30,000	4,15,89,474
<b>Operating Profit before working capital changes</b>		<b>16,32,54,975</b>		<b>10,12,57,800</b>
Adjustment for (Increase)/Decrease in Working Capital :				
Inventories	(1,36,01,320)		3,93,46,949	
Receivables	(30,22,01,885)		26,67,44,556	
Direct Tax paid	(1,79,17,008)		(2,01,87,929)	
Other Non Current Asset	(63,15,424)		1,55,50,704	
Loans & Advances	(1,82,72,969)		(2,72,101)	
Current Liabilities & Provisions	27,84,64,877	(7,98,43,729)	(27,70,38,991)	2,41,43,189
<b>Net cash Inflow/(outflow) from operating activities (A)</b>		<b>8,34,11,246</b>		<b>12,54,00,989</b>
<b>B. Cash Inflow/(outflow) from investing activity</b>				
Investments	(1,44,650)		(1,63,394)	
Purchase of Assets	(2,37,74,780)		(3,23,22,209)	
Sale of Fixed Assets	-		-	
<b>Net cash inflow/(outflow) from Investing activity (B)</b>		<b>(2,39,19,430)</b>		<b>(3,24,85,603)</b>
<b>C. Cash inflow/(outflow)from financing activity</b>				
Secured Loans Availed/(Paid)	(12,82,42,033)		(6,94,33,013)	
Unsecured Loans Availed/(Paid)	(95,38,691)		15,32,326	
Equity Shares Issued	1,40,50,000		-	
Security Premium on Equity Issue	14,05,00,000		-	
Interest Income	79,94,948		63,77,626	
Interest Paid	(82,74,093)		(2,14,12,225)	
Interim Dividend and Tax thereon	-		(33,67,004)	
<b>Net cash Inflow/(outflow) from Financing activity (C)</b>		<b>1,64,90,131</b>		<b>(8,63,02,290)</b>
<b>Net Cash changes In cash and cash equivalent (A+B+C)</b>		<b>7,59,81,947</b>		<b>66,13,096</b>
<b>Cash &amp; Cash Equivalent at the beginning of the Period</b>		<b>6,16,54,393</b>		<b>5,50,41,296</b>
<b>Cash &amp; Cash Equivalent at the end of the Period</b>		<b>13,76,36,340</b>		<b>6,16,54,393</b>
<b>Net Increase In cash and cash equivalent</b>		<b>7,59,81,947</b>		<b>66,13,096</b>

**Note:**

1. The Cash Flow Statement has been prepared under the Indirect Method as set out in AS-3 on Cash Flow Statement notified by Companies(Accounting Standards)Rules, 2006.

2. Figures In bracket represent Outflow of cash.

As Per our report of even date

For **PRIYAM R SHAH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No. : 118421W

*Mitesh*  
**CA Mitesh M Nagar**  
**PARTNER**  
**M.No. 173787**



**Ahmedabad**  
**25/05/2018**

For and on behalf of Board of Directors

*Vipul Thakkar*  
**Vipul Thakkar**  
**Chairman & Managing Director**  
**DIN - 00169358**

*Dipesh Solanki*  
**Dipesh Solanki**  
**Company Secretary**

*Jignesh Patel*  
**Jignesh Patel**  
**Director**  
**DIN - 00170562**

*Palak Shah*  
**Palak Shah**  
**CFO cum Director**  
**DIN - 00306082**



**SILVER TOUCH TECHNOLOGIES LIMITED**

CIN-U72200GJ1995PLC024465

**CONSOLIDATED BALANCE SHEET AS ON 31st March 2018**

Particulars		Note No.	31st March 2018	31st March 2017
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
(a)	Share capital	2	12,59,50,000	5,59,50,000
(b)	Reserves and surplus	3	52,50,25,058	36,48,46,732
<b>2</b>	<b>Non-current liabilities</b>			
(a)	Long-term borrowings	4	1,17,99,456	3,06,46,297
(b)	Deferred tax liabilities (Net)		89,24,338	80,29,328
(c)	Other Long term liabilities	5	57,27,470	53,07,849
<b>3</b>	<b>Current liabilities</b>			
(a)	Short-term borrowings	6	(1,06,732)	11,92,46,772
(b)	Trade payables	7	30,03,69,356	5,57,83,269
(c)	Other current liabilities	8	11,66,60,997	8,27,82,208
(d)	Short-term provisions	9	7,79,06,094	3,57,29,645
<b>TOTAL</b>			<b>1,17,22,56,038</b>	<b>75,83,22,100</b>
<b>II.</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
<b>1</b>	<b>(a) Fixed assets</b>	10		
(i)	Tangible assets		16,14,40,931	16,63,20,891
(ii)	Intangible assets		14,32,433	16,26,221
(iii)	Capital work-in-progress		24,89,490	-
(b)	Non-current investments	11	4,02,569	2,57,919
(c)	Long-term loans and advances	12	4,20,75,983	3,07,99,191
(d)	Other non-current assets	13	3,73,38,183	3,10,22,759
<b>2</b>	<b>Current assets</b>			
(a)	Inventories	14	3,01,11,389	1,65,10,069
(b)	Trade receivables	15	64,47,29,764	34,25,27,879
(c)	Cash and Bank Balances	16	13,76,36,340	6,16,54,393
(d)	Short-term loans and advances	17	11,45,98,956	10,76,02,779
<b>TOTAL</b>			<b>1,17,22,56,038</b>	<b>75,83,22,100</b>
Notes on Accounts		1		

As per our report of even date  
**For PRIYAM R SHAH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No. : 118421W

For and on behalf of Board of Directors

*Mitesh*  


**CA Mitesh M Nagar**  
**PARTNER**  
M.No. 173787

**Ahmedabad**  
**25/05/2018**

*Vipul Thakkar*  
**Vipul Thakkar**  
**Chairman & Managing Director**  
DIN - 00169558

*Dipesh Solanki*  
**Dipesh Solanki**  
**Company Secretary**

*Jignesh Patel*  
**Jignesh Patel**  
**Director**  
DIN - 00170562

*Palak Shah*  
**Palak Shah**  
**CFO cum Director**  
DIN - 00306082



# SILVER TOUCH TECHNOLOGIES LIMITED

CIN-U72200GJ1995PLC024465

## CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31st March 2018

(Amount in ₹)

Particulars		Note No.	2017-18	2016-17
<b>I. Revenue from operations</b>		18		
Sales & Operational Revenue			1,94,84,72,983	1,32,10,56,675
Less:				
Service Tax			2,77,02,526	9,14,18,357
GST			19,71,92,579	-
			1,72,35,77,878	1,22,96,38,318
<b>II. Other income</b>		19	93,12,787	1,26,63,012
<b>III. Total Revenue (I + II)</b>			1,73,28,90,665	1,24,23,01,330
<b>IV. Expenses:</b>				
Purchases of Stock-in-Trade & Services		20	88,88,57,017	45,42,61,782
Changes in inventories of Stock-in-Trade		21	(1,36,01,320)	3,93,46,949
Employee benefits expense		22	57,52,09,926	45,90,34,989
Finance costs		23	1,38,77,914	3,15,97,549
Depreciation and amortization expense			2,63,59,038	4,40,76,087
Operations & Other Expenses		24	10,69,69,577	15,43,15,649
<b>Total expenses</b>			1,59,76,72,152	1,18,26,33,004
<b>V Profit before tax (III- IV)</b>			13,52,18,513	5,96,68,325
<b>VI Tax expense:</b>				
(1) Current tax			5,22,00,000	1,81,83,839
(2) Deferred tax			9,03,608	(1,50,911)
(3) Prior Period Tax Adjustment			-2,58,753	11,27,213
			5,28,44,855	1,91,60,141
<b>VII Profit/(Loss) for the period (V - VI)</b>			8,23,73,658	4,05,08,184
<b>VIII Earnings per equity share (Face Value ₹ 10 per share)</b>				
(1) Basic			6.79	3.62
(2) Diluted			6.79	3.62
Notes on Accounts		1		

As per our report of even date  
For **PRIYAM R SHAH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No. : 118421W

  
CA Mitesh M Nagar  
PARTNER  
M.No. 173787

Ahmedabad  
25/05/2018

For and on behalf of Board of Directors

  
Vipul Thakkar  
Chairman & Managing Director  
DIN - 00169558

  
Dipesh Solanki

Company Secretary

  
Jignesh Patel  
Director  
DIN - 00170562

  
Palak Shah

CFO cum Director  
DIN - 00306082

**Notes forming Part of accounts:**

**Note 1 SIGNIFICANT ACCOUNTING POLICIES**

**i) Basis Of Accounting :**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis of accounting. The company is a Large Company as defined in the general instruction in respect of accounting standards notified under the Companies Act, 2013. Accordingly, the company has complied with the accounting standards as applicable to a Large Company.

**ii) Principles of consolidation :**

The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Company.

The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Inter-company balances and transactions and unrealised profits or losses have been fully eliminated.

Financials for following Subsidiaries have been consolidated in attached consolidated financial statements:

Sr. No.	Name of Subsidiary /JV	Country	Extent of Holding
1	Silver Touch Technologies (UK) Ltd	UK	100%
2	Silver Touch Technologies Inc	USA	100%
3	Shark Identity Pvt Ltd	India	49%
4	Silver Touch Technologies SAS	France	50%
5	Start-N-Excel	India	70%

**iii) Use of Estimates :**

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**iv) Fixed assets & Depreciation :**

Fixed Assets are stated at cost less accumulated depreciation.

In case of Holding company, depreciation is provided on fixed assets used during the year as per Straight Line Method on the basis of useful life of assets and residual value as specified in schedule II of the Companies Act, 2013 except on few assets, where different life has been estimated by the management.



Depreciation on additions or sale/discard of asset is being provided on pro-rata basis from the date on which such asset is ready to be put to use to date of sale/discard.

**v) Inventories :**

Inventories are valued at cost or net realizable value, whichever is lower. The cost is ascertained using FIFO method.

**vi) Investments :**

Investments are classified as Current Investments and non-current Investments. The investments that are readily realizable and intended to be held for not more than a year are classified as current investments. Current Investments are stated at lower of cost and net realizable value. A provision for diminution is made to recognize a decline, other than temporary, in the value of Non-current Investments.

**vii) Revenue Recognition :**

Revenue from the sale of equipment / computers are recognised upon delivery, which is when title passes to the customer. Sales are stated net of returns, & Sales Tax/VAT/GST.

Revenue from sale of software licences are recognised upon delivery.

Revenue from service contracts are recognised when services are rendered, related costs are incurred and its realisation is certain.

Interest Income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

**viii) Employee Benefits :**

**Gratuity**

The company does not have any defined benefit scheme for its employees. The company makes provision for the gratuity for the current financial year by debiting the same as an expense under the head Payments made to personnel. Company obtained actuarial valuation report to arrive at the amount of provision required for Gratuity. However, as far as employees of subsidiary companies are concerned the same are not included in Actuary Valuation report taken by Holding Company.

**Provident Fund & ESI Scheme**

The contribution to Provident Fund & Employees State Insurance Scheme is provided for and payments in respect thereof are made to relevant authorities on actual basis which is charged to Statement of profit and loss.

The company does not have any other scheme of short term or long term retirement benefits.

**ix) Leases :**

Assets taken on lease by the Group in its capacity as lessee, where the Group has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.





**x) Impairment of Assets :**

An asset is considered as impaired in accordance with Accounting Standard 28 on impairment of Assets when at balance sheet date there are indications of impairment and the carrying amount of the asset exceeds its recoverable amount. The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the statement of profit and loss.

**xi) Earning per Share :**

The company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year.

**xii) Provisions, Contingent Liabilities and Contingent Assets :**

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the accounts by way of a note. Contingent assets are neither recognized nor disclosed in the financial statements.

**xiii) Foreign Currency Transactions :**

All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions taken place. Exchange differences arising on foreign currency transactions are recognized as income or expense in the period in which they arise. Company maintains EEFC Account with various Banks. Periodically, at the time of conversion of foreign currency from EEFC Account to INR, company takes into consideration the bank rate prevailing on that particular day and exchange difference, if any, arises are recognized as income or expense in the statement of profit & loss.

**xiv) Taxes on Income :**

Provision for tax is made for both current and deferred taxes. Current tax is provided on the Taxable income using the applicable tax rates and tax laws. Deferred tax liabilities arising on account on timing differences, which is capable of reversal in subsequent periods are recognized using tax rates and tax laws, which have been enacted or substantively enacted.

**xv) General :**

Accounting policies not specifically referred to are consistent with generally accepted accounting policies.



## NOTE 2 SHARE CAPITAL

Particulars	31/03/2018		31/03/2017	
	Number	Amount(In ₹)	Number	Amount(In ₹)
<b>Authorised</b> Equity Shares of ₹ 10 each	1,60,00,000	16,00,00,000	80,00,000	8,00,00,000
<b>Issued</b> Equity Shares of ₹ 10 each	1,25,95,000	12,59,50,000	55,95,000	5,59,50,000
<b>Subscribed &amp; Paid up</b> Equity Shares of ₹ 10 each	1,25,95,000	12,59,50,000	55,95,000	5,59,50,000
<b>Subscribed but not fully Paid up</b> Equity Shares of ₹ 10 each, not fully paid up	-	-	-	-
<b>Total</b>	<b>1,25,95,000</b>	<b>12,59,50,000</b>	<b>55,95,000</b>	<b>5,59,50,000</b>

## Reconciliation of Shares outstanding at the beginning and at the end of the year

Particulars	31/03/2018		31/03/2017	
	Number	Amount(In ₹)	Number	Amount(In ₹)
Shares outstanding at the beginning of the year	55,95,000	5,59,50,000	55,95,000	5,59,50,000
Shares Issued during the year	70,00,000	7,00,00,000	-	-
(Shares bought back during the year)	-	-	-	-
Shares outstanding at the end of the year	1,25,95,000	12,59,50,000	55,95,000	5,59,50,000

## Aggregate number of bonus shares issued and shares issued for consideration other than cash during the five years immediately preceding the reporting date

Particulars	Aggregate No. of Shares of last 5 years	Aggregate No. of Shares of last 5 years	Aggregate No. of Shares of last 5 years	Aggregate No. of Shares of last 5 years
	31.03.2018	31.03.2017	31.03.2016	31.03.2015 & 31.03.2014
Equity Shares : Fully paid up pursuant to consideration, without payment being received in cash	-	-	-	-
Fully paid up by way of bonus shares	55,95,000	-	-	-
Shares bought back	-	-	-	-

## Details of share holders holding more than 5% shares

	No. of shares & %age of Holding			
	31/03/2018		31/03/2017	
	Number of Share	% of Holding	Number of Share	% of Holding
Name of the Equity Share Holder				
MINESH VINODCHANDRA DOSHI	20,06,500	15.93	9,63,290	17.22
VIPUL HARIDAS THAKKAR	23,43,510	18.61	18,18,755	32.51
GAGANDEEP CREDIT CAPITAL PVT LTD	9,00,000	7.15		
JIGNESH AMRITLAL PATEL	23,09,710	18.34	18,01,855	32.20
PALAK VINUBHAI SHAH			3,92,600	7.02



## NOTE 3 RESERVES &amp; SURPLUS

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
<b>d. Securities Premium Account</b>		
Opening Balance		
Add : Securities premium credited on Share issue	14,05,00,000	-
Less : Premium Utilised for various reasons	-	-
Premium on Redemption of Debentures		
For Issuing Bonus Shares		
Closing Balance	14,05,00,000	-
<b>a. Revaluation Reserve</b>		
Opening Balance	3,86,30,648	3,86,30,648
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	3,86,30,648	3,86,30,648
<b>b.General Reserve</b>		
Opening Balance	5,00,00,000	4,50,00,000
(+) Current Year Transfer	-	50,00,000
(-) Written Back in Current Year	-	-
(-) Used for Bonus Shares	(2,00,00,000)	-
Closing Balance	3,00,00,000	5,00,00,000
<b>c. Surplus</b>		
<b>Profit &amp; Loss A/c</b>		
Opening balance	27,62,16,084	24,40,74,904
Add:		
Net Profit/(Net Loss) For the current year	8,32,20,297	4,05,08,184
Transfer from Reserves	-	-
(Less):		
Proposed/Interim Dividends	(62,97,500)	(27,97,500)
Tax on Proposed/Interim Dividends	(12,94,470)	(5,69,504)
Transfer to Reserves	-	(50,00,000)
(-) Used for Bonus Shares	(3,59,50,000)	-
Closing Balance	31,58,94,410	27,62,16,084
<b>Total</b>	<b>52,50,25,058</b>	<b>36,48,46,732</b>





## NOTE 4 LONG TERM BORROWINGS

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
<b>Secured</b>		
<b>(a) Term loans</b>		
<b>From Banks</b>		
SBI Car Loan Acct-Mercedes Benz (Secured by Hypothication of Mercedes Benz Car) (Repayable in 84 Monthly Installment)	-	7,47,012
SBI Car Loan Acct-Honda City (Secured by Hypothication of Honda City) (Repayable in 84 Monthly Installment)	-	3,84,054
SBI Car Loan Maruti Wagon-R (Secured by Hypothication of Wagon R) (Repayable in 84 Monthly Installment)	-	1,59,563
SBI Car Loan Acct-Honda Mobilio (Secured by Hypothication of Honda Mobilio) (Repayable in 84 Monthly Installment)	3,05,575	4,20,385
SBI Car Loan Acct-Grand I10 (Secured by Hypothication of Grand I10) (Repayable in 84 Monthly Installment)	-	2,17,089
SBI Car Loan Acct-Honda City- 2 (Secured by Hypothication of Honda City) (Repayable in 60 Monthly Installment)	4,14,842	5,99,703
<b>From Others</b>		
Loan from CISCO Finance (Secured by Hypothication of Computers, Network Equipments etc. (Repayable in 18 Quarterly Installments)	-	36,81,935
<b>(b) Long term maturities of finance lease obligations</b>		
Finance Lease From Cisco Finance	-	93,08,761
	7,20,417	1,55,18,502
<b>Unsecured</b>		
<b>(a) Loans and advances from related parties</b>		
From Directors (Out of the above loan Rs 1.06crore is fixed as per the Bank of India	1,10,79,039	1,12,88,980
<b>(b) Other loans and advances</b>		
Loan from CISCO Finance	-	38,38,815
	1,10,79,039	1,51,27,795
<b>Total</b>	<b>1,17,99,456</b>	<b>3,06,46,297</b>

## NOTE 5 OTHER LONG TERM LIABILITIES

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
<b>(a) Others</b>		
E-Mitra (Refundable SD)	23,42,470	20,82,839
UID (Refundable SD)	14,00,000	14,00,000
Staff Deposites	19,85,000	18,25,010
<b>Total</b>	<b>57,27,470</b>	<b>53,07,849</b>



## NOTE 6 SHORT TERM BORROWINGS

Particulars	31/03/2018 Amount(In ₹)	31/03/2017 Amount(In ₹)
<b>Secured</b>		
(a) Loans repayable on demand		
From Banks		
Bank Of India No.28 (Sec. against Hypo. Of Stock)	-	11,34,43,948
Bank Of India No.29 (Sec. against Hypo. Of Debts)	-	-
(The working capital facilities from Bank of India are secured by first charge by way of hypothecation on all the inventories and book debts of the company and further secured by personal guarantee of four directors of the company to secure all the facilities of Bank of India)		
<b>Unsecured</b>		
(a) Loans repayable on demand		
From Others		
L & T FINANCE	-	49,29,881
(b) Loans and advances from related parties	(1,06,732)	8,72,943
	(1,06,732)	58,02,824
<b>Total</b>	<b>(1,06,732)</b>	<b>11,92,46,772</b>

## NOTE 7 TRADE PAYABLES

Particulars	31/03/2018 Amount(In ₹)	31/03/2017 Amount(In ₹)
Due to Micro, Small & medium Enterprises		
Due to Others	30,03,69,356	5,57,83,269
<b>Total</b>	<b>30,03,69,356</b>	<b>5,57,83,269</b>

## NOTE 8 OTHER CURRENT LIABILITIES

Particulars	31/03/2018 Amount(In ₹)	31/03/2017 Amount(In ₹)
(a) Current maturities of long-term debt		
SBI Car Loan Acct-Mercedes Benz	-	6,07,200
SBI Car Loan Acct-Honda City	-	1,64,400
SBI Car Loan Maruti Wagon-R	-	64,800
SBI Car Loan Acct-Honda Mobilio	1,64,400	1,64,400
SBI Car Loan Acct-Grand i10	-	1,02,000
SBI CAR LOAN ACCT-HONDA CITY- 2	2,54,400	2,54,400
Loan From CISCO Finance (Secured)	-	17,51,017
Loan From CISCO Finance (Unsecured)	48,84,350	54,82,032
BOI Car Loan Acct 200460510000143- Renault Scala	-	1,14,406
BOI Car Loan Acct- 200460510000148 -Maruti Cargo	-	47,631
(b) Current maturities of finance lease obligations		
Finance Lease from CISCO Finance	93,08,759	1,02,77,017
(c) Other payables		
Creditors for Expenses	10,69,395	6,42,099
Advance from Customer	1,95,02,427	47,15,765
Other Dues	5,36,83,130	4,24,11,188
Staff Dues	22,06,646	59,54,215
Bank OD	28,715	-
Government Dues	2,55,58,776	1,00,29,638
<b>Total</b>	<b>11,66,60,997</b>	<b>8,27,82,208</b>



## NOTE 9 SHORT TERM PROVISIONS

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
<b>(a) Provision for employee benefits</b>		
Gratuity (Unfunded)	1,71,79,466	1,64,33,405
<b>(b) Others</b>		
Provision for Taxation	5,21,99,077	1,81,66,240
Provision for Proposed Dividend	62,97,500	-
Provision for Dividend Distribution Tax	12,94,470	
Provision for CSR Expenditure	9,35,581	11,30,000
<b>Total</b>	<b>7,79,06,094</b>	<b>3,57,29,645</b>





## SILVER TOUCH TECHNOLOGIES LIMITED (For the year ended 31st March 2018)

## NOTE 10 FIXED ASSET

Fixed Assets	Gross Block							Accumulated Depreciation						Net Block		
	Balance as at 01/04/2017	Additions	(Disposals)	Transfer to Other Non Current Asset	Acquired through business combinations	Addition / (Deduction) due to Capital Reduction/Revaluations/ (Impairments)	Balance as at 31/03/2018	Balance as at 01/04/2017	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Transitional Entry	Transfer to Other Non Current Asset	Balance as at 31/03/2018	Balance as at 31/03/2018	Balance as at 31/03/2017
<b>a Tangible Assets</b>																
Buildings	10,53,60,918	11,85,100	-	-	-	-	10,65,46,018	93,59,885	20,15,688	-	-	-	-	1,32,49,689	9,32,96,329	9,41,26,917
Plant and Equipment	22,20,05,322	1,11,87,149	-	-	-	-	23,31,92,471	15,57,45,191	1,77,59,289	-	-	-	-	19,41,77,847	3,90,14,624	4,55,86,764
Furniture and Fixtures	3,00,10,378	9,43,423	-	-	-	-	3,09,53,801	1,05,49,714	36,67,467	-	-	-	-	1,74,84,433	1,34,69,369	1,61,93,413
Vehicles	1,04,70,844	-	-	-	-	-	1,04,70,844	35,62,288	11,37,515	-	-	-	-	58,26,488	46,44,356	57,81,871
Office equipment	1,19,06,184	76,86,048	-	-	-	-	1,95,92,232	61,67,126	13,81,721	-	-	-	-	85,75,960	1,18,16,253	46,31,925
<b>Total(a)</b>	<b>37,97,53,642</b>	<b>2,10,01,720</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,07,55,367</b>	<b>18,53,84,204</b>	<b>2,58,81,680</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,93,14,435</b>	<b>16,14,40,931</b>	<b>16,63,20,891</b>
<b>b Intangible Assets</b>																
Brands /trademarks	7,840	-	-	-	-	-	7,840	-	-	-	-	-	-	-	7,840	7,840
Computer software	75,71,981	2,83,570	-	-	-	-	84,05,466	60,26,684	4,77,358	-	-	-	-	69,80,873	14,32,433	16,18,381
<b>Total(b)</b>	<b>75,78,821</b>	<b>2,83,570</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84,13,306</b>	<b>60,26,684</b>	<b>4,77,358</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,80,873</b>	<b>14,32,433</b>	<b>16,26,221</b>
<b>c Capital Work In Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Ratnoki RTO Track	-	24,89,490	-	-	-	-	24,89,490	-	-	-	-	-	-	-	24,89,490	-
<b>Total (c+d)</b>	<b>-</b>	<b>24,89,490</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,89,490</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,89,490</b>	<b>-</b>
<b>Total (a+b)</b>	<b>38,73,33,468</b>	<b>2,37,74,780</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,16,58,163</b>	<b>19,14,10,889</b>	<b>2,63,59,038</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,62,95,309</b>	<b>16,53,62,854</b>	<b>16,79,47,112</b>



## SILVER TOUCH TECHNOLOGIES LIMITED (F.Y. 2017-18)

## NOTE 11 NON CURRENT INVESTMENT

	Particulars	31/03/2018	31/03/2017
		Amount(In ₹)	Amount(In ₹)
<b>A</b>	<b>Other Investments</b>		
	(a) Investment in Equity Instruments	49,075	49,475
	(b) Other non-current investments	3,47,530	2,02,480
	(c) Goodwill on Consolidation	5,964	5,964
	<b>Total (B)</b>	<b>4,02,569</b>	<b>2,57,919</b>
	<b>Grand Total (A)</b>	<b>4,02,569</b>	<b>2,57,919</b>
	Less : Provision for diminution in the value of Investments	-	-
	<b>Total</b>	<b>4,02,569</b>	<b>2,57,919</b>

Particulars	31/03/2018	2016-17
	Amount(In ₹)	Amount(In ₹)
Aggregate amount of quoted investments (Market value of ₹ 0 (Previous Year ₹ 0))	-	-
Aggregate amount of unquoted investments	49,075	49,475

A. Details of Other Investments										
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV / Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)	
			2017-18	2016-17			2017-18	2016-17	2017-18	2016-17
1	2	3	4	5	6	7	8	9	10	11
(a)	<b>Investment in Equity Instruments</b>									
	Share of Drive in Ch Association	Other	-	-	Unquoted	Fully paid			100	100
	Share of Nutan Naq. Shah bank	Other	-	-	Unquoted	Fully paid			-	400
	Lime Software (JV UK)	JV	500	500	Unquoted	Fully paid			48,975	48,975
	<b>Total</b>								<b>49,075</b>	<b>49,475</b>
(b)	<b>Other non-current investments</b>									
	Investment in Gold	Other	-	-	Unquoted	--N.A.--			27,520	27,520
	GOLD BOND WITH BOI	Other	-	-	-	--N.A.--			3,20,010	1,74,960
	<b>Total</b>								<b>3,47,530</b>	<b>2,02,480</b>
(c)	<b>Goodwill on Consolidation</b>								<b>5,964</b>	<b>5,964</b>
	<b>Total</b>								<b>4,02,569</b>	<b>2,57,919</b>



**NOTE 12 LONG TERM LOANS & ADVANCES**

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
<b>a. Security Deposits</b>		
Unsecured, considered good	4,20,75,983	3,07,99,191
<b>Total</b>	<b>4,20,75,983</b>	<b>3,07,99,191</b>

**NOTE 13 OTHER NON CURRENT ASSETS**

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
Unamortised Cost of Facility - UTWAN Project (See Note 31)	3,73,38,183	3,10,22,759
<b>Total</b>	<b>3,73,38,183</b>	<b>3,10,22,759</b>

**NOTE 14 INVENTORIES**

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
a. Stock In Trade	3,01,11,389	1,65,10,069
<b>Total</b>	<b>3,01,11,389</b>	<b>1,65,10,069</b>

**NOTE 15 TRADE RECEIVABLES**

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	21,49,14,012	6,16,47,124
Unsecured, considered doubtful	-	-
	<b>21,49,14,012</b>	<b>6,16,47,124</b>
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	42,98,15,752	28,08,80,755
Unsecured, considered doubtful	-	-
	<b>42,98,15,752</b>	<b>28,08,80,755</b>
<b>Total</b>	<b>64,47,29,764</b>	<b>34,25,27,879</b>

**NOTE 16 CASH & BANK BALANCES**

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
<b>a. Cash &amp; Cash Equivalents</b>		
i) Cash on hand	12,31,992	9,69,166
<b>b. Other Bank balances</b>		
Bank Balances	1,38,69,073	65,56,111
Other Bank Balance	6,08,86,125	
(Includes Bank Of India No. 28 The working capital facilities from Bank of India are secured by first charge by way of hypothecation on all the inventories and book debts of the company and further secured by personal guarantee of four directors of the company to secure all the facilities of Bank of India)		
Bank Deposits		
Deposits with less than 12 months maturity	5,82,49,150	4,65,79,357
Deposits with more than 12 months maturity	34,00,000	75,49,758
(This includes ₹ 5,79,39,115/- (Previous Year ₹ 5,41,29,115/-) as security against guarantees)		
<b>Total</b>	<b>13,76,36,340</b>	<b>15,16,54,393</b>





## NOTE 17 SHORT TERM LOANS &amp; ADVANCES

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
<b>a. Loans and advances to related parties</b>		
Unsecured, considered good		
Directors		
Other officers of the Company		
Firm in which director is a partner		
Private Company in which director is a member or director	-	4,92,100
	-	4,92,100
<b>b. Others</b>		
Unsecured, considered good		
Balance with Government	6,55,31,277	6,53,31,759
Advance to Staff	25,78,693	58,14,800
Advance to Supplier	73,23,566	60,00,674
Prepaid Expenditure	8,62,423	-
Others	3,85,56,947	2,99,63,444
Other Profit/(Loss) from Start-N-Excel	(2,53,950)	-
	11,45,98,956	10,71,10,679
<b>Total</b>	<b>11,45,98,956</b>	<b>10,76,02,779</b>



**NOTE 18 REVENUE FROM OPERATION**

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
Sale of products	82,89,39,565	59,37,17,953
Sale of services	1,11,47,65,841	72,69,40,099
Other operating revenues	2,29,577	3,98,623
Total Sales	1,94,39,34,983	1,32,10,56,675
Net Sales	1,94,84,72,983	1,32,10,56,675
Less:		
Service Tax	2,77,02,526	9,14,18,357
GST	19,71,92,579	-
Total	1,72,35,77,878	1,22,96,38,318

**NOTE 19 OTHER INCOME**

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
Interest Income	79,94,949	63,77,626
Dividend Income	-	-
Net gain/loss on sale of Investments	-	-
Other non-operating income	12,74,792	62,85,386
Sundry Balance Written off	43,046	-
TOTAL	93,12,787	1,26,63,012

**NOTE 20 PURCHASES OF STOCK-IN-TRADE**

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
Purchase of Computers, Peripherals & Services	89,07,50,391	46,63,20,889
Less: Transferred to Fixed Assets from Opening Stock	20,68,056	12,35,690
Purchase Return Account General	17,100	-
Discount	43,46,218	1,08,23,418
TOTAL	88,88,57,017	45,42,61,782

**NOTE 21 CHANGES IN INVENTORIES OF STOCK IN TRADE**

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
Opening Stock	1,65,10,069	5,58,57,018
Less: Closing Stock	3,01,11,389	1,65,10,069
TOTAL	(1,36,01,320)	3,93,46,949

**NOTE 22 EMPLOYEE BENEFITS EXPENSE**

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
(a) Salaries and Incentives	52,32,71,776	40,08,82,813
(b) Contributions to -		
(i) Provident fund & ESIC	15,24,372	13,25,125
(c) Provisions for Gratuity	18,44,954	(6,19,658)
(d) Staff welfare expenses	6,95,997	3,09,098
(e) Salaries to Contractual Employees	4,78,72,827	5,71,37,611
TOTAL	57,52,09,926	45,90,34,989

**NOTE 23 FINANCE COSTS**

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
Interest expense	82,74,093	2,14,12,225
Other borrowing costs	56,03,821	1,01,85,324
TOTAL	1,38,77,914	3,15,97,549



**SILVER TOUCH TECHNOLOGIES LIMITED (For the year ended 31st March 2018)**

**NOTE 24 OPERATIONS & OTHER EXPENSES**

Particulars	31/03/2018	31/03/2017
	Amount(In ₹)	Amount(In ₹)
Power & Fuel	39,57,120	38,95,630
Rent	1,26,42,021	1,15,53,343
Repairs to buildings	12,92,805	16,04,770
Insurance	8,22,085	6,29,712
Rates and taxes, excluding taxes on Income	21,17,616	28,20,055
Net loss on foreign currency transaction and translation	-1,09,251	12,29,348
Payment to Auditors	2,90,904	2,81,750
Project Expenses	35,96,380	6,17,40,680
Professional Fees	-	4,38,400
Corporate Social Responsibility Expenditure	9,50,000	11,30,000
Miscellaneous expenses	8,14,09,897	6,89,91,962
<b>TOTAL</b>	<b>10,69,69,577</b>	<b>15,43,15,649</b>



**Note 25 Capital Commitments**

The estimated amount of contracts remaining to be executed on capital account and not provided for ₹ Nil. (previous year ₹ Nil).

**Note 26 Contingent Liabilities**

a) There are contingent liability of the Holding Company as under:

	(Amount in ₹)	
Bank Guarantee	Current Period	Previous Year
Bank of India	28,05,32,602	15,88,98,751
IOBI Bank	0	44,13,521.00
ICICI Bank	59,47,731	1,50,78,192

The above bank guarantees are issued by Bank of India against 10%/15%/25%& 30% margin based on period and ICICI bank against 15% margin in the form of Bank FD & 100% margin for bank guarantee issued by IOBI Bank.

b) Income tax Demand :

	(Amount in ₹)	
Particulars	Current Period	Previous Year
U/s 143(3) (AY 2010-11) - Pending with ITAT	1,31,62,920	1,31,62,920
U/s 143(3) (AY 2013-14) - Pending with CIT(A)	-	93,917
U/s 143(3) (AY 2014-15) - Pending with CIT(A)	97,627	97,627

**Note 27** Pursuant to Micro, Small and Medium Enterprises Development Act, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Holding Company Company is in process of compiling relevant information from its suppliers about their coverage under the said act. Since the relevant information is not readily available, no disclosures have been made in the accounts.

**Note 28 Auditor's Remuneration**

	Amount (in ₹)	
	Current Period	Previous Year
<b>Statutory Auditors</b>		
- As Auditors	2,61,564	2,45,000
- Tax Audit Matters	-	-
- Taxation Matters	-	-
- Company Law Matters	-	-
- Others	29,340	36,750
<b>Total</b>	<b>2,90,904</b>	<b>2,81,750</b>

**Note 29** Earning per share as required by Accounting Standard AS-20 as issued by the The Institute of Chartered Accountants of India.

Description	Current Period	Previous Year
Profit After Tax (₹)	8,23,73,658	4,05,08,184
Profit Attributable to Ordinary Share Holders (₹)	8,23,73,658	4,05,08,184
Weighted Average No. of Equity Shares	1,21,26,667	1,25,95,000
Basic & Diluted Earning Per Share (₹)*	6.79	3.22
Nominal Value of share (₹)	10.00	10.00

\* The Holding Company has no dilutive instruments during the year ended 31/03/2018. As such Dilutive Earning Per share equals to Basic Earnings Per Share.

**Note 30** In compliance with the accounting standard-22 relating to "Accounting for taxes on Income" the deferred tax liability of current year is debited to Profit & Loss Account.

**Deferred tax working:**

	Amount (in ₹)		
Particulars	As on 01/04/2017	Charge / (Credit) during the year to P & L A/c	As on 31/03/2018
Deferred tax (Assets) / Liabilities on account of depreciation	80,29,328	11,52,694	91,82,022
Deferred tax (Assets) / Liabilities on account of Gratuity, etc	-	(2,57,684)	(2,57,684)
Net Deferred tax (Assets)/ liabilities	80,29,328	8,95,010	89,24,338





**Note 31 Other Non Current Asset - Cost of Facility - UTWAN Project**

Company has been awarded project for Implementating Wide Area Network by Govt. of Diu & Daman (UT) under BOOT Scheme. Under the said project, company is required to implement and maintain UTWAN for a period of 5 years. Company has purchased some network equipments, computers and other related equipments and machineries by entering into Finance Lease transaction with CISCO. And some equipments company obtained by way raising loans. At the end of 5 years, company need to transfer whole UTWAN to government authorities. Accordingly, all the assets purchased under the said project is capitalized under 'Cost of Facility - UTWAN Project' under the head Other Non Current Assets in Balance Sheet. As the said project is of 5 years income of company is spread over period of 5 years, and accordingly company will amortize the same over period of 5 years in equal installments. During the period under review, realisation of income from said project is contingent. And hence, expenses related to said project is capitalised under 'Cost of Facility - UTWAN Project'.

**Note 32** Related party disclosure as required by Accounting Standard -18 issued by the Institute of Chartered Accountants of India.

**A) List Of Related parties & Relationships****a) Subsidiaries, Fellow Subsidiaries, and Associates****a) Subsidiaries :**

- 1) Silvertouch Technology (UK) Ltd
- 2) Silvertouch Technologies Inc.
- 3) Start-N-Excel
- 4) Lime Software (UK)

**b) Fellow Subsidiary :**

None

**c) Associates :**

- 1) Shark Identity Pvt Ltd
- 2) Silvertouch Technologies SAS

**b) Key Management Personnel :**

- 1) Vipul H. Thakkar
- 2) Minesh V. Doshi
- 3) Jignesh A. Patel
- 4) Palak V. Shah
- 5) Himanshu Jain
- 6) Vijay Shah

**c) Relatives of Key Management Personnel :**

- 1) Kajal V. Thakkar
- 2) Jolly J. Patel
- 3) Zankhana Shah
- 4) Varsha Doshi
- 5) Jyoti Jain
- 6) Avushi Jain
- 7) Manjulaben Patel
- 8) Amrutlal K. Patel
- 9) Haridas Thakkar
- 10) Hem Vijay Shah

**d) Enterprise over which Key Management Personnel and their relative exercise significant influence with whom transaction have taken place during the year :**

- 1) Silvertouch Infotech Limited



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**B) Transaction with related parties**

Description	Subsidiaries, Fellow Subsidiaries, and Associates		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Controlled by Key management Personnel and their relatives	
	Current Period	Previous Year	Current Period	Previous Year	Current Period	Previous Year	Current Period	Previous Year
Purchase of Goods/ Services	-	-	-	-	-	-	8,80,765	12,36,113
Sales of Goods / Services	-	-	-	-	-	-	-	-
(Purchase) / Sales of Assets	-	-	-	-	-	-	-	-
Rent & other Expenses Received/ (paid)	-	-	-	-	(28,688)	-	-	-
Interest Received/ (Paid)	-	-	(28,16,350)	(33,34,126)	-	-	-	-
Dividend Received / (paid)	-	9,55,740	-	(24,88,250)	-	(3,09,250)	-	-
Remunerations	-	-	1,97,93,340	1,70,40,000	13,80,000	12,60,000	-	-
Hire Charges paid	-	-	-	-	-	-	-	-
Lease Rent (Paid) / Received	-	-	-	-	(4,20,000)	(4,20,000)	1,74,000	1,74,000
<b>Outstanding Balance at the year end</b>								
Loans & Advance (Incl. Interest)	-	-	-	-	-	-	65,98,791	84,14,032
Deposit Received	-	-	1,10,79,039	1,12,88,980	-	-	-	-
Debtors	-	-	-	-	-	-	15,22,017	27,47,208
Creditors	-	-	12,54,690	10,62,000	1,43,288	98,800	66,04,078	80,09,164

**Note 33** Additional information pursuant to the provisions of Schedule III to the Companies Act, 2013:

		Amount (in ₹)	
Particulars	Current Period	Previous Year	
<b>A Expenditure in Foreign currency on account of</b>			
i) Foreign Traveling	13,93,534	21,13,485	
ii) Exhibition/Promotion Exp	Nil	4,51,466	
iii) Salary	Nil	Nil	
<b>B Value of imported raw materials, spare parts and components</b>	4,27,95,530	7,44,968	
<b>C Amount remitted in foreign currency during the</b>			
i) Dividend	Nil	Nil	
ii) No. of non-resident share holders	Nil	Nil	
iii) No. of shares held by non-residents	Nil	Nil	
<b>D Earning in Foreign Exchange</b>			
i) Export of Services	6,70,41,477	7,82,72,722	
ii) Others	1,86,735	9,55,740	



**Note 34 Impairment of Fixed Assets**

In accordance with the Accounting Standard (AS-28) on 'Impairment of Assets' notified by Companies (Accounting Standards) Rules, 2006, the Holding Company has reassessed its fixed assets and is of the view that no further impairment/reversal is considered to be necessary in view of its expected realizable value.

**Note 35 Revenue from operations can be broadly categorized as under:**

Particulars	Current Period	Previous Year
1) Sale of Computers Computer Parts, License, Software etc.	83,34,77,565	59,37,17,953
2) Sale of Services Software Development, AMC Charges & Other Services	88,98,70,736	63,55,21,742
3) Other Operating Revenue	2,29,577	3,98,623
<b>Total Revenue from Operations</b>	<b>1,72,35,77,878</b>	<b>1,22,96,38,318</b>

**Note 36 Segment Reporting**

The Holding Company's Business Segment is 'Computers & IT Services' and It has no other primary reportable segments. Geographical revenues are segregated based on the location of the customer who is involved or in relation to which the revenue is otherwise recognized. Customer relationships are driven based on the location of the respective clients. Holding Company's business activities outside India are spread mainly in United Kingdom, USA, Australia, France & The Netherlands. Hence, there are two reportable segment of Holding Company viz., Domestic & Exports.

**(A) Primary Disclosures (Geographical by Customers)**

Particulars	Geographical Segments		TOTAL
	India	Rest of world	
Revenue	1,57,78,52,833 (1,07,26,82,028)	14,57,25,045 (15,69,56,290)	1,72,35,77,878 (1,22,96,38,318)
Result	18,26,67,658 (9,89,71,044)	2,49,38,869 (1,73,07,981)	20,76,06,527 (11,62,79,025)
Unallocable Expenses			8,17,00,801 (6,92,73,712)
Other Income			93,12,787 (1,26,63,012)
Profit Before Tax			13,52,18,513 (5,96,68,325)
Tax Expense			5,28,44,855 (1,91,60,141)
Profit for the year			8,23,73,658 (4,05,08,184)
Segment Assets	98,38,99,359 (59,10,31,785)	12,47,64,063 (10,53,94,249)	1,10,86,63,422 (69,64,26,033)
Unallocated Assets			6,35,92,615 (6,18,96,067)
TOTAL Assets			1,17,22,56,038 (75,83,22,100)
Segment Liabilities	1,08,96,47,534 (71,10,88,357)	2,14,85,088 (2,10,38,175)	1,11,11,32,622 (73,21,26,532)
Unallocated Liabilities			6,11,23,416 (2,61,95,569)
TOTAL Liabilities			1,17,22,56,038 (75,83,22,100)

\* Figures in brackets in Italics font indicates previous years' figures.



**SILVER TOUCH TECHNOLOGIES LIMITED (For the year ended 31st March 2018)**

- i) The Holding Company has disclosed Geographical Segments as the primary segment.
- ii) Segments have been identified taking into account the nature of the products, differential risks and returns, the organizational structure and internal reporting system. The Holding Company's operations predominantly relate to Computer & IT Services.

**Note 37 Employee Retirement Benefits**

In order to make provision for Gratuity payable to employees, Holding Company has obtained Actuarial Valuation report from M/s. K A Pandit, 'Actuaries'. On the basis of valuation report of Actuaries, Holding Company has made provision for Gratuity Payable in accounts. However, no investments made to meet liability in future. Holding Company charge the addition in liability of Gratuity payable to Statement of Profit & Loss.

Gratuity provision for the year ended 31st March, 2018 is calculated taking base of joining date of all employees as 01.04.2009. In earlier period, actual joining date is considered if its before 01.04.2009.

The following table sets out unfunded status of the gratuity payable and the amounts recognised in the Holding Company's financial statements for the period ended March 31, 2018.

**(i) Change in Benefit Obligations :**

Particulars	(Amount in ₹)	(Amount in ₹)
Present value of benefit obligation, beginning of the year	1,64,33,405	1,84,33,913
Service cost	33,84,198	31,09,414
Interest cost	11,93,065	14,48,906
Benefits paid	(10,79,472)	(15,05,123)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(17,40,556)	14,75,511
Actuarial (Gains)/Losses on Obligations - Due to Experience	(10,12,699)	(65,29,216)
Present value of benefit obligation, end of the year	1,71,77,941	1,64,33,405

**(ii) Change in Plan Assets :**

Particulars	(Amount in ₹)	(Amount in ₹)
Fair value of plan assets, beginning of the year	-	-
Expected return on plan assets	-	-
Employers' contributions	-	-
Benefits paid	-	-
Fair value of plan assets, end of the year	-	-

**(iii) Net Gratuity Cost :**

Particulars	(Amount in ₹)	(Amount in ₹)
Service Cost	33,84,198	31,09,414
Interest Cost	11,93,065	14,48,906
Expected Return on Plan Asset	-	-
Actuarial (gain)/loss	(27,53,255)	(50,53,705)
<b>Net Gratuity Cost</b>	<b>18,24,008</b>	<b>-4,95,385</b>

**(iv) Reconciliation of Present Value of the obligation and the fair value of the Plan Assets :**

Particulars	(Amount in ₹)	(Amount in ₹)
Fair value of plan assets, at the end of the year	-	-
Present value of obligation at the end of the year	(1,71,77,941)	(1,64,33,405)
Re-imbursement Obligation	-	-
<b>Asset/(Liability) Recognised in the Balance Sheet</b>	<b>(1,71,77,941)</b>	<b>(1,64,33,405)</b>

**(v) Assumptions :**

Particulars	%	%
Rate of Discounting	7.88%	7.26%
Salary Escalation Rate	7.50%	7.50%
Expected Rate of Return on Plan Asset	N.A.	N.A.





**Note 38 Obligation towards Finance Lease :**

The Lease rentals capitalized during the year & was charged during previous year and the future minimum rental payments in respect of finance lease and its present value are set out below:

Particulars	Current Period	Previous Year
(i) Lease rentals recognised during the year	-	30,88,210
(ii) Minimum Lease Payments		
Not later than one year	99,26,245	1,22,03,848
Later than one year but not later than five years	-	99,26,245
Later than five years	-	-
<b>Total</b>	<b>99,26,245</b>	<b>2,21,30,093</b>
(iii) Present Value of minimum lease payments		
Not later than one year	83,59,021	1,02,77,017
Later than one year but not later than five years	-	93,08,758
Later than five years	-	-
	83,59,021	-
Add : Future Finance Charges	15,67,224	25,44,318
<b>Total</b>	<b>99,26,245</b>	<b>25,44,318</b>

**Note 39 Expenditure on Corporate Social Responsibility**

Particulars	Current Period	Previous Year
a) Gross Amount required to be spent	9,37,743	11,25,150
b) Amount actually spent on:	-	-
Promoting Education	14,419	-
c) Provision made for CSR Expenditure	9,35,581	11,30,000

During the FY 2017-18, company has spent Rs. 11,30,000/- towards CSR expenditure pertaining to previous year provision & for current year company has spent Rs.14,419/- towards current year liability of Rs. 9,50,000/- .

**Note 40 Share Based Payments  
Employee Stock Option Plan 2017**

The scheme has been adopted by the Board of Directors pursuant to resolution passed at its meeting held on 06<sup>th</sup> April, 2017 read with Special Resolution passed by shareholder of the company at the Extra-ordinary general meeting held on 27<sup>th</sup> April, 2017. The Said Scheme was also ratified by the Shareholders in the Extra Ordinary General Meeting held on 05<sup>th</sup> March, 2018 pursuant to the provision of Regulation of SEBI (Share Based Employee Benefit) Regulations, 2014.

The plan entitles the senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of Rs 50/- Per Share. Since the Exercise price is more than the Book Value of the Shares, no provision for expenses of Employees has been done in the relevant financial year.



The terms and conditions related to the grant of the share options are as follows:

Scheme	ESOP 2017
Date of grant	15 <sup>th</sup> May, 2017
Number of options granted during the year	90000
Exercise price per option	Rs. 50/-
Vesting Period	One Year From the date of Grant
Exercise period	Within Three Month from Vesting

The following table sets forth a summary of the activity of options:

Particulars	F.Y 2017-18	F.Y 2016-17
Scheme	ESOP 2017	-
Options outstanding at the beginning of the	-	-
Granted during the year	90,000	-
Exercised during the year	-	-
lapse during the year	(1,000)	-
Outstanding at the end of the year	89,000	-
Exercisable at the end of the year	89,000	-

**Note 41** Balances of Secured Loans, unsecured loans, Debtors, Creditors for goods, creditors for expenses, loans and advances and advance from customers are subject to confirmation.

**Note 42** Previous year figures are regrouped and rearranged wherever necessary to compare with current year figures.

**Note 43** Figures are rounded off to the nearest rupee.

#### Signatories to Note 1 to 43

For PRIYAM R SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS

Firm Reg. No. : 118421W

*Mitesh*  
CA Mitesh M Nagar  
PARTNER  
M.No. 173787



Ahmedabad  
25/05/2018

For SILVER TOUCH TECHNOLOGIES LIMITED

*Vipul Thakkar*  
Vipul Thakkar  
Chairman & Managing Director  
DIN - 00169558

*Dipesh Solanki*  
Dipesh Solanki  
Company Secretary

*Jignesh Patel*  
Jignesh Patel  
Director  
DIN - 00170562

*Palak Shah*  
Palak Shah  
CFO cum Director  
DIN - 00306082