

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NET ACCESS INDIA LIMITED

Report on the Financial Statements

We have audited the attached Balance Sheet of M/s. Net Access India Limited ("The Company") as at 31st March 2017 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these standalone 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 in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the

accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, its profit and its cash flows for the year ended on that date.

Report on other legal and 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 (ii) of Section 143 of the Act, we give in Annexure-1 a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - (f) The company has in place adequate internal financial control systems over financial reporting, and the controls were operatively effectively. Refer separate report in Annexure 2.
 - (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 no pending litigations on its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

For Jagannathan & Sarabeswaran
Chartered Accountants
FRN 001204S



Vivek Sarabeswaran
Partner
(M.No. 206383)

Place: Chennai
Date: 20.04.2017



Annexure -1

Annexure to the Independent Auditors' report referred to in Report on other legal and regulatory requirements for the year ended 31st March, 2017 on Companies (Auditor's Report) Order, 2016

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable properties.
- (ii) The inventory of stock-in-trade has been physically verified during the year at reasonable intervals and, the frequency of verification is reasonable. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (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 under Section 189 of the Companies Act, 2013.
- (iv) The Company has not entered into any transactions covered by the provisions of Sections 185 & 186 of the Companies Act, 2013.
- (v) During the year the company has not accepted deposits from public.
- (vi) Maintenance of cost records specified by the Central Government under sub-section (1) of Section 148 of the Companies Act is not applicable to the company.
- (vii) (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and there are no outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) There are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess that have not been deposited on account of any dispute.
- (viii) The company has not defaulted in repayment of dues to financial institutions or banks.
- (ix) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and there were no term loans raised during the year.



- (x) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.
- (xi) The provisions of Managerial remuneration under Section 197 read with Schedule V to The Companies Act, 2013 are not applicable to this company.
- (xii) The company is not a Nidhi Company, and so this clause is not applicable.
- (xiii) The provisions of Section 177 and 188 of Companies Act, 2013 are not applicable to this company.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to information and explanations provided to us the company has not entered into any non-cash transactions with Directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Chennai
Date: 20.04.2017



For Jagannathan & Sarabeswaran
Chartered Accountants
FRN 001204S


Vivek Sarabeswaran
Partner
(M. No.206383)

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NET ACCESS INDIA LIMITED**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 Net Access India Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Net Access India Ltd
Balance Sheet as at March 31, 2017

(In Rs.)

Particulars		Notes	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
A	ASSETS				
1	Non-current assets				
	(a) Property, Plant and Equipment	1	20,527,746	13,395,906	17,854,605
	(b) Capital work-in-progress	1	10,334,906	1,586,459	-
	(c) Other Intangible assets	1	3,924,570	5,151,164	4,945,549
	(d) Financial Assets				
	(i) Investments	2	530	530	530
	(ii) Other Financial Assets	3	3,599,216	2,272,148	2,232,698
	(e) Deferred tax assets (net)	4	1,189,902	-	-
	(f) Other non-current assets	5	25,997,848	33,170,842	27,715,024
	Total Non - Current Assets		65,574,718	55,577,049	52,748,406
2	Current assets				
	(a) Inventories	6	2,097,505	1,497,884	1,531,862
	(b) Financial Assets				
	(i) Investments	2	2,305,252	14,918,627	13,793,025
	(ii) Trade receivables	7	36,797,825	42,157,784	32,061,190
	(iii) Cash and cash equivalents	8	60,903,168	11,428,762	5,021,624
	(iv) Other Financial assets	3	1,098,298	531,955	50,789
	(c) Other current assets	5	17,301,598	12,978,202	12,675,594
	(d) Assets classified as held for sale		-	-	-
	Total Current Assets		120,503,646	83,513,214	65,134,084
	Total Assets (1+2)		186,078,364	139,090,263	117,882,490
B	EQUITY AND LIABILITIES				
1	Equity				
	(a) Share capital	9	50,000,000	16,000,000	16,000,000
	(b) Other Equity excluding non-controlling interests	10	54,599,408	64,903,364	54,251,213
	Total equity attributable to owners of the Company		104,599,408	80,903,364	70,251,213
	LIABILITIES				
2	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	11	-	-	423,698
	(b) Provisions	12	1,103,160	106,286	52,540
	(c) Deferred tax liabilities (Net)	4	-	459,235	2,178,710
	(d) Other non-current liabilities		-	-	-
	Total Non - Current Liabilities		1,103,160	565,521	2,654,948
3	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings		-	-	-
	(ii) Trade payables	13	60,334,186	45,548,922	32,560,979
	(iii) Other financial liabilities	14	325,822	551,750	3,058,129
	(b) Provisions	15	3,991,061	2,009,119	1,657,180
	(c) Current Tax Liabilities (Net)		-	-	-
	(d) Other current liabilities	16	15,724,727	9,511,587	7,700,041
	(e) Liabilities associated with assets held for sale		-	-	-
	Total Current Liabilities		80,375,796	57,621,378	44,976,329
	Total Equity and Liabilities (1+2+3)		186,078,364	139,090,263	117,882,490
	See accompanying notes to the financial statements				

In terms of our report attached

For Jagannathan & Sarabeswaran
Chartered Accountants
FRN 001204S

Vivek Sarabeswaran
Partner
M.No.206383

Chennai
20th April, 2017



M R G Appa Rao
Director

Sridharan Rangarajan
Director

Net Access India Ltd
Statement of Profit and Loss for the period ended March 31, 2017

(In Rs.)

Particulars	Notes	FY 2016-17	FY 2015-16
Continuing Operations			
I Revenue from operations	17	393,825,523	295,772,110
II Other Income	18	2,883,019	1,058,931
III Total Revenue (I + II)		396,708,543	296,831,041
IV EXPENSES			
(a) Cost of materials consumed		-	-
(b) Purchases of finished, semi-finished and other products		64,106,938	27,714,635
(c) Changes in stock of finished goods, work-in-progress and stock-in-trade		(599,622)	33,975
(d) Excise duty on sales		-	-
(e) Employee benefit expense	19	120,888,119	93,670,847
(f) Finance costs		58,761	246,252
(g) Depreciation and amortisation expense	1	9,286,435	9,446,782
(h) Impairment on Financial asset		429,495	955,838
(i) Reversal on impairment on financial asset		-	-
(j) Other expenses	20	167,135,320	139,677,011
Total Expenses		361,305,448	271,745,340
V Profit/(loss) before tax (III- IV)		35,403,095	25,085,701
VI Tax Expense			
(1) Current tax	21	12,925,187	10,155,483
(2) Deferred tax	4	(1,649,137)	(1,719,474)
Total tax expense		11,276,050	8,436,009
VII Profit/(loss) for the period		24,127,045	16,649,692
VIII Other comprehensive income		(431,001)	20,342
A (i) Items that will not be recycled to profit or loss		-	-
(b) Remeasurements of the defined benefit liabilities / (asset)		(431,001)	20,342
(c) Equity instruments through other comprehensive income		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that may be reclassified to profit or loss		-	-
(c) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		-	-
(ii) Income tax on items that may be reclassified to profit or loss		-	-
IX Total comprehensive income for the period (VII+VIII)		23,696,045	16,670,034
X Earnings per equity share (for continuing operation):			
(1) Basic & Diluted	30	7.18	10.42

In terms of our report attached

For Jagannathan & Sarabeswaran
Chartered Accountants
FRN 001204S

Vivek Sarabeswaran
Partner
M.No.206383

Chennai
20th April, 2017



M R G Appa Rao
Director

Sridharan Rangarajan
Director

Net Access India Limited
Cash flow statement for the year ended 31st March, 2017

(In Rs.)

Particulars	FY 2016-17		FY 2015-16	
A. Cash flow from operating activities				
Net Profit before tax		35,403,095		25,106,043
Depreciation	9,286,435		9,446,782	
Interest and finance charges	58,761		246,252	
Provision for doubtful debts	429,495		955,838	
Loss on sale of fixed assets				
Interest received	(1,117,581)		(240,329)	
Dividend received	(869,588)		(544,345)	
Other income	(7,869)		-	
Tax net of provision	-		-	
Provision no longer required	(415,510)		(151,377)	
Operating Profit before working capital changes		7,364,143		9,712,821
		42,767,238		34,818,864
Adjustments for (increase)/decrease in working capital				
Trade and other receivables	4,930,464		(10,136,045)	
Long term loans and advances	(5,752,192)		(15,611,301)	
Inventories	(599,622)		33,978	
Short term loans and advances	(4,889,739)		(783,773)	
Provision no longer required	415,510		151,377	
Trade payables & current liabilities	17,115,999		12,987,943	
Other current liabilities and short term provisions	6,208,222		(1,247,662)	
Taxes paid		17,428,642		(14,605,482)
Net cash from operating activities (A)		60,195,880		20,213,382
B Cash flow from investing activities				
Purchase of fixed assets	(25,271,127)		(6,780,158)	
Interest received	1,117,581		240,329	
Dividend received	869,588		544,345	
Profit on disposal of assets	7,869		-	
(Purchase)/Redemption of investments	9,613,376		(7,125,602)	
		(13,662,713)		(13,121,086)
Net cash from / (used in) investing activities (B)		46,533,167		7,092,296
C Cash flow from financing activities				
Fresh issue of Equity Shares	34,000,000		-	
Borrowings / (repayment) of borrowings	-		(421,023)	
Interest and finance charges paid	(58,761)		(246,252)	
Redemption of Investments (net)				
Dividend payment inclusive of dividend distribution tax	(34,000,000)		(6,017,882)	
Net cash from / (used in) financing activities (C)		(58,761)		(6,685,158)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		46,474,406		407,138
Cash and cash equivalents-Opening balance	4,428,762		4,021,624	
Cash and cash equivalents -Closing balance	50,903,168		4,428,762	
Net increase/(decrease) in cash and cash equivalents (A+B+C)		46,474,406		407,138

In terms of our report attached

For Jagannathan & Sarabeswaran
Chartered Accountants
FRN 0012045

Vivek Sarabeswaran
Partner
M.No.206383

Chennai
20th April, 2017



M R G Appa Rao
Director

Sridharan Rangarajan
Director

Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31,2017

A. Corporate Information

Net Access India Ltd is a subsidiary of M/s Carborandum Universal Ltd. The Company commenced its operations in 2000 and provides IT infrastructure solutions and services to the Murugappa Group and other Companies. The Company offers customers the most appropriate technologies from a wide range leading vendors & manages the technology infrastructure pan-India.

B. Significant accounting policies

i. Basis on preparation and presentation of financial statements

The financial statements have been prepared and presented in accordance with the Indian Accounting Standards (Ind AS) as prescribed by the Companies (Indian Accounting Standards) Rules, 2015 and Schedule III of the Companies Act, 2013 ("the Act"). Upto the year ended March 31,2016,the Company prepared its financial statements in accordance with the requirements of previous GAAP, which included Standards notified under the Companies (Accounting Standards) Rules,2006.These are the Company's First Ind AS financial statements.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transactions between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value , such as net realisable value in Ind AS 2 or value in use as in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- a. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- b. Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability , either directly or indirectly; and
- c. Level 3 inputs are unobservable inputs for the asset or liability;



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

ii. Property, plant and equipment and depreciation

The Company has no property. All tangible assets are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of these items.

All assets are depreciated on basis of useful life as prescribed in Schedule II of The Companies Act, 2013. Assets acquired during the year are depreciated on pro-rata basis.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its plant and machinery, furniture and office equipment recognized as of April 01, 2015 (transition date) measured as per the previous GAAP and used that carrying value as its deemed cost as of the transition date.

iii. Intangible assets and amortization

Intangible assets (computer software) acquired separately are carried at cost less accumulated amortisation. Amortisation is recognised on a straight-line basis over their estimated useful life as determined under Schedule II of the Companies Act 2013.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible assets recognized as of April 01, 2015 (transition date) measured as per the previous GAAP and used that carrying value as its deemed cost as of the transition date.

iv. Financial instruments – Financial assets and financial liabilities

A financial instrument being a financial asset or a financial liability is recognized only when the Company has become party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Any subsequent changes in fair value of a financial asset or liability are recognized in the profit and loss account.

Unconditional trade receivables and payables are recognized as assets or liabilities when the entity becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash. Unconditional trade receivables are measured at their transaction price. The Company has applied the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivable, other contractual rights to receive cash or other financial asset. Expected credit losses are the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31,2017

The Company measures the loss allowance for financial instruments at an amount equal to the lifetime expected credit losses if the credit risk on that financial instruments has increased significantly since initial recognition. If the credit risk on a financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to the 12 month expected credit losses that are a portion of the lifetime cash shortfalls that will result if defaults occur within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the 12 months.

Investments held for trading are subsequently measured at fair value through the profit and loss account.

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfer the financial asset and substantially all the risks and reward of ownership of the asset to another party. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit and loss account.

v. Inventories

Inventories of traded products are valued at the lower of cost and net realisable value. Cost includes cost of purchases, duties and taxes, transport, handling and other costs net of trade discounts and rebates. Inventories are valued using the weighted average cost formula

vi. Revenue recognition

For the sale of traded products, revenue is recognized on transfer of significant risks and rewards of ownership to the buyer which coincides with the dispatch of the products to the customers. Service income is recognized over the duration of the contract.

Interest income is accounted on accrual basis and divided income is accounted for when the right to receive the payment is established. Investment gain / loss is recognized at the time of sale / redemption thereof.

vii. Provisions

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

viii. Post-employment benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

The liability for retirement benefit of gratuity to employees as at the Balance Sheet date is determined using the Projected Unit Credit method and is funded to a Gratuity fund. The unfunded portion of the liability for gratuity is provided for in the accounts. The actuarial gain or loss is recognized in Other Comprehensive Income (OCI).

Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31,2017

ix. Foreign currency transactions & balances

Transactions in Foreign currencies are accounted for in rupee terms at the relevant applicable exchange rates on the date of transaction. Foreign currency monetary items are translated using the closing rate and the resultant gain/loss, if any, is recognized in the profit and loss account.

x Leasing

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance lease are initially recognised at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss

xi. Income taxes

Current tax for current period and prior periods if any, is determined on income for the year chargeable to tax in accordance with Income Tax Act, 1961. Current and deferred tax are recognized as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from a transaction or event which is recognized, in the same or a different period, outside profit or loss, either in other comprehensive income or directly in equity.

A deferred tax liability shall be recognized for all taxable temporary differences. Deferred tax assets have been recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.

Current tax liabilities or assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and tax laws that have been enacted by the end of the reporting period.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted by the end of the reporting period.



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31,2017

xii. Earnings per share

Earnings per Share Basic earnings per share is calculated by dividing net profit after tax for the year attributable to equity shareholders of the company by the weighted average number of equity shares issued.

xiii. Contingent liabilities:

Contingent liability is disclosed for:

- (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company;
or
- (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.



Net Access India Ltd
Notes forming part of the financial statements for the year ended March 31, 2017

Property, plant and equipment

Note 1
(In Rs.)

Carrying amounts of:	As at		
	31.03.2017	31.3.2016	01.04.2015
Freehold land	-	-	-
Buildings	-	-	-
Plant and equipment	14,748,806	10,399,630	14,090,450
Furniture and fittings	5,201,391	2,272,742	2,894,235
Vehicles	-	-	-
Vehicle under finance lease	577,548	723,533	869,920
	20,527,746	13,395,906	17,854,605
Capital work-in-progress	10,334,906	1,586,459	-
	30,862,652	14,982,365	17,854,605

	Freehold land	Buildings	Plant and equipment	Furniture and fittings	Vehicles	Vehicle under finance lease	Total
Cost or Deemed cost							
Balance at April 1, 2015 (Deemed cost)	-	-	14,090,450	2,894,235	-	869,920	17,854,605
Additions	-	-	2,569,080	14,068	-	-	2,583,148
Disposals	-	-	-	-	-	-	-
Balance at March 31, 2016	-	-	16,659,530	2,908,303	-	869,920	20,437,753
Additions (2)	-	-	9,730,784	3,755,629	-	-	13,486,413
Disposals	-	-	116,685	-	-	-	116,685
Balance at March 31, 2017	-	-	26,273,629	6,663,932	-	869,920	33,807,481

	Freehold land	Buildings	Plant and equipment	Furniture and fittings	Vehicles	Vehicle under finance lease	Total
Accumulated depreciation and impairment							
Balance at April 1, 2015	-	-	-	-	-	-	-
Eliminated on disposal of Disposals	-	-	-	-	-	-	-
Depreciation expense	-	-	6,259,901	635,560	-	146,387	7,041,847
Balance at March 31, 2016	-	-	6,259,901	635,560	-	146,387	7,041,847
Additions	-	-	5,319,541	826,980	-	145,985	6,292,506
Disposals	-	-	54,618	-	-	-	54,618
Balance at March 31, 2017	-	-	11,524,823	1,462,540	-	292,372	13,279,735

	(In Rs.)
Capital work in progress movement	
Balance at April 1, 2015	-
Addition during the year	6,780,158
Capitalised during the year	5,193,699
Balance at March 31, 2016	1,586,459
Addition during the year	24,002,194
Capitalised during the year	15,253,747
	10,334,906

	Freehold land	Buildings	Plant and equipment	Furniture and fittings	Vehicles	Vehicle under finance lease	Total
Carrying amount							
Balance at April 1, 2015	-	-	14,090,450	2,894,235	-	869,920	17,854,605
Additions	-	-	2,569,080	14,068	-	-	2,583,148
Disposals	-	-	-	-	-	-	-
Depreciation expense-Accumulated	-	-	(6,259,901)	(635,560)	-	(146,387)	(7,041,847)
Balance at March 31, 2016	-	-	10,399,629	2,272,743	-	723,534	13,395,906
Additions	-	-	9,730,784	3,755,629	-	-	13,486,413
Disposals	-	-	62,067	-	-	-	62,067
Depreciation expense	-	-	5,319,541	826,981	-	145,986	6,292,507
Balance at March 31, 2017	-	-	14,748,806	5,201,391	-	577,548	20,527,746



Property, plant and equipment

Assets pledged as security

Finance lease secured against the assets purchased under the lease agreement

Capitalised borrowing cost :

No borrowing cost has been capitalized on property, plant and equipment for the year ended 31st March 2017 & 31st March 2016

Contractual obligations : Refer Note No. 22 for disclosure of contractual commitments for the acquisition of property, plant and equipment

Under Ind AS 101:

In accordance with Ind-AS transitional provisions, the company opted to consider previous GAAP carrying value of property, plant and equipment, investment property, and intangible assets as deemed cost on transition date.

Details of Deemed cost as at 01-04-2015

(In Rs.)

	Gross block		Written down value as at 01-04-2015
	Cost	Depreciation	
Freehold land	-	-	-
Buildings	-	-	-
Plant and equipment	50,638,970	36,548,519	14,090,451
Furniture and fittings	6,472,821	3,578,587	2,894,234
Vehicles	-	-	-
Vehicle under finance lease	1,128,064	258,144	869,920
Total	58,239,855	40,385,250	17,854,605

Other Intangible assets

(In Rs.)

Carrying amounts of :	As at		
	31.03.2017	31.3.2016	01.04.2015
Trademark/Goodwill	-	-	1,000
Software	3,924,570	5,151,164	4,944,549
Technical Know how	-	-	-
Intangible assets under development	-	-	-
	3,924,570	5,151,164	4,945,549

(In Rs.)

	Goodwill	Software	Technical know how	Total
Cost or deemed cost				
Balance at April 1, 2015	1,000	4,944,549	-	4,945,549
Additions	-	2,610,551	-	2,610,551
Disposals	-	-	-	-
Balance at March 31, 2016	1,000	7,555,100	-	7,556,100
Additions	-	1,767,335	-	1,767,335
Disposals	-	-	-	-
Balance at March 31, 2017	1,000	9,322,435	-	9,323,435

(In Rs.)

	Goodwill	Software	Technical know-how	Total
Accumulated depreciation and impairment				
Balance at April 1, 2015	1,000	2,403,935	-	2,404,935
Amortisation expense	-	-	-	-
Balance at March 31, 2016	1,000	2,403,935	-	2,404,935
Additions	-	2,993,929	-	2,993,929
Disposals	-	-	-	-
Balance at March 31, 2017	1,000	5,397,865	-	5,398,865



Property, plant and equipment

Note 1
(In Rs.)

	Goodwill	Software	Technical know how	Total
Carrying amount				
Balance at April 1, 2015	1,000	4,944,549	-	4,945,549
Additions	-	2,610,551	-	2,610,551
Acquisition through business combination	-	-	-	-
Amortisation expense	(1,000)	(2,403,935)	-	(2,404,935)
Balance at March 31, 2016	-	5,151,164	-	5,151,164
Additions	-	1,767,335	-	1,767,335
Disposals	-	-	-	-
Acquisition through business combination	-	-	-	-
Amortisation expense	-	2,993,929	-	2,993,929
Balance at March 31, 2017	-	3,924,570	-	3,924,570

Details of Deemed cost of Intangible assets as at 01-04-2015

(In Rs.)

	Gross block		Written down value as at 01-04-2015
	Cost	Depreciation	
Goodwill	4,896,146	4,895,146	1,000
Software	6,269,546	1,324,997	4,944,549
Technical know-how	-	-	-
Total	11,165,692	6,220,143	4,945,549

Significant Intangible assets

The company does not hold any significant intangible assets that are not recognised as an asset.



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Investments-Current and Non Current

Current Assets -Investments

Note No 2

(In Rs.)

Particulars	As at		As at		As at	
	31-03-2017		31-03-2016		31-03-2015	
	Quantity	Value	Quantity	Value	Quantity	Value
Investment in Debt Instruments(Mutual funds) measured at FVTPL						
Quoted (Non - Trade)						
Mutual Funds						
HDFC Cash Management Fund- Savings plan-Daily dividend re-investment	-	-	312.74	325,449	29,684.31	315,735
HDFC Floating Rate Income Fund	-	-	107,065.45	1,099,947	101,244.02	1,020,631
HDFC Liquid Fund	-	-	-	-	1,302.05	2,180,955
UTI Treasury Advantage Fund -Institutional Plan-Daily dividend reinvestment	2296.76	2305252	2,175.47	2,060,931	2,056.16	2,060,931
ICICI Prudential Money Market Fund -Regular plan- Daily dividend	-	-	26,601.89	2,709,424	1,091.17	1,112,383
ICICI Prudential Liquid Plan- Daily dividend	-	-	-	-	20,431.45	2,045,790
Birla Sun life Cash Plus - Daily dividend - Regular plan - Re-investment	-	-	21,150.17	2,128,869	1,335.77	2,042,042
IDFC Cash Fund-(Regular Plan)	-	-	1,119.07	2,033,445	1,002.21	1,004,830
IDFC Cash Fund - Daily Dividend - (Regular Plan)	-	-	2,532.26	2,533,433	20,058.16	2,009,727
SBI Magnum Insta Cash Fund - Regular plan	-	-	615.43	2,027,130	-	-
Total		2,305,252		14,918,627		13,793,025

Non Current Assets-Investments

(In Rs.)

Particulars	As at		As at		As at	
	31-03-2017		31-03-2016		31-03-2015	
	Quantity	Value	Quantity	Value	Quantity	Value
Investment in other equity instruments measured at FVTPL						
Associate company)	1	530	1	530	1	530



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Other Financial Assets - Current and non-current

P

Note No 3
(In Rs.)

Particulars	31.03.2017			31.03.2016			31.03.2015		
	Current	Non- Current	Total	Current	Non- Current	Total	Current	Non- Current	Total
a) Security Deposits									
- Secured, considered good	-	-	-	-	-	-	-	-	-
- Unsecured, considered good	-	3,599,216	3,599,216	-	2,272,148	2,272,148	-	2,232,698	2,232,698
- Doubtful	-	-	-	-	-	-	-	-	-
Less : Allowance for bad and doubtful deposits	-	-	-	-	-	-	-	-	-
	-	3,599,216	3,599,216	-	2,272,148	2,272,148	-	2,232,698	2,232,698
b) Loans and advances to employee	1,098,298	-	1,098,298	531,955	-	531,955	50,789	-	50,789
c) Other Loans and Advances									
- Unsecured, considered good	-	-	-	-	-	-	-	-	-
- Unsecured, considered doubtful	-	-	-	-	-	-	-	-	-
- Doubtful Provision	-	-	-	-	-	-	-	-	-
Total (a+b+c)	1,098,298	3,599,216	5,795,811	531,955	2,272,148	3,336,057	50,789	2,232,698	2,334,275



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Deferred tax balances

Note No 4

(In Rs.)

Particulars	As at		
	31.03.2017	31.03.2016	31.03.2015
Deferred tax assets	1,189,902	-	-
Deferred tax liabilities	-	459,235	2,178,710

Breakup of Deferred tax asset/ liabilities	FY 2016-17			
	Opening balance	Recognised in Profit & loss	Recognised in OCI	Closing Balance
Provision for doubtful receivables and advances	(538,447)	(142,004)	-	(680,450)
Provision for leave encashments	(699,416)	(214,275)	-	(913,692)
Provision for gratuity	(514,437)	(113,672)	-	(628,109)
Finance lease	99,139	-	-	99,139
Depreciation for tax purposes	2,112,396	(1,179,186)	-	933,211
Total	459,235	(1,649,137)	-	(1,189,902)

Breakup of Deferred tax asset/ liabilities	FY2015-16			
	Opening balance	Recognised in Profit & loss	Recognised in OCI	Closing Balance
Provision for doubtful receivables and advances	(218,260)	(320,187)	-	(538,447)
Provision for leave encashments	(554,719)	(144,697)	-	(699,416)
Provision for gratuity	(373,507)	(140,930)	-	(514,437)
Finance lease	75,606	23,533	-	99,139
Depreciation for tax purposes	3,249,590	(1,137,194)	-	2,112,396
Total	2,178,710	(1,719,475)	-	459,235



Other current and non- current assets

Note No 5
(In Rs.)

Particulars	As at								
	31.03.2017			31.03.2016			31.03.2015		
	Current	Non- Current	Total	Current	Non- Current	Total	Current	Non- Current	Total
(a) Advances to suppliers	2,820,658	-	2,820,658	1,698,298	-	1,698,298	3,267,011	-	3,267,011
(b) Prepayments	12,723,330	-	12,723,330	10,538,084	-	10,538,084	8,521,306	-	8,521,306
(c) Advance Income tax(Net of provisions) Unsecured, considered good	-	25,997,848	25,997,848	-	33,170,842	33,170,842	-	27,715,024	27,715,024
(d) Balances with government authorities	-	-	-	-	-	-	-	-	-
Unsecured, considered good	-	-	-	-	-	-	-	-	-
(i) CENVAT credit receivable	-	-	-	-	-	-	-	-	-
(ii) VAT credit receivable	181,057	-	181,057	352,543	-	352,543	93,645	-	93,645
(ii) Customs receivable	-	-	-	-	-	-	-	-	-
(iii) Service Tax credit receivable	1,523,601	-	1,523,601	389,277	-	389,277	793,631	-	793,631
(e) Others	-	-	-	-	-	-	-	-	-
(i) Insurance claims /Others	-	-	-	-	-	-	-	-	-
(ii) Others (specify nature) - Disputed Sales Tax, Central excise and Service Tax amounts paid under protest	-	-	-	-	-	-	-	-	-
(ii) Others Interest accrued but not due	52,952	-	52,952	-	-	-	-	-	-
Total(a+b+c+d+e)	17,301,598	25,997,848	43,246,494	12,978,202	33,170,842	46,149,044	12,675,594	27,715,024	40,390,618



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Current assets-Inventories

Note No. 6

(In Rs.)

Particulars	As at		
	31.03.2017	31.03.2017	31.03.2015
Stock-in-trade	2,097,505	1,497,884	1,531,862

Notes:

1. Inventories are valued at the lower of cost and net realisable value.
2. The cost of inventories recognised as an expense, on consumption, during the year ended March 31, 2017 was Rs.63,507,317 (for the year ended March 31, 2016: RS.27,748,610)
3. There is no inventory write off during FY 2016-17 & FY 2015-16.



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Current assets-Trade receivables

Note No.7
(In Rs.)

Particulars	As at		
	31.03.2017	31.03.2016	31.03.2015
Debts outstanding less than 180 days			
- considered bad	-	-	-
- considered good	32,700,142	40,975,791	29,296,061
Debts outstanding greater than 180 days			
- considered good	4,097,683	1,181,993	2,765,129
- considered doubtful	2,058,042	1,628,547	672,709
Total	38,855,867	43,786,332	32,733,899
Less: Allowance for credit losses	(2,058,042)	(1,628,547)	(672,709)
Trade receivables (net of credit losses)	36,797,825	42,157,784	32,061,190



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Note No.7

The average contracted credit period for the services and sales is 30 days, Some trade receivables are over 365 days past due without being impaired, considering the certainty of realisation.

The Provision matrix takes into account the historical credit loss experience and is adjusted for forward looking information.
The expected credit loss at the end of the reporting period is as follows:

(In Rs.)

Ageing	Expected credit loss	
	FY 2016-17	Closing Provision
Within the credit period	0%	-
1-30 days past due	0%	-
31-60 days past due	0%	-
61-90 days past due	0%	-
91-180 days past due	0%	-
181-365 days past due	0%	-
More than 365 days past due	95.79%	2,058,042

(In Rs.)

Age of receivable- Before provisions	As at		
	31.03.2017	31.03.2016	31.03.2015
Within credit period (not due)	27,231,531	27,499,332	14,831,698
1-90 days past due	217,904	10,638,895	12,766,442
91-180 days past due	5,250,707	2,837,564	1,697,921
181-270 days past due	2,511,228	1,099,601	979,074
271-365 days past due	1,495,949	358,205	2,045,466
More than 365 days past due	2,148,549	1,352,735	413,298
Total	38,855,867	43,786,332	32,733,899

(In Rs.)

Movement in the expected credit loss allowance	As at	
	31.03.2017	31.03.2016
Balance at the beginning of the year	1,628,547	672,709
Resolved/Realised over the opening balances	-	-
Movement in the expected credit loss allowance on trade receivables calculated at life time expected credit losses	429,495	955,838
Net expected credit loss allowance	2,058,042	1,628,547



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Current assets - Cash and Bank Balances

Note No 8
(In Rs.)

Particulars	As at		
	31.03.2017	31.03.2016	31.03.2015
Current Cash and Bank balances			
(a) Unrestricted Balances with Banks			
(i) In Current Account	50,882,309	4,420,681	4,012,961
(ii) In Deposit Account with maturity within 3 months	10,000,000	7,000,000	1,000,000
(b) Cash on hand	20,859	8,081	8,663
Total Cash and cash equivalent	60,903,168	11,428,762	5,021,624



Net Access India Limited
Notes forming part of the financial statements for the year ended March 31, 2017

Share capital

Note No.9
(In Rs.)

	As at		
	31-03-2017	31-03-2016	31-03-2015
Authorised 50,00,000 equity shares of Rs.10 each	50,00,000	16,00,000	16,00,000
Issued, subscribed and paid-up 50,00,000 equity shares of Rs.10 each (The entire equity shares are held by the holding company i.e. Carborundum Universal Limited)	50,00,000	16,00,000	16,00,000

The company has issued a fresh equity share capital of 34,00,000 shares at par during FY 2016-17

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

(In Rs.)

Particulars	31-03-2017		31-03-2016		31-03-2015	
	No of Shares	Value of Shares	No of Shares	Value of Shares	No of Shares	Value of Shares
Equity shares with voting rights	1,600,000	16,00,000	1,600,000	16,00,000	1,600,000	16,00,000
Add: Fresh issue of equity during the year	3,400,000	34,00,000	-	-	-	-
Closing equity	5,000,000	50,00,000	1,600,000	16,00,000	1,600,000	16,00,000

Details of shareholders holding more than 5% of the aggregate share capital in the company

Name of shareholders	31-03-2017		31-03-2016		31-03-2015	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Carborundum Universal Ltd	4,999,994	100%	1,599,994	100%	1,599,994	100%
Others (On behalf of CUMI)	6	-	6	-	6	-
Total	5,000,000	100%	1,600,000	100%	1,600,000	100%

(In Rs.)

Additional information	FY 2012 - 2017
a) Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash	NIL
b) Aggregate number and class of shares allotted as fully paid up by way of bonus shares; and	NIL
c) Aggregate number and class of shares bought back;	NIL



Statement of changes in equity for the year ended March 31, 2017

Note No 10

(In Rs.)

	As at				
	31-03-2015	GAAP Adj	31.03.2015	31.03.2016	31.03.2017
4) Reserves and Surplus					
General reserve	4,661,013	-	4,661,013	4,661,013	4,661,013
Total	4,661,013		4,661,013	4,661,013	4,661,013
Surplus in Statement of Profit and Loss					
Opening Balance	35,275,825	-	35,275,825	49,590,200	60,242,351
Add : Profits for the current year	15,904,861	-	15,904,861	16,670,033	23,696,044
Less : Transfer to General reserve	(1,590,486)	-	(1,590,486)	-	-
Less : Final dividend	-	-	-	(5,000,000)	(28,249,140)
Less : Final dividend tax	-	-	-	(1,017,882)	-
Less : Proposed final dividend	(5,000,000)	5,000,000	-	-	-
Less : Dividend tax on proposed final dividend	(1,017,882)	1,017,882	-	-	(5,750,860)
Total	43,572,317	6,017,882	49,590,200	60,242,351	49,938,395
Grand Total	48,233,331	6,017,882	54,251,213	64,903,364	54,599,408

Notes:

1. The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, and the items included in the general reserve will not be reclassified subsequently to profit or loss.

2. The accumulation in retained earnings was used to pay dividend of Rs.3,40,00,000 (including dividend distribution tax) in the current financial year.



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Non Current Liabilities-Borrowings

Note No 11
(In Rs.)

Particulars	As at		
	31.03.2017	31.03.2016	31.03.2015
Measured at amortised cost			
A. Secured Borrowings:			
Term loans	-	-	-
Long term maturities of finance lease obligations	-	-	423,698
Total Secured Borrowings	-	-	423,698
B. Unsecured Borrowings:			
Other loans	-	-	-
From Banks	-	-	-
Total Unsecured Borrowings	-	-	-
Total Borrowings	-	-	423,698



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31,2017

Non- current liabilities - Provisions

Note No 12

(In Rs.)

Particulars	Non Current		
	31-03-2017	31-03-2016	31-03-2015
Provision for employee benefits			
- Compensated absences	193,209	106,286	52,540
- Gratuity	909,951	-	-
Total	1,103,160	106,286	52,540



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Current Liabilities-Trade Payables

Note No 13

(In Rs.)

Particulars	As at		
	31.03.2017 Current	31.03.2016 Current	31.03.2015 Current
Acceptances	-	-	-
Other than acceptances	60,334,186	45,548,922	32,560,979
Total trade payables*	60,334,186	45,548,922	32,560,979

*Average supplier credit is 30 days, non-interest bearing, and normally settled as per the due dates.



Net Access India Ltd
Notes forming part of the financial statements for the year ended March 31, 2017

Current Liabilities-Other Financial Liabilities

Note No 14
(In Rs.)

Particulars	As at		
	31.03.2017	31.03.2016	31.03.2015
Current:			
(a) Current maturities of long-term debt	-	-	-
(b) Current maturities of finance lease obligations	197,758	423,686	213,195
(c) Interest accrued but not due on borrowings	-	-	-
(d) Current maturities of term loan from Bank	-	-	2,716,870
(e) Unclaimed dividend	-	-	-
(f) Remuneration payable to Directors	-	-	-
(g) Other liabilities			
i. Creditors for capital supplies/services	-	-	-
ii. Deposit	128,064	128,064	128,064
iii. Other payable	-	-	-
Total other financial liabilities	325,822	551,750	3,058,129



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Current liabilities - Provisions

Note No 15

(In Rs.)

Particulars	As at		
	31.03.2017	31.03.2016	31.03.2015
Provision for employee benefits			
- Compensated absences	2,570,277	2,009,119	1,657,180
- Gratuity	1,420,784	-	-
Total Provisions	3,991,061	2,009,119	1,657,180



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Current Liabilities-Other Current Liabilities

Note No 16

(In Rs.)

Particulars	As at		
	31.03.2017	31.03.2016	31.03.2015
a. Advances received from customers	10,693,797	6,800,577	6,150,326
b. Others			
- Income tax provision			
- Statutory liabilities	5,030,929	2,711,011	1,549,715
Total Other Current Liabilities	15,724,727	9,511,587	7,700,041



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Revenue from Operations

Note No 17

(In Rs.)

Particulars	FY 2016-17	FY 2015-16
(a) Revenue from sale of goods	72,424,145	32,271,996
(b) Revenue from rendering of services	321,382,101	263,500,114
(c) Other operating income	19,277	-
Total Revenue from Operations	393,825,523	295,772,110
Other operating revenues comprise:		
Sale of scrap	19,277	-
Total - Other operating revenues	19,277	-



Net Access India Ltd
Notes forming part of the financial statements for the year ended March 31, 2017

Other Income

Note No 18
(In Rs.)

Particulars	FY 2016-17	FY 2015-16
Dividend income		
Dividend Income from Current Investments	869,588	544,345
Interest income		
from banks	275,020	240,329
from others	842,561	-
Other Income		
Profit on sale of Fixed Assets	7,869	-
Profit on sale of Investments (net)	383,496	-
Provision for expenses no longer required written back	415,510	151,377
Miscellaneous income	88,975	122,880
Total Other Income	2,883,019	1,058,931



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Employee Benefits Expense

Note No 19

(In Rs.)

Particulars	FY 2016-17	FY 2015-16
Salaries and wages, including bonus	105,256,903	83,023,094
Contribution to provident and other funds	8,068,333	4,775,619
Staff welfare expenses	7,562,883	5,872,134
Total Employee Benefit Expense	120,888,119	93,670,847



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Other Expenses

Note No 20

(In Rs.)

Particulars	FY 2016-17	FY 2015-16
Consumption of stores and spares	5,171,489	4,442,627
Customer Repairs	2,504,430	2,655,556
Power and fuel	1,036,552	1,071,301
Rent	5,214,243	5,479,199
Rates and taxes	1,067,462	258,789
Insurance	367,362	130,864
Repairs	1,170,494	1,023,361
Annual Maintenance Contract	28,945,281	26,516,161
Manpower Support	29,135,023	22,786,601
Internet charges	3,975,240	3,561,068
Datacenter (VSNL) Rent	44,806,312	39,476,812
Traded Product AMC	7,710,844	4,760,829
WAN charges	1,994,788	1,862,417
Microsoft support Services	2,305,031	2,200,669
Facility Management Projects	3,742,597	2,488,029
Other service expenses	991,175	894,316
Auditors' remuneration	120,000	100,000
Travel and Conveyance	7,625,951	6,103,650
Freight, delivery and shipping charges	461,700	-
Printing, stationery and communication	2,387,705	2,454,606
Professional fees	12,512,148	7,148,332
Office maintenance	2,364,237	2,769,635
Loss on Exchange fluctuation (net)	246,830	-
Miscellaneous expenses	1,278,427	1,492,191
Total Other Expenses	167,135,320	139,677,011



Net access India Ltd

Notes forming part of the financial statements for the year ended March, 31, 2017

Notes No 21

(In Rs)

Income tax recognised in the Statement of profit and loss

Particulars	Year ended	
	31.03.2017	31.03.2016
Current tax	12,925,187	10,155,483
Deferred tax		
In respect of the current year	(1,649,137)	(1,719,474)
Total income tax recognised in the current year	11,276,050	8,436,009

Income tax reconciliation

	Year ended	
	31.03.2017	31.03.2016
Profit before tax	34,972,094	25,106,043
Tax expenses reported during the year	11,276,050	8,436,009
Income tax expenses calculated	11,466,258	8,300,811
Difference- (A)	(190,209)	135,198
Other disallowances		
Dividend income - exempted	869,588	544,345
Donations - 80 G	(10,000)	-
ROC fees paid for increase in Authorised Share Capital	(255,600)	-
Difference in STCG	(28,696)	-
Adjustments to the tax workings - Total	575,292	544,345
Tax on the adjustments @ 33.063%- (B)	190,209	179,977
Tax rate differences as per workings	-	44,779
	190,209	135,198



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

22 Contingent liabilities and capital commitments

(In Rs.)

	FY 2016-17	FY 2015-16
Contingent liabilities	-	-
Capital commitments	1,936,566	933,582

23 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(In Rs.)

	FY 2016-17	FY 2015-16
There are no overdue amounts / interest payable to Micro and Small Enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006 at the Balance Sheet date.	-	-

24 The details of actuarial valuation in respect of gratuity liability under Ind AS 19 is given below:

(In Rs.)

Particulars	Projected Unit Credit Method	Projected Unit Credit Method
	FY 16-17	FY 15-16
Change in defined benefit obligation		
Defined benefit obligation at beginning of period	6,430,626	5,139,764
Service cost		
a. Current service cost	1,422,903	1,074,609
b. Past service cost	-	-
c. (Gain) / loss on settlements	-	-
Interest expenses	498,868	404,991
Cash flows		
a. Benefit payments from plan	(389,554)	(154,760)
b. Benefit payments from employer	-	-
c. Settlement payments from plan	-	-
d. Settlement payments from employer	-	-
Remeasurements		
a. Effect of changes in demographic assumptions	58,874	-
b. Effect of changes in financial assumptions	495,776	(108,737)
c. Effect of experience adjustments	(463,939)	74,760
Transfer In /Out		
a. Transfer In	-	-
b. Transfer out	-	-
Defined benefit obligation at end of period	8,053,553	6,430,626
Change in fair value of plan assets	FY 16-17	FY 15-16
Fair value of plan assets at beginning of period	4,874,697	3,988,562
Interest income	423,901	354,530
Cash flows		
a. Total employer contributions		
(i) Employer contributions	1,154,065	700,000
(ii) Employer direct benefit payments	-	-
(iii) Employer direct settlement payments	-	-
b. Participant contributions	-	-
c. Benefit payments from plan assets	(389,554)	(154,760)
d. Benefit payments from employer	-	-
e. Settlement payments from plan assets	-	-
f. Settlement payments from employer	-	-
Remeasurements		
a. Return on plan assets (excluding interest income)	(340,290)	(13,635)
Transfer In /Out		
a. Transfer In	-	-
b. Transfer out	-	-
Fair value of plan assets at end of period	5,722,819	4,874,697

Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

Amounts recognized in the statement of financial position	FY 16-17	FY 15-16
Defined benefit obligation	8,053,553	6,430,626
Fair value of plan assets	(5,722,819)	(4,874,697)
Funded status	2,330,734	1,555,929
Effect of asset ceiling	-	-
Net defined benefit liability (asset)	2,330,734	1,555,929
Components of defined benefit cost	FY 16-17	FY 15-16
Service cost		
a. Current service cost	1,422,903	1,074,609
b. Past service cost	-	-
c. (Gain) / loss on settlements	-	-
d. Total service cost	1,422,903	1,074,609
Net interest cost		
a. Interest expense on DBO	498,868	404,991
b. Interest (income) on plan assets	423,901	354,530
c. Interest expense on effect of (asset ceiling)	-	-
d. Total net interest cost	74,967	50,460
Remeasurements (recognized in other comprehensive income)		
a. Effect of changes in demographic assumptions	58,874	-
b. Effect of changes in financial assumptions	495,776	(108,737)
c. Effect of experience adjustments	(463,939)	74,760
d. (Return) on plan assets (excluding interest income) *	(340,290)	(13,635)
e. Changes in asset ceiling (excluding interest income)	-	-
f. Total remeasurements included in OCI	431,001	(20,342)
Total defined benefit cost recognized in P&L and OCI	1,928,871	1,104,728
Re-measurement	FY 16-17	FY 15-16
a. Actuarial Loss/(Gain) on DBO	90,711	(33,977)
b. Returns above Interest Income	(340,290)	(13,635)
c. Change in Asset ceiling	-	-
Total Re-measurements (OCI)	431,001	(20,342)
Employer Expense (P&L)	FY 16-17	FY 15-16
a. Current Service Cost	1,422,903	1,074,609
b. Interest Cost on net DBO	74,967	50,460
c. Past Service Cost	-	-
d. Total P&L Expenses	1,497,870	1,125,069
Net defined benefit liability (asset) reconciliation	FY 16-17	FY 15-16
Net defined benefit liability (asset)	1,555,929	1,151,202
Defined benefit cost included in P&L	1,497,870	1,125,069
Total remeasurements included in OCI	431,001	(20,342)
a. Employer contributions	(1,154,065)	(700,000)
b. Employer direct benefit payments	-	-
c. Employer direct settlement payments	-	-
Net transfer	-	-
Net defined benefit liability (asset) as of end of period	2,330,734	1,555,930
Reconciliation of OCI (Re-measurement)	FY 16-17	FY 15-16
Recognised in OCI at the beginning of period	(20,342)	-
Recognised in OCI during the period	431,001	(20,342)
Recognised in OCI at the end of the period	410,659	(20,342)
Defined benefit obligation at end of period	FY 16-17	FY 15-16
Current Obligation	1,932,258	1,773,382
Non-Current Obligation	6,121,295	4,657,244
Total	8,053,553	6,430,626

(In Rs.)

SUMMARY		
Assets / Liabilities	FY 16-17	FY 15-16
Defined benefit obligation at end of period	8,053,553	6,430,626
Fair value of plan assets at end of period	5,722,819	4,874,697
Net defined benefit liability (asset)	2,330,735	1,555,930
Defined benefit cost included in P&L	1,497,870	1,125,069
Total remeasurements included in OCI	431,001	(20,342)
Total defined benefit cost recognized in P&L and OCI	1,928,871	1,104,728

25 Segmental disclosure

The company has only one segment of business which is Information technology (IT) services.

26 Foreign currency transactions

(In Rs.)

Particulars	FY 16-17	FY 15-16
a. Value of imports on CIF basis	-	-
b. Expenditure in foreign currency	8,300,683	1,977,800
c. Earnings in foreign currency	-	-

27 Auditors' fees

(In Rs.)

Particulars	FY 16-17	FY 15-16
For Statutory audit	100,000	90,000
For Tax audit	20,000	10,000
	120,000	100,000



Net Access India Ltd.

Notes forming part of the financial statements for the year ended March 31,2017

Transactions with Related parties

Note 29

(In Rs.)

Particulars	FY 2016-17					
	CUMI INDIA	STERLING ABRASIVES	MMTCL	CIRIA	WENDT	Total
Sales	607,685	-	36,665	-	-	644,350
Service Income- Including Service Tax	21,296,184	937,742	1,249,226	669,225	997,710	25,150,088
management Service Expenses- Net	1,461,000	-	-	-	-	1,461,000
Debtors	483,232	(47,398)	147,812	-	125,017	-
Creditors	142,823	-	-	-	-	-
Provisions for doubtful debts	-	-	-	-	-	-
Dividends payments	28,249,140	-	-	-	-	28,249,140

(In Rs.)

Particulars	FY 2015-16					
	CUMI INDIA	STERLING ABRASIVES	MMTCL	CIRIA	WENDT	Total
Sales	338,567	4,576	-	-	-	343,143
Service Income	17,084,961	832,016	-	-	-	17,916,977
Salary on deputation	-	-	-	-	-	-
Medical Insurance premium	-	-	-	-	-	-
Management Service Expenses	1,641,576	-	-	-	-	1,641,576
Debtors	1,494,766	130,072	-	-	-	1,624,838
Creditors	389,687	-	-	-	-	389,687
Provisions for doubtful debts	-	-	-	-	-	-

No dividends were declared in FY 15-16



Net Access India Ltd**Notes Forming part of financial statements for the year ended March 31, 2017****Notes to Earnings per share (EPS)****Note No.30**

There are no potential equity shares and hence the basic and diluted EPS are the same

(In Rs.)

Particulars	31.03.2017	31.03.2016	31.03.2015
Net profit for the year (In Rs.)	23,696,044	16,670,034	15,904,861
Weighted average number of equity shares outstanding during the year	2,166,667	1,600,000	1,600,000
Earnings per share - Basic and diluted	7.18	10.42	9.94
Number of equity shares at the beginning of the year	1,600,000	1,600,000	1,600,000
No. of equity shares at the end of the year	5,000,000	1,600,000	1,600,000
Weighted average no. of equity shares	2,166,667	1,600,000	1,600,000



Particulars	SBNs. Rs.	Other denomination notes. Rs.	Total
Closing cash in hand as on 08.11.2016	500 x 0 = 0	Coins = 8 5 x 5 = 25 10 x 33 = 330 50 x 22 = 1100 100 x 90 = 9000	10,463
(+) Permitted receipts *	NIL	2000 x 6 = 12000 100 x 80 = 8000	20,000
(-) Permitted payments	NIL	Coins = 6 5 x 2 = 10 10 x 25 = 250 50 x 9 = 450 100 x 153 = 15300	16,016
(-) Amount deposited in Banks	NIL	NIL	NIL
Closing cash in hand as on 30.12.2016	NIL	Coins = 2 5 x 3 = 15 10 x 8 = 80 50 x 13 = 650 100 x 17 = 1700 2000 x 6 = 12000	14,447

*Note : The permitted receipt reflects cash withdrawals from our Current Account with Bank for petty cash payments.



Transition to Ind-AS

The effect of the company's transition to Ind AS, described in note below, is summarized in this note below:

- (i) Transition election
- (ii) Reconciliation of equity as previously reported under Indian GAAP to Ind-AS
- (iii) Adjustments to the statement of cash flows.

(i) Transition election

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain optional exemptions, apart from mandatory exceptions, availed by the Company as detailed below.

Particulars**Notes No.**

Deemed Cost of for property, plant and equipment, investment property, and intangible assets	1
Designation of previously recognised financial instruments	2
Fair value measurement of financial assets or financial liabilities at initial recognition	3
Leases	4

1. In accordance with Ind-AS transitional provisions, the company has opted to consider previous GAAP carrying value of property, plant and equipment, investment property, and intangible assets as deemed cost on transition date.

2. The company holds only one share in CIRIA India Ltd (an associate company), and the same is measured at FVTPL

3. In accordance with Ind-AS transitional provisions, the company has opted to apply the provisions of day one gain or loss provisions retrospectively on transactions occurring on or after the date of transition to Ind AS.

4. In accordance with Ind-AS transitional provisions, the company has opted to determine whether an arrangement existing at the date of transition contains a lease on the basis of facts and circumstances existing at the date of transition rather than at the inception of the arrangement.

(ii) Reconciliation of equity and comprehensive income as previously reported under Indian GAAP to Ind-AS

(In Rs.)

Particulars	Note No.	As at	
		31.03.2016	01.04.2015
Equity as reported under IGAAP-net worth		80,903,364	64,233,330
a) Ind AS adjustments that lead to increase in equity			
Proposed dividend including dividend distribution tax	(i)	-	6,017,882
b) IND AS adjustments that lead to decrease in equity			
Deferred tax on Hedging reserve		-	-
Equity as reported under Ind-AS		80,903,364	70,251,212



Net Access India Ltd

Notes forming part of the financial statements for the year ended March 31, 2017

(In Rs.)

SUMMARY		
Assets / Liabilities	FY 16-17	FY 15-16
Defined benefit obligation at end of period	8,053,553	6,430,626
Fair value of plan assets at end of period	5,722,819	4,874,697
Net defined benefit liability (asset)	2,330,735	1,555,930
Defined benefit cost included in P&L	1,497,870	1,125,069
Total remeasurements included in OCI	431,001	(20,342)
Total defined benefit cost recognized in P&L and OCI	1,928,871	1,104,728

25 Segmental disclosure

The company has only one segment of business which is Information technology (IT) services.

26 Foreign currency transactions

(In Rs.)

Particulars	FY 16-17	FY 15-16
a. Value of imports on CIF basis	-	-
b. Expenditure in foreign currency	8,300,683	1,977,800
c. Earnings in foreign currency	-	-

27 Auditors' fees

(In Rs.)

Particulars	FY 16-17	FY 15-16
For Statutory audit	100,000	90,000
For Tax audit	20,000	10,000
	120,000	100,000



(In Rs.)		
Particulars	Note No.	Year ended 31.03.2016
Profit as reported under IGAAP		16,670,034
Ind AS adjustments that lead to increase in profit		
Actuarial gain/losses on remeasurement of the Defined benefit obligation	(iii)	20,342
Tax effect on the above		-
Profit as reported under Ind AS		16,690,376
Increase (decrease) in other comprehensive income for:		
Actuarial gain/losses on remeasurement of the Defined benefit obligation	(iii)	(20,342)
Effect of measuring investments at fair value through OCI		-
Effective portion of gain or loss on designated portion of hedging instruments in a cash flow hedge		-
Income tax relating to items above		-
		(20,342)
Comprehensive Income as reported under Ind AS		16,670,034

Notes:

i. Under Ind-AS, dividends payable and the associated corporate dividend tax are recorded as a liability in the year in which these are declared and approved. Under older Indian GAAP, dividends payable are recorded as a provision in the year to which they relate.

ii. Under Ind-AS, equity investments (Insignificant) not held for trading are designated as financial assets held at fair value through P&L. The fair value gains and losses on such investments are recognized in P&L.

Under older Indian GAAP, such non-current investments are carried at cost less any impairment that is other than temporary.

iii. Under Ind-AS the actuarial gains and losses on post retirement defined employee benefits are recognised in other comprehensive income.

Under older Indian GAAP such actuarial gains and losses were recognised in profit and loss account.

(iii) Adjustments to the statement of cash flows

The transition from Indian GAAP to Ind-AS had no impact on cash flows generated by the company. Cash flows relating to interest are classified in a consistent manner as operating, investing or financing.

(In Rs.)

Particulars	FY 2015-16		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	20,213,382	-	20,213,382
Net cash flows from investing activities	(13,121,086)	-	(13,121,086)
Net cash flows from financing activities	(6,685,158)	-	(6,685,158)
Net increase (decrease) in cash and cash equivalents	407,138	-	407,138
Cash and cash equivalents at the beginning of the period	4,021,624	-	4,021,624
Cash and cash equivalents at the end of the period	4,428,762	-	4,428,762



Net Access India Ltd

Notes forming part of financial statements for the year ended March 31, 2017

Balance sheet - Transition to Ind AS

Notes 33 A

(In Rs.)

A	Particulars	Notes	As at 31.03.2016			As at 31.03.2015		
			IGAAP	Adjustment	Ind AS	IGAAP	Adjustment	Ind AS
	ASSETS							
1	Non-current assets							
	(a) Property, Plant and Equipment	1	13,395,906	-	13,395,906	17,854,605	-	17,854,605
	(b) Capital work-in-progress	1	1,586,459	-	1,586,459	-	-	-
	(c) Other Intangible assets	1	5,151,164	-	5,151,164	4,945,549	-	4,945,549
	(d) Financial Assets							
	(i) Investments	2	530	-	530	530	-	530
	(ii) Other Financial Assets	3	2,272,148	-	2,272,148	2,232,698	-	2,232,698
	(e) Deferred tax assets (net)	4	-	-	-	-	-	-
	(f) Other non-current assets	5	33,170,842	-	33,170,842	27,715,024	-	27,715,024
	Total Non - Current Assets		55,577,049	-	55,577,049	52,748,406	-	52,748,406
2	Current assets							
	(a) Inventories	6	1,497,884	-	1,497,884	1,531,862	-	1,531,862
	(b) Financial Assets							
	(i) Investments	2	14,918,627	-	14,918,627	13,793,025	-	13,793,025
	(ii) Trade receivables	7	42,157,784	-	42,157,784	32,061,190	-	32,061,190
	(iii) Cash and cash equivalents	8	11,428,762	-	11,428,762	5,021,624	-	5,021,624
	(iv) Other Financial assets	3	531,955	-	531,955	50,789	-	50,789
	(c) Other current assets	5	12,978,202	-	12,978,202	12,675,594	-	12,675,594
	(d) Assets classified as held for sale		-	-	-	-	-	-
	Total Current Assets		83,513,214	-	83,513,214	65,134,084	-	65,134,084
	Total Assets (1+2)		139,090,263	-	139,090,263	117,882,490	-	117,882,490
	EQUITY AND LIABILITIES							
1	Equity							
	(a) Share capital	9	16,000,000	-	16,000,000	16,000,000	-	16,000,000
	(b) Other Equity excluding non-controlling interests	10	64,903,364	-	64,903,364	48,233,330	6,017,882	54,251,212
	Equity attributable to owners of the Company (i)		80,903,364	-	80,903,364	64,233,330	-	64,233,330
	Total equity attributable to owners of the Company		80,903,364	-	80,903,364	64,233,330	-	64,233,330
	LIABILITIES							
2	Non-current liabilities							
	(a) Financial Liabilities							
	(i) Borrowings	11	-	-	-	423,698	-	423,698
	(b) Provisions	12	106,286	-	106,286	52,540	-	52,540
	(c) Deferred tax liabilities (Net)	4	459,235	-	459,235	2,178,710	-	2,178,710
	(d) Other non-current liabilities		-	-	-	-	-	-
	Total Non - Current Liabilities		565,521	-	565,521	2,654,948	-	2,654,948
3	Current liabilities							
	(a) Financial Liabilities							
	(i) Borrowings		-	-	-	-	-	-
	(ii) Trade payables	13	45,548,922	-	45,548,922	32,560,979	-	32,560,979
	(iii) Other financial liabilities	14	551,750	-	551,750	3,058,129	-	3,058,129
	(b) Provisions	15	2,009,119	-	2,009,119	7,675,062	6,017,882	1,657,180
	(c) Current Tax Liabilities (Net)		-	-	-	-	-	-
	(d) Other current liabilities	16	9,511,587	-	9,511,587	7,700,041	-	7,700,041
	(e) Liabilities associated with assets held for sale		-	-	-	-	-	-
	Total Current Liabilities		57,621,378	-	57,621,378	44,976,329	-	44,976,329
	Total Equity and Liabilities (1+2+3)		139,090,263	-	139,090,263	117,882,490	-	117,882,490



Net Access India Ltd
Statement of Profit and Loss -Transition to Ind AS

Note No 33 B
(In Rs.)

Particulars	Notes	FY 15-16		
		IGAAP	Adjustment	Ind AS
Continuing Operations				
I Revenue from operations	17	295,772,110	-	295,772,110
II Other Income	18	1,058,931	-	1,058,931
III Total Revenue (I + II)		296,831,041	-	296,831,041
IV EXPENSES				
(a) Cost of materials consumed		-	-	-
(b) Purchases of finished, semi-finished and other products		27,714,635	-	27,714,635
(c) Changes in stock of finished goods, work-in-progress and stock-in-trade		33,975	-	33,975
(d) Excise duty on sales		-	-	-
(e) Employee benefit expense	19	93,650,505	-	93,670,847
(f) Finance costs		246,252	-	246,252
(g) Depreciation and amortisation expense	1	9,446,782	-	9,446,782
(h) Impairment on Financial asset		955,838	-	955,838
(i) Reversal on impairment on financial asset		-	-	-
(j) Other expenses	20	139,677,011	-	139,677,011
Total Expenses		271,724,998	-	271,745,340
V Profit/(loss) before tax (III- IV)		25,106,043	-	25,085,701
VI Tax Expense				
(1) Current tax	21	10,155,483	-	10,155,483
(2) Deferred tax	4	(1,719,474)	-	(1,719,474)
Total tax expense		8,436,009	-	8,436,009
VII Profit/(loss) for the period		16,670,034	-	16,649,692
VIII Other comprehensive income				20,342
A (i) Items that will not be recycled to profit or loss				
(b) Remeasurements of the defined benefit liabilities / (asset)		-	-	20,342
(c) Equity instruments through other comprehensive income		-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-
IX Total comprehensive income for the period (VII+VIII)		-	-	16,670,034
XVIII Earnings per equity share (for continuing operation):				
(1) Basic & Diluted	30	10.42	-	10.42



Financial Instruments

(i) Capital management

The Company's capital management is intended to maximize the return to shareholders and benefits for other stakeholders for meeting the long-term and short-term goals of the Company; and reduce the cost of capital through the optimization of the capital structure.

(ii) Categories of financial instruments

Financial assets	As at		
	31.03.2017	31.03.2016	01.04.2015
Measured at fair value through profit or loss (FVTPL)			
(a) Mandatorily measured:			
(i) Equity investments	530	530	530
(ii) Mutual funds (Debt)	2,304,722	14,918,097	13,792,495
Measured at amortised cost			
(a) Cash	60,903,168	11,428,762	5,021,624
(b) Other financial assets at amortised cost	41,495,339	44,961,887	34,344,676

(iii) Financial risk management objectives

The Company's activities expose it to market risk, liquidity risk, credit risk. The company has a risk mitigation policy & process to measure and manage. The below table explains the companies mitigation approach under various risk heads

Risk	Exposure arising from	Measurement	Management
a. Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis Credit ratings	Diversification of Short term investments, review of credit limits
b. Market risk			
i. Market risk – Foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	The commitment to pay is not too far to carry the risk and thereby, chose the best rates of the available card rates to decide the payments
ii. Market risk – Price risk	Investment in securities	Sensitivity analysis	Portfolio diversification

a. Credit risk :

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables), cash and cash equivalents and other financial instruments. Customer credit risk is managed as per the Company's established, procedures and controls relating to the customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and taken up on a case-to-case basis. The Company has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient comfort, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit pattern of its counterparties is continuously monitored.

b. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk and other price risk. Market risk exposures are measured using sensitivity analysis/Market daily, weekly trends There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

b(i). Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; and is consequently, exposed to exchange rate fluctuations. Exchange rate exposures are not significant and managed within approved policy parameters. Depending on the future outlook on currencies, the Company may keep the exposures hedged or hedge only a part of the total exposure.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities			Assets		
	As at			As at		
	31.03.2017	31.03.2016	01.04.2015	31.03.2017	31.03.2016	01.04.2015
Danish Krone (DKK)	837,249	-	-	-	-	-

Foreign currency sensitivity analysis

The company is exposed only to Danish Krone, & the table below presents the sensitivity at 10% on the foreign currency & its impact

Currency impact on:	Year ended 31.03.2017		Year ended 31.03.2016		Year ended 01.04.2015	
	Profit or loss	Equity	Profit or loss	Equity	Profit or loss	Equity
DKK- INR	83,725	83,725	-	-	-	-



Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's has been availing the borrowings on a fixed rate of interest. These borrowings are carried at amortised cost. The borrowings on a fixed rate of interest basis are not subject to the interest rate risk as defined in Ind AS 107, since neither the carrying amount nor future cash flows will fluctuate because of change in market interest rate

Particulars	31.03.2017	31.03.2016	31.03.2015
Variable rate borrowings	-	-	-
Fixed rate borrowings (CIFCL term borrowing & SFL finance lease)	197,758	423,686	3,353,763
Total	197,758	423,686	3,353,763

* Interest sensitivity is nil as the loan was borrowed at fixed rate

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. The company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2017:

Particulars	Carrying amount	Upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-current financial liabilities						
Borrowings and interest thereon	-	-	-	-	-	-
Finance lease liability	-	-	-	-	-	-
Current financial liabilities						
Trade payables	60,334,186	60,334,186	-	-	-	60,334,186
Finance lease liability	197,758	203,758	-	-	-	203,758
Other financial liabilities	128,064	128,064	-	-	-	128,064
Total	60,660,008	60,666,008	-	-	-	60,666,008

The Table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2016:

Particulars	Carrying amount	Upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-current financial liabilities						
Borrowings and interest thereon	-	-	-	-	-	-
Finance lease liability	-	-	-	-	-	-
Current financial liabilities						
Trade payables	45,548,922	45,548,922	-	-	-	45,548,922
Finance lease liability	423,686	423,686	-	-	-	423,686
Other financial liabilities	128,064	128,064	-	-	-	128,064
Total	46,100,672	46,100,672	-	-	-	46,100,672

The Table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 1 April 2015:

Particulars	Carrying amount	Upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-current financial liabilities						
Borrowings and interest thereon	-	-	-	-	-	-
Finance lease liability	423,698	-	423,698	-	-	423,698
Current financial liabilities						
Trade payables	32,560,979	32,560,979	-	-	-	32,560,979
Finance lease liability	213,195	213,195	-	-	-	213,195
Other financial liabilities	2,844,934	2,844,934	-	-	-	2,844,934
Total	36,042,806	35,619,108	423,698	-	-	36,042,806

The Table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at 31 March 2017:

Particulars	Carrying amount	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-current financial assets						
Other financial assets	3,599,216	-	-	-	3,599,216	3,599,216
Current financial assets						
Trade receivables	36,797,825	36,797,825	-	-	-	36,797,825
Other financial assets	-	-	-	-	-	-
Advance to employees	1,098,298	1,098,298	-	-	-	1,098,298
Other financial assets	-	-	-	-	-	-
Total	41,495,339	37,896,123	-	-	3,599,216	41,495,339



The Table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at 31 March 2016:

Particulars	Carrying amount	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-current financial assets						
Other financial assets	2,272,148	-	-	-	2,272,148	2,272,148
Current financial assets						
Trade receivables	42,157,784	42,157,784	-	-	-	42,157,784
Other financial assets	-	-	-	-	-	-
Advance to employees	531,955	531,955	-	-	-	531,955
Other financial assets	-	-	-	-	-	-
Total	44,961,887	42,689,739	-	-	2,272,148	44,961,887

The Table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at 1 April 2015:

Particulars	Carrying amount	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-current financial assets						
Other financial assets	2,232,698	-	-	-	2,232,698	2,232,698
Current financial assets						
Trade receivables	32,061,190	32,061,190	-	-	-	32,061,190
Other financial assets	-	-	-	-	-	-
Advance to employees	50,789	50,789	-	-	-	50,789
Other financial assets	-	-	-	-	-	-
Total	34,344,676	32,111,978	-	-	2,232,698	34,344,676

Fair value measurements

Fair value of the company's financial assets and financial liabilities are measured at fair value on a recurring basis.

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used):

Financial assets	Fair Value as at			Fair value hierarchy
	As at			
	31.03.2017	31.03.2016	01.04.2015	
Investments in Mutual fund (Debt)instruments at FVTPL	2305252	14,918,627	13,793,025	Level 1
Investments in un-quoted instruments at FVTPL	530	530	530	Level 3

The investments of one share in an un-quoted equity instrument in CIRJA, an associate company

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Particulars	Fair value hierarchy	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
		Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at amortised cost:							
Non-current financial assets							
Other financial assets							
Security deposit	Level 3	3,599,216	3,599,216	2,272,148	2,272,148	2,232,698	2,232,698
Current financial assets							
Trade receivables	Level 2	36,797,825	36,797,825	42,157,784	42,157,784	32,061,190	32,061,190
Other financial assets							
Advances to employees	Level 3	1,098,298	1,098,298	531,955	531,955	50,789	50,789
Financial liabilities held at amortised cost:							
Non-current financial liabilities							
Finance lease and interest thereon	Level 2	-	-	-	-	423,698	423,698
Current financial liabilities							
Borrowings and interest thereon	Level 3	-	-	-	-	-	-
Trade payables	Level 2	60,334,186	60,334,186	45,548,922	45,548,922	32,560,979	32,560,979
Others financial liabilities:							
Finance lease and interest thereon	Level 2	197,758	197,758	423,686	423,686	213,195	213,195
Others financial liabilities	Level 3	128,064	128,064	128,064	128,064	2,844,934	2,844,934

The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.



Net Access India Ltd.

Notes forming part of the financial Statements for the year ended Mar 31, 2017

General

Note No 35

a) Based on the nature of the business of the company and the normal time between the acquisition of assets and their realisation in cash and cash equivalents , the company has deteremined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non - current

b) Previous year figures have been regrouped wherever necessary to confirm to current year's grouping

In terms of our report attached

For Jagannathan & Sarabeswaran

Chartered Accountants

FRN 001204S



Vivek Sarabeswaran

Partner

M.No.206383

Date: 20th April,2017



M R G Appa Rao

Director



Sridharan Rangarajan

Director

