

**BOSE & CHAKRABARTI**  
**CHARTERED ACCOUNTANTS**  
**16/C, SACHIN MITRA LANE**  
**KOLKATA - 700 003**

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF Spen Liq Private Limited**

**Report on the Ind AS Financial Statements**

1. We have audited the accompanying Ind AS financial statements of **Spen Liq Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

**Management's Responsibility for the Ind AS Financial Statements**

2. 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 Ind AS financial statements to give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 of 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate



in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

### Opinion

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

### Report on Other Legal and Regulatory Requirements

9. As required by the 'Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure - A a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure - B.
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
    - i) The Company does not have any pending litigations as at March 31, 2017 which would impact its financial position.



- ii) The Company did not have any long term contracts including derivative contracts as at March 31, 2017.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March, 31, 2017.
- iv) The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company.



For BOSE & CHAKRABARTI  
Firm Registration Number: 322138E  
Chartered Accountants

A handwritten signature in blue ink that reads "D. Majumdar".

D. Majumdar  
Partner  
Membership Number 13714

Kolkata  
Dated: 17-05-2017

## Annexure - A to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Spent Liq Private Limited on the Ind AS financial statements for the year ended March, 31, 2017

Page 1 of 2

- i. The Company does not have any fixed assets and accordingly the provisions of clause 3(i)(a), 3(i)(b) and 3(i)(c) of the said order are not applicable to the Company.
- ii. The Company has no inventory and thus the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause (iii)(a) to (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act, and the rules framed thereunder are not applicable.
- vi. As the Company has not yet commenced operation, provisions under Section 148(1) of the Act in regard to the maintenance of cost records, in our opinion, is not applicable.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales tax, wealth tax, service tax, duty of customs, value added tax or cess which have not been deposited on account of any dispute.
- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Clause 4 (xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



**Annexure - A to Independent Auditors' Report**

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Spen Liq Private Limited on the Ind AS financial statements for the year ended March, 31, 2017

Page 2 of 2

- 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. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.



For BOSE & CHAKRABARTI  
Firm Registration Number: 322138E  
Chartered Accountants

A handwritten signature in blue ink, appearing to read "D. Majumdar".

D. Majumdar  
Partner  
Membership Number 13714

Kolkata  
Dated: 17-05-2017

## **Annexure - B to Independent Auditors' Report**

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Spen Liq Private Limited on the Ind AS financial statements for the year ended March 31, 2017  
Page 1 of 2

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

1. We have audited the internal financial controls over financial reporting of Spen Liq Private Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act 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 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 judgement, including the assessment of the risks of material misstatement of the Ind AS 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. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial



## Annexure - B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Spen Liq Private Limited on the Ind AS financial statements for the year ended March 31, 2017

Page 2 of 2

statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

7. 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

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



For BOSE & CHAKRABARTI  
Firm Registration Number: 322138E  
Chartered Accountants

A handwritten signature in blue ink, appearing to read "D. Majumdar".

D. Majumdar  
Partner

Membership Number 13714

Kolkata

Dated: 17-05-2017

**SPEN LIQ PRIVATE LIMITED**

Registered Office: 31, Netaji Subhas Road, Kolkata-700001

**Balance Sheet as at 31 March 2017**

Particulars	Notes	₹ in Lakhs		
		31 March 2017	31 March 2016	01 April 2015
<b>ASSETS</b>				
<b>1) Non-current assets</b>				
i. Investment in subsidiary	2	47,169.71	47,169.71	47,169.71
<b>Total non-current assets</b>		<b>47,169.71</b>	<b>47,169.71</b>	<b>47,169.71</b>
<b>2) Current assets</b>				
a. Financial Assets				
i. Cash and cash equivalents	3	46.58	47.53	48.59
<b>Total current assets</b>		<b>46.58</b>	<b>47.53</b>	<b>48.59</b>
<b>Total assets</b>		<b>47,216.29</b>	<b>47,217.24</b>	<b>47,218.30</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
a. Equity share capital	4	47,102.81	47,102.81	47,102.81
b. Other equity	5	107.73	109.94	112.23
<b>Total Equity</b>		<b>47,210.54</b>	<b>47,212.75</b>	<b>47,215.04</b>
<b>LIABILITIES</b>				
<b>1) Non-current liabilities</b>				
<b>Total non-current liabilities</b>		-	-	-
<b>2) Current liabilities</b>				
a. Financial liabilities				
i. Other financial liabilities	6	5.11	3.91	2.64
b. Other current liabilities	7	0.07	0.01	0.05
c. Current tax liabilities (net)	8	0.57	0.57	0.57
<b>Total current liabilities</b>		<b>5.75</b>	<b>4.49</b>	<b>3.26</b>
<b>Total liabilities</b>		<b>5.75</b>	<b>4.49</b>	<b>3.26</b>
<b>Total equity and liabilities</b>		<b>47,216.29</b>	<b>47,217.24</b>	<b>47,218.30</b>

**Significant Accounting Policies**

Notes 1 - 19 form an integral part of the financial statements

This is the Balance Sheet referred to in our Report of even date.

For Bose & Chakrabarti  
Firm Registration Number - 322138E  
Chartered Accountants

D. Majumdar  
Partner  
Membership Number 13714  
Place: Kolkata  
Date: 17-05-2017



For and on behalf of the Board of Directors

*[Signature]*  
Director

*[Signature]*  
Company Secretary

*[Signature]*  
Director  
*[Signature]*  
CFO



**SPEN LIQ PRIVATE LIMITED**

Registered Office: 31, Netaji Subhas Road, Kolkata-700001

**Statement of profit and loss as at 31 March 2017**

SI No.	Particulars	Notes	₹ in Lakhs	
			Year ended 31 March 2017	Year ended 31 March 2016
I	Revenue from operations		-	-
II	Other income		-	-
III	<b>Total income (I)+(II)</b>		-	-
IV	<b>Expenses</b>			
	Employee benefit expense	9	1.20	1.20
	Other expenses	10	1.01	1.09
	<b>Total expenses</b>		<b>2.21</b>	<b>2.29</b>
V	<b>Profit/(Loss) before exceptional items and tax (III-IV)</b>		<b>(2.21)</b>	<b>(2.29)</b>
VI	Exceptional items			
VII	<b>Profit/(Loss) before tax</b>		<b>(2.21)</b>	<b>(2.29)</b>
VIII	Income tax expense			
	- Current tax			
	- Deferred tax			
	<b>Total tax expense</b>		<b>-</b>	<b>-</b>
IX	<b>Profit/(Loss) for the period from continuing operations (VII-VIII)</b>		<b>(2.21)</b>	<b>(2.29)</b>
	<b>Discontinued operations</b>			
	Profit/(Loss) from discontinued operation before tax			
XI	Tax expense of discontinued operations			
XII	<b>Profit/(Loss) from discontinued operations</b>		<b>-</b>	<b>-</b>
XIII	<b>Profit/(Loss) for the year</b>		<b>(2.21)</b>	<b>(2.29)</b>
XIV	<b>Other Comprehensive income</b>			
A	(i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
B	(i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
	<b>Other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>-</b>
XV	<b>Total comprehensive income for the year</b>		<b>(2.21)</b>	<b>(2.29)</b>
	<b>Earning per equity share for profit/(Loss) from continuing operations</b>	11	<b>INR</b>	<b>INR</b>
	Basic earnings per share		<b>(0.00)</b>	<b>(0.00)</b>
	Diluted earnings per share		<b>(0.00)</b>	<b>(0.00)</b>

**Significant Accounting Policies**

Notes 1 - 19 form an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our Report of even date.

For Bose & Chakrabarti  
Firm Registration Number - 322138E  
Chartered Accountants

*D. Majumdar*  
D. Majumdar  
Partner  
Membership Number 13714  
Place: Kolkata  
Date: 17-05-2017



For and on behalf of the Board of Directors

*[Signature]*  
Director

*[Signature]*  
Company Secretary

*[Signature]*  
Director

*[Signature]*  
CFO

**Spn Lig Private Limited**  
**Registered Office: 31, Netaji Subhas Road, Kolkata-700001**  
**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2017**

	₹ in Lakhs 2016-17	₹ in Lakhs 2015-16
<b>A. Cash flow from Operating Activities</b>		
Profit before Exceptional Items and Taxation	(2.21)	(2.29)
<b>Operating Profit before Working Capital changes</b>	<u>(2.21)</u>	<u>(2.29)</u>
Adjustments for :		
Increase/(Decrease) in Other Financial Liabilities	1.20	1.27
Increase/(Decrease) in Other current Liabilities	0.06	(0.04)
<b>Cash Generated from Operations</b>	<b>(0.95)</b>	<b>(1.06)</b>
Income Tax Paid	-	-
<b>Net cash flow from Operating Activities</b>	<u><b>(0.95)</b></u>	<u><b>(1.06)</b></u>
<b>B. Cash flow from Investing Activities</b>		
<b>Net cash used in Investing Activities</b>	<u>-</u>	<u>-</u>
<b>C. Cash flow from Financing Activities</b>		
<b>Net Cash flow from Financing Activities</b>	<u>-</u>	<u>-</u>
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	<u><b>(0.95)</b></u>	<u><b>(1.06)</b></u>
<b>Cash and Cash equivalents - Opening Balance</b>	<b>47.53</b>	<b>48.59</b>
<b>Cash and cash equivalents on acquisition of subsidiaries</b>	-	-
<b>Cash and Cash equivalents - Closing Balance</b>	<u><b>46.58</b></u>	<u><b>47.53</b></u>

This is the Statement of Cash Flow referred to in our report of even date.

For Bose & Chakrabarti  
 Firm Registration Number - 322138E  
 Chartered Accountants  
  
 Anjuman  
 Partner  
 Membership Number 13714  
 Place: Kolkata  
 Date: 17-05-2017



For and on behalf of the Board of Directors

  
 Director

  
 Company Secretary

  
 Director  
  
 CFO

Statement of Changes in Equity for the year ended 31st March, 2017

Equity Share Capital

For financial year ended 31st March 2017

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	₹ in Lakhs
			Balance at the end of the reporting period
Equity Shares	47,102.81	-	47,102.81

Equity Share Capital

For financial year ended 31st March 2016

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Shares	47,102.81	-	47,102.81

Other Equity

For financial year ended 31 March 2017

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance at the beginning of the reporting period	109.94	109.94
Total Comprehensive Income for the year	(2.21)	(2.21)
Balance at the end of the reporting period	107.73	107.73

Other Equity

For financial year ended 31 March 2016

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance at the beginning of the reporting period	112.23	112.23
Total Comprehensive Income for the year	(2.29)	(2.29)
Balance at the end of the reporting period	109.94	109.94

Significant Accounting Policies

Notes 1 - 19 form an Integral part of the financial statements

This is the Statement of Changes in Equity referred to in our Report of even date

For Bose & Chakrabarti  
Firm Registration Number - 322138E  
Chartered Accountants

*D. Majumdar*  
D. Majumdar  
Partner  
Membership Number 13714  
Place: Kolkata  
Date: 17-05-2017



For and on behalf of the Board of Directors

*[Signature]*  
Director

*[Signature]*  
Director

*[Signature]*  
Company Secretary

*[Signature]*  
CFO



**SPEN LIQ PRIVATE LIMITED**

**Registered Office: 31, Netaji Subhas Road, Kolkata-700001**

**Significant accounting policies and notes to the accounts**

**Note 1**

**Significant Accounting Policies**

**i) Accounting Convention**

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 notified under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013.

For all the periods upto and including the year ended March 31, 2016, the financial statements were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is given in Note 12.

**ii) Basis of Accounting**

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under historical cost convention on accrual basis except for the following:

- certain financial assets and liabilities measured at fair value

**iii) Accounting estimates and assumptions**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

**iv) Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash in banks.

**v) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as result of a past event and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of obligation can be estimated reliably.

Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.



**SPEN LIQ PRIVATE LIMITED**

**Registered Office: 31, Netaji Subhas Road, Kolkata-700001**

**Significant accounting policies and notes to the accounts**

**vi) Taxes on Income**

Income tax expense comprises current and deferred tax. Current tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current income taxes are recognized under "income tax payable" net of payments on account, or under "tax receivables" where there is a credit balance.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**vii) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that the future economic benefits will flow to the entity. The estimates are based on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.



**SPEN LIQ PRIVATE LIMITED**

**Registered Office: 31, Netaji Subhas Road, Kolkata-700001**

**Significant accounting policies and notes to the accounts**

**viii) Financial Instruments**

**A. Initial recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**B. Subsequent measurement**

**I. Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**II. Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in the fair value are recognized in other comprehensive income.

**III. Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**IV. Financial liabilities**

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

**C. Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of the financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**D. Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, subject to future adjustments.

For all other financial instruments the carrying amounts approximates fair value due to the short maturity of those instruments.



**SPEN LIQ PRIVATE LIMITED**

Registered Office: 31, Netaji Subhas Road, Kolkata-700001  
Significant accounting policies and notes to the accounts

For financial year ended 31 March 2017.

**Non current assets  
Financial assets****2. Non current investments**

₹ In Lakhs

Particulars	Face value per unit in INR unless otherwise stated	No of units/ shares	31-Mar-17	31-Mar-16	1-Apr-15
<b>A. Investments in equity instrument (fully paid up) quoted</b>					
<b>Subsidiaries</b>					
Firstsource Solutions Limited	10	373,976,673	47,169.71	47,169.71	47,169.71
Market Value - Rs 1619.32 crore (Previous year: 1254.69 crore)					
<b>TOTAL</b>			<b>47,169.71</b>	<b>47,169.71</b>	<b>47,169.71</b>

(a) All non-current investments are long term in nature.

**3. Cash and cash equivalents**

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Balances with banks			
- in current accounts	46.58	47.53	48.59
<b>Total</b>	<b>46.58</b>	<b>47.53</b>	<b>48.59</b>



For financial year ended 31 March 2017

4. Equity share capital

₹ In Lakhs

Particulars	As at		
	March 31, 2017	March 31, 2016	April 1, 2015
<b>Authorised</b>			
500,000,000 Equity Shares of Rs 10/- each	50,000.00	50,000.00	50,000.00
<b>Issued, subscribed and paid-up capital</b>			
471,028,050 Equity Shares of Rs 10/- each, fully paid up	47,102.81	47,102.81	47,102.81
<b>Total</b>	<b>47,102.81</b>	<b>47,102.81</b>	<b>47,102.81</b>

b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period are as given below:

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No of shares	₹	No of shares	₹	No of shares	₹
Number of shares outstanding at the beginning of the period	471,028,050	47,102.81	471,028,050	47,102.81	471,028,050	47,102.81
Add:						
Less:						
Number of shares outstanding at the end of the period	471,028,050	47,102.81	471,028,050	47,102.81	471,028,050	47,102.81

c) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The company has not declared any dividend to its shareholders since inception. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all the preferential amounts. The distribution shall be in proportion to the number of equity shares held by the shareholders.

d) Shares of the company held by holding/ ultimate holding company

Name of the shareholder	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares	%	Number of shares	%	Number of shares	%
CESC limited	471,028,050	100	471,028,050	100	471,028,050	100

e) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares	%	Number of shares	%	Number of shares	%
CESC limited	471,028,050	100	471,028,050	100	471,028,050	100

Equity share capital of the company is held by CESC limited the Holding Company

f) In the period of five years immediately preceding 31 March 2017, the Company has neither issued bonus shares, bought back any equity shares nor has allotted any equity shares as fully paid up without payment being received in cash.

g) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment

5. Other equity

Particulars	As at		
	March 31, 2017	March 31, 2016	April 1, 2015
<b>a) Retained earnings</b>			
Retained earnings comprise of the Company's prior years' undistributed earnings after taxes.	107.73	109.94	112.23
<b>b) Other items of other comprehensive income</b>			
Other items of other comprehensive income consists of re-measurement of net defined benefit liability/asset (actuarial gains and losses)	-	-	-
<b>Total</b>	<b>107.73</b>	<b>109.94</b>	<b>112.23</b>

a) Retained earnings

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening balance	109.94	112.23	114.16
Net profit/(loss) for the period	(2.21)	(2.29)	(1.93)
Appropriations during the year			
Closing balance	107.73	109.94	112.23

CURRENT LIABILITIES

6. Other financial liabilities

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Net Salary Payable	4.73	3.55	2.36
Audit Fee Payable	0.32	0.25	0.22
Other Payables	0.06	0.11	0.06
<b>Total</b>	<b>5.11</b>	<b>3.91</b>	<b>2.64</b>

7. Other current liabilities

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Liability for income tax / TDS/ sales tax / wealth tax etc	0.05	-	0.02
Others	0.02	0.01	0.03
<b>Total</b>	<b>0.07</b>	<b>0.01</b>	<b>0.05</b>

There is no amount due to Micro and Small Enterprises as referred in the Micro, small and medium Enterprise Development Act 2006 based on the Information available with the company.

8. Current tax liabilities (net)

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Provision for Taxation	0.57	0.57	0.57
<b>Total</b>	<b>0.57</b>	<b>0.57</b>	<b>0.57</b>





SPEN LIQ PRIVATE LIMITED  
Registered Office: 31, Netaji Subhas Road, Kolkata-700001  
Significant accounting policies and notes to the accounts

For financial year ended 31 March 2017

₹ In Lakhs

9. Employee benefit expense

Particulars	As at March 31, 2017	As at March 31, 2016
Salaries, wages and bonus	1.20	1.20
<b>Total</b>	<b>1.20</b>	<b>1.20</b>

10. Other expenses

Particulars	As at March 31, 2017	As at March 31, 2016
Remuneration to Auditors		
- Statutory audit	0.35	0.25
- Other services	0.13	-
Rates and taxes	0.04	0.15
Professional Charges	0.34	0.64
Miscellaneous expenses	0.15	0.05
<b>Total</b>	<b>1.01</b>	<b>1.09</b>

11. Earnings per share (EPS)

Particulars	As at March 31, 2017	As at March 31, 2016
Face value of equity shares	10	10
Weighted average number of equity shares outstanding	471,028,050	471,028,050
Profit/ (loss) for the year (continuing operations)	(2.21)	(2.29)
Weighted average earnings per share (basic and diluted)	(0.00)	(0.00)



**SPEN LIQ PRIVATE LIMITED**

**Registered Office: 31, Netaji Subhas Road, Kolkata-700001**

**Significant accounting policies and notes to the accounts**

**Note 12**

**Transition to Ind AS**

These are the Company's first financial statements prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

The accounting policies set out in Note 1 above have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following notes.

**A. Exceptions**

Estimates exception: Upon an assessment of the estimates made under Indian GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, except where estimates were required by Ind AS and not required by Indian GAAP.

The Company has classified financial assets in accordance with Ind AS 109 on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**B. Exemptions**

Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. As the Company does not have any item of property, plant & equipment, finance leases and intangible assets in its books, the issue of exemptions from retrospective application of those requirements is not applicable.

However investment in subsidiaries is measured at deemed cost, being previous GAAP carrying amount as on the date of transition to Ind AS.

**C. Reconciliations:**

There are no adjustments as per Ind AS in Equity, total comprehensive income and cash flow under IGAAP as on the date of transition. Hence reconciliation statement is not prepared.



**SPEN LIQ PRIVATE LIMITED**

Registered Office: 31, Netaji Subhas Road, Kolkata-700001

Significant accounting policies and notes to the accounts**Note 13****Related Party disclosures**

## 13.1. Related Parties and their Relationship

**A) Parent Entities**

Name	Relationship	Place of Incorporation	Ownership Interest		
			01-04-2015	31-03-2016	31-03-2017
CESC Limited	Holding Company	India	100%	100%	100%

**B) Subsidiaries, Associates, Joint Ventures**

Name	Relationship	Place of Incorporation	Ownership Interest		
			01-04-2015	31-03-2016	31-03-2017
Firstsource Solutions Limited	Subsidiary Company	India	56.13%	55.54%	54.89%

## 13.2 Details of transactions between the Company and related parties and status of outstanding balance.

Type of Transaction	₹ in Lakhs Holding Company		₹ in Lakhs Fellow Subsidiary Companies		₹ in Lakhs Key Management Personnel	
	31.03.17	31.03.16	31.03.17	31.03.16	31.03.17	31.03.16
Salary Paid – Mr. Manoj Kumar Roy	-	-	-	-	1.20	1.20
Outstanding Balance						
--Debit	-	-	-	-	-	-
--Credit	-	-	-	-	4.73	3.54



SPEN LIQ PRIVATE LIMITED

Registered Office: 31, Netaji Subhas Road, Kolkata-700001

Significant accounting policies and notes to the accounts

## **Note 14**

### **Financial Risk Management**

The Company's activities expose it to credit risk, liquidity risk, capital risk and market risk (including interest rate risk, price risk and currency risk). The Company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of the financial markets on the Company's financial performance. The Company do not use derivative financial instruments to hedge any risk exposures.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Company.

#### **i) Credit risk**

Credit risk is the risk that companies and other parties will be unable to meet their obligations to the Company resulting in financial loss to the Company. The Company has adopted the policy of dealing with customers with an appropriate credit history as a means of mitigating the credit risk exposures. The Company has no significant concentrations of credit risk and cash is placed with reliable financial institutions.

#### **ii) Liquidity risk**

The Company monitors its liquidity risk and maintains a level of cash and bank balances deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. Such liquidity risks are minimised by the amount of cash and bank balances of Rs. 46.58 Lakhs as at 31st March 2017. All financial liabilities of the Company are due within one year.

#### **iii) Market risk**

##### **a) Interest rate risks**

The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company has no interest bearing assets/liabilities.

##### **b) Price risk**

The Company is not exposed to any equity securities and debt investments price risk or commodity price risk.

##### **c) Currency risk**

The Company has no foreign currency risk exposure.



**SPEN LIQ PRIVATE LIMITED**

**Registered Office: 31, Netaji Subhas Road, Kolkata-700001**

**Significant accounting policies and notes to the accounts**

**Note 15**

**Capital Management**

**a) Risk Management**

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants, if any.

**b) Dividends**

The Company has not declared or paid any dividends during the year (Last Year: NIL).

**Note 16**

**Financial instruments**

Financial Instruments consists of cash and cash equivalents and other financial liabilities. The fair value of the same are close to its amortised cost due to its short term nature.

Other financial liabilities are categorized under level 3 in the fair value hierarchy.

**Note 17**

**Details of Specified Bank Notes (SBN)**

₹ in Lakhs

<b>Particulars</b>	<b>SBNs</b>	<b>Other denomination notes</b>	<b>Total</b>
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-



**SPEN LIQ PRIVATE LIMITED**

**Registered Office: 31, Netaji Subhas Road, Kolkata-700001**

**Significant accounting policies and notes to the accounts**

**Note 18**

The company is engaged in the business of other investment holding and does not operate in any other reportable segment.

**Note 19**

Previous year figures have been re-classified/regrouped wherever necessary.

For Bose & Chakrabarti  
Firm Registration Number - 322138E  
Chartered Accountants



D. Majumdar  
Partner  
Membership Number 13714



Place: Kolkata  
Date: 17-05-2017

For and on behalf of the Board of Directors

  
Director  
Director  
Company  
Secretary  
CFO