

Walker Chandiook & Co LLP

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Independent Auditor's Report

To the Members of Gaussian Networks Private Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Gaussian Networks Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Loss), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive loss), 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. 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. 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.
5. 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 these financial statements are free from material misstatement.



Gaussian Networks Private Limited
Independent Auditor's Report on the Financial Statements

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2018, and its profit (financial performance including other comprehensive loss), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The comparative financial information for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016 prepared in accordance with Ind AS included in these financial statements, are based on the previously issued statutory financial statements for the year ended 31 March 2017 and 31 March 2016 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 which were audited by the predecessor auditor whose reports dated 16 June 2017 and 1 September 2016 respectively expressed unmodified opinion on those financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. Further to our comments in Annexure A, 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 purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;



Gaussian Networks Private Limited
Independent Auditor's Report on the Financial Statements

- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 22 June 2018 as per Annexure B expressed unmodified opinion;
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigation which would impact its financial position;
 - 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 disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

Walker Chandiook & Co LLP
For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nikhilesh Nagar
Nikhilesh Nagar
Partner
Membership No.: 79597

Place: Mumbai
Date: 22 June 2018

Gaussian Networks Private Limited
Independent Auditor's Report on the Financial Statements

Annexure A to the Independent Auditor's Report of even date to the members of Gaussian Networks Private Limited, on the financial statements for the year ended 31 March 2018

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has granted unsecured loans to Company covered in the register maintained under Section 189 of the Act; and with respect to the same:
 - (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.
 - (b) the schedule of repayment of principal and payment of interest has been stipulated and the principal amount is not due for repayment currently however, the receipts of the interest are regular;
 - (c) there is no overdue amount in respect of loans granted to such Company.
- (iv) In our opinion, the Company has not complied with the provisions of Section 185 of the Act. Company has granted loan to a private Company in which the director is interested:

Party	Maximum amount outstanding during the year (₹)	Amount outstanding as on 31 March 2018 (₹)	Remarks, if any
Mind Sports League Private Limited (Private Company in which the directors are interested)	4,140,000	4,140,000	Loan was repaid subsequently on 8 th June 2018.

In our opinion, the Company has complied with the provisions of Section 186 of the Act

- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.



Gaussian Networks Private Limited
Independent Auditor's Report on the Financial Statements

Annexure A (Contd)

- (vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, income-tax, Good and service tax, service tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) There are no dues in respect of income-tax, service tax, that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company since the Company is not a public Company as defined under Section 2(71) of the Act. Accordingly, provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Walker Chandiook & Co LLP
For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nikhilesh Nagar

Nikhilesh Nagar
Partner
Membership No.: 79597

Place: Mumbai
Date: 22 June 2018

**Gaussian Networks Private Limited
Independent Auditor's Report on the Financial Statements**

Annexure B to the Independent Auditor's Report of even date to the members of Gaussian Networks Private Limited on the financial statements for the year ended 31 March, 2018

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

1. In conjunction with our audit of the financial statements of Gaussian Networks Private Limited ('the Company') as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors 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 the Company's business, including adherence to the 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 IFCoFR were 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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.
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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

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



Gaussian Networks Private Limited
Independent Auditor's Report on the Financial Statements

Annexure B (Contd)

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR 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, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI.

Walker Chandiook & Co LLP

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nikhilesh Nagar

Nikhilesh Nagar

Partner

Membership No.: 79597

Place: Mumbai

Date: 22 June 2018.

Gaussian Networks Private Limited
Balance Sheet as at 31st March, 2018

(Rs. In Lakhs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	2(i)	138.42	81.74	66.76
(b) Intangible Assets	2(ii)	4.11	85.86	95.72
(c) Financial Asset				
(i) Investments	3	53.65	52.65	-
(ii) Other Financial Assets	4	24.37	8.84	-
(d) Other Non-Current Assets	5	9.96	11.94	-
Total Non current Assets		230.51	241.03	162.48
Current Assets				
(a) Financial Assets				
(i) Current Investments	6	4,659.92	1,944.90	703.66
(ii) Trade Receivable	7	-	-	1.05
(iii) Cash and Cash Equivalents	8	2,035.41	1,174.29	767.64
(iv) Other Financial Asset	9	219.18	112.42	100.69
(b) Current Tax Asset (Net)	10	-	12.12	-
(c) Other Current Asset	11	79.13	25.38	-
Total Current Assets		6,993.64	3,269.11	1,573.04
TOTAL ASSETS		7,224.15	3,510.14	1,735.52
I. EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	12	3.60	3.60	3.60
(b) Other Equity	13	4,882.99	2,634.48	1,138.31
Total Equity		4,886.59	2,638.08	1,141.91
Non-Current Liabilities				
(a) Provisions	14	25.87	18.67	-
Total Non-Current Liabilities		25.87	18.67	-
Current Liabilities				
(a) Financial Liabilities				
(i) Trade Payables	15	91.60	3.01	435.27
(ii) Other Financial Liabilities	16	1,446.65	652.46	27.67
(iii) Deferred Tax Liabilities (Net)	17	5.60	20.47	4.08
(b) Other Current Liabilities	18	558.69	177.45	98.57
(c) Provisions	19	11.90	-	-
(d) Current Tax Liabilities (Net)	20	197.25	-	28.02
Total Current Liabilities		2,311.69	853.39	593.61
Total Liabilities		2,337.56	872.06	593.61
TOTAL EQUITY AND LIABILITIES		7,224.15	3,510.14	1,735.52

The accompanying significant accounting policies and notes are an integral part of these financial statements

As per Our Report of Even Date

For Walker Chandio & Co LLP
Chartered Accountants
ICAI Firm Regn. No.001076N/N500013

Nikhilesh Nagar
Partner
Membership No: 79597

Place: Mumbai
Date: 22 June 2018



For GAUSSIAN NETWORKS PVT. LTD.

For and on behalf of Board

Anuj Gupta
DIRECTOR/AUTHORISED SIGNATORY

Anuj Gupta
Director
DIN: 02142232

Place: Gurgaon
Date: 22 June 2018

For GAUSSIAN NETWORKS PVT. LTD.

Mohit Agarwal

DIRECTOR/AUTHORISED SIGNATORY

Mohit Agarwal
Director
DIN: 02354274

Place: Gurgaon

Date: 22 June 2018

Gaussian Networks Private Limited
Statement of Profit and Loss for the year ended 31 March, 2018

(Rs.in Lakhs)

Particulars	Note No.	For Year Ended 31st March, 2018	For Year Ended 31st March, 2017
REVENUE :			
Revenue from Operations	21	8,203.19	7,577.63
Other Income	22	196.25	92.18
Total Income		8,399.44	7,669.81
Expenses:			
Employee benefits expenses	23	768.24	399.47
Finance cost	24	4.95	0.46
Depriciation and Amortization Expense	2(i+ii)	61.94	92.70
Other Expenses	25	4,373.59	4,891.75
Total Expenses		5,208.72	5,384.38
Profit Before Tax		3,190.72	2,285.43
Tax Expenses	29		
- Current Tax		930.28	772.88
- Earlier Year Tax Adjustment		21.34	-
- Deferred Tax		(13.30)	16.39
Total Tax Expenses		938.32	789.26
Profit After Tax		2,252.40	1,496.17
Other comprehensive Profit/(Loss)			
Items that will not be reclassified subsequently to the statement of Profit or Loss			
(a) Remeasurments of the defined benefit plans	26	(5.46)	-
(b) Tax relating to above items		1.57	-
Total Other comprehensive Loss for the year		(3.88)	-
Total comprehensive Income for the year		2,248.51	1,496.17
Earning per Equity shares (Nominal Value of Rs.10/- each)			
Basic & Diluted	28	6,256.66	4,156.02

The accompanying significant accounting policies and notes are an integral part of these financial statements

As per Our Report of Even Date

For Walker Chandio & Co LLP

Chartered Accountants

ICAI Firm Regn. No.001076N/N500013



Nikhilesh Nagar

Partner

Membership No: 79597



Place: Mumbai

Date: 22 June 2018

For and on behalf of Board

For GAUSSIAN NETWORKS PVT. LTD. For GAUSSIAN NETWORKS PVT. LTD.



DIRECTOR/AUTHORISED SIGNATORY

Anuj Gupta

Director

DIN: 02142232



DIRECTOR/AUTHORISED SIGNATORY

Mohit Agarwal

Director

DIN: 02354274



Gaussian Networks Private Limited
Cash Flow Statement for the Year Ended 31st March, 2018

(Rs. In Lakhs)

Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	3,190.72	2,285.43
Adjustments For :		
Depreciation And Amortization Expense	61.94	92.70
Fair Value Gain on Current Investments	(190.02)	(91.26)
Interest Income	(6.23)	0.92
Operating Profit Before Working Capital Changes	3,056.41	2,287.79
Adjustments For :		
Trade Receivable	-	1.05
Other Current Liabilities	381.26	50.85
Current Provision and Liabilities	8.10	18.67
Non Current Provision and Liabilities	7.20	-
Other Current Asset	(53.74)	(25.38)
Other Financial Asset	(71.61)	(12.65)
Other Non Current Financial Asset	(15.53)	(8.84)
Other Financial Liabilities	794.18	624.79
Other Non Current Asset	1.98	(11.94)
Trade Payables	88.59	(432.26)
Cash Generated from Operations	4,196.84	2,492.08
Taxes Paid	(737.70)	(785.00)
Net Cash Generated From Operating Activities (A)	3,459.14	1,707.08
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase Property, Plant and Equipment	(150.06)	(97.81)
Proceeds from sale of Property, Plant and Equipment	113.18	-
Purchase Of Current Investments	(2,679.74)	(1,149.97)
Proceeds from Sale of Current Investments	154.74	-
Investment In Subsidiary	(1.00)	(52.65)
Net Cash Used in Investing Activities (B)	(2,562.88)	(1,300.43)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Loan and Advances to Related Party	(41.40)	-
Interest Income	6.23	-
Net Cash Used in Financing Activities (C)	(35.17)	-
Increase in Cash and Cash Equivalents (A + B + C)	861.10	406.65
Cash & Cash Equivalents as at Beginning of the Year	1,174.29	767.64
Cash & Cash Equivalents as at End of the Year	2,035.39	1,174.29

Notes :

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS - 7 on Statement of Cash Flow issued by The Institute of Chartered Accountants of India.
- Previous year's figures have been regrouped wherever necessary to conform to the current year's classification.
- Figures in bracket indicate cash outflow.

The accompanying significant accounting policies and notes are an integral part of these financial statements

As per Our Report of Even Date

For Walker Chandio & Co LLP
Chartered Accountants
ICAI Firm Regn. No.001076N/N500013


Nikhilesh Nagar
Partner
Membership No: 79597
Place: Mumbai
Date: 22 June 2018



For and on behalf of Board

For GAUSSIAN NETWORKS PVT. LTD.

 

DIRECTOR/AUTHORISED SIGNATORY

Anuj Gupta

Mohit Aggarwal

Director

Director

DIN: 02142232

DIN: 02354274

Place: Gurgaon

Date: 22 June 2018

Gaussian Networks Private Limited

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

Equity Share Capital

(Rs.in Lakhs)

A) Particulars	Amount
Balance as at 1st April, 2016	3.60
Changes in Equity Share Capital	-
As at 31st March, 2017	3.60
Changes in Equity Share Capital	-
As at 31st March, 2018	3.60

(Rs.in Lakhs)

B) Particulars	Other Equity			Total
	Reserve and Surplus			
	Security Premium Reserve	Retained Earnings	Other Comprehensive Income	
Balance as on 1st April, 2016	238.80	899.51	-	1,138.31
Changes in other equity for the year ended March 31, 2017	-	-	-	-
Profit for the Year	-	1,496.17	-	1,496.17
Actuarial Gain/(Loss) on Defined Employee Benefits, net of tax effect	-	-	-	-
Balance as on 31st March, 2017	238.80	2,395.68	-	2,634.48
Balance as on 1st April, 2017	238.80	2,395.68	-	2,634.48
Changes in other equity for the year ended March 31, 2018	-	-	-	-
Actuarial Gain/(Loss) on Defined Employee Benefits, net of tax effect	-	-	(3.88)	(3.88)
Profit for the year	-	2,252.40	-	2,252.40
Balance as on 31st March, 2018	238.80	4,648.08	(3.88)	4,883.00

As per Our Report of Even Date

For Walker Chandio & Co LLP
Chartered Accountants
ICAI Firm Regn. No.001076N/N500013

Nikhil
Nikhillesh Nagar
Partner
Membership No: 79597

Place: Mumbai
Date: 22 June 2018



For GAUSSIAN NETWORKS PVT. LTD. For and on behalf of Board For GAUSSIAN NETWORKS PVT. LTD.

Anuj
DIRECTOR/AUTHORISED SIGNATORY
Anuj Gupta
Director
DIN: 02142232

Mohit
DIRECTOR/AUTHORISED SIGNATORY
Mohit Agarwal
Director
DIN: 02354274

Gurgaon

Note 1: Statement of Significant Accounting Policies

Company Overview

Gaussian Networks Private Limited was incorporated in the year 2011 under the provision of Companies Act applicable in India. The Company is in the business of conducting online skill gaming through its licensed application.

(a) Basis of Preparation of Financial Statements

i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereafter referred to as the "Ind AS") as notified by the Ministry of Corporate Affairs pursuant to Section 133 of Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards (Ind AS) Rules, 2015 as amended and other relevant provisions of the Act and rules framed thereunder.

The Company's financial statement upto and for the year ended 31 March 2017 were prepared in accordance with the accounting standards specified under Section 133 of the Companies Act 2013, read together with the Rule 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). The Company's financial statements are reported in Indian Rupee, which is also Company's functional currency. These financial statement ("the financials Statement") of the Company as at and for the year ended 31 March 2018 (including Comparatives) were approved and authorized by the Company's board of directors as on 20th April, 2018

These financial statements for the year ended 31 March, 2018 are the first financials with comparatives, prepared under Ind AS. The Company has adopted all the Ind AS Standards and adoption was carried out in accordance with Ind AS 101, First Time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principle generally accepted in India as prescribed under Section 133 of the Act read with the Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP), which was the previous GAAP.

The accounting policies are applied consistently to all the periods presented on Financial Statements, including the preparation of the opening Ind AS balance sheet as at 1st April 2016 being the date of transition.

ii) Historical cost conversion

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities which are measured at fair values.

iii) Rounding off Amounts

All the amount disclosed in the financial statement and notes are presented in Indian Rupees have been rounded off to the nearest Lakhs as per requirement of schedule III, unless otherwise states. The amount '0' denotes amount less than Rs. one thousand

iv) Current and Non-Current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act

(b) Property, plant and equipment

Tangible

All items of Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent cost are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to the Statement of Profit or Loss during the reporting period in which they are incurred.

Depreciation on Property, plant and equipment is provided under the straight line method over the useful lives of assets as prescribed under Schedule II of the Companies Act, and management believes that useful life of assets are same as those prescribed in Schedule II to the Act.

The residual values are not more than 5% of the Original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(c) Intangible assets

Intangible Assets with finite useful lives that are acquired separately are stated at acquisition cost, net of recoverable taxes, trade discount and rebate less accumulated amortization and accumulated impairment losses, if any. Such cost includes purchase price and any expenditure directly attributable to bringing the asset to its working condition for the intended use.

Subsequent cost are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis from date they are available for use. The estimated useful life of an identifiable intangible asset is based on number of factors including the effect of obsolesce, demand, competition and other economic factors and level of maintenance expenditures required to obtain the expected future cash flows from the assets.

Cost of Internally Developed Software :

Company capitalises the cost of IDS when the software is ready to use. Any research related expenditure is charged to profit & loss as and when incurred.



(d) **Lease**

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As a Lessee

Leases in which significant portion of the risk and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payment made under operating lease are charged to Statement of Profit and Loss on straight-line basis over the period of the lease unless the payment are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

As a Lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature

(f) **Revenue Recognition**

Revenue is measured at the value of the consideration received or receivable. The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

i. Revenue from sale of services

Revenue from sale of services is recognised as and when the services agreed are rendered, net of non-discretionary awards given to the customers and amount collected on behalf of third parties such as service tax and goods and service tax.

ii. Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the amortised cost and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(g) **Employee Benefits**

Short-term employee benefits

The amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post employment benefits :

Defined benefit plan

The liability recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss

Measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income and are not reclassified to profit or loss. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense; and
- Remeasurement

Defined Contribution Plan

Payments to defined contribution benefit plans are recognised as an expense in the Statement of Profit and Loss during the period in which employee renders related service.

(h) **Income tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date. The tax liabilities are presented as net of advance tax for that particular assessment year.

Deferred Tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities used in the computation of taxable profit and their carrying amount in the financial statement. Deferred tax assets and liabilities are measured using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.



Minimum Alternate Tax (MAT)

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

i) Earning Per Share

Basic Earnings per Share

Basic earnings per share are calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the Financial Year. Earnings considered in ascertaining the Company's earnings per share are the net profit for the period.

Diluted earnings per share

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

j) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity.

(i) Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) Financial assets carried at amortised cost (AC)

A financial asset is 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.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI 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.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Impairment of Financial Assets

In accordance with Ind AS 109, for other assets, the Company uses 12 months expected credit loss to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(ii) Financial Liabilities

Initial Recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short term maturity of these instruments.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans are subsequently measured at amortised cost using the effective interest rate method.

Where the terms of a financial liability is re-negotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss, measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k) Significant management judgments in applying accounting policies and estimation uncertainty

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognized in the period in which the results are known/ materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing on the reporting date.



(i) Impairment of non-financial assets

Assessment is done at each Balance Sheet date to evaluate whether there is any indication that a non-financial asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount.

(ii) Depreciation / amortisation and useful lives of property, plant and equipment / intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

(iii) Income Taxes

Significant judgements are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

(iv) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

(v) Defined benefits plan

The cost of defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of discount rate, future salary increase and mortality rate. Due to complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to these assumptions. All assumptions are reviewed at each reporting date.

(vi) Liability for promotional expenses

The Liability for discretionary awards is recorded based on the estimated utilisation of such awards by the customers, which is calculated based on the past trends. Based on the estimated liability promotional expenditure liability is booked at each reporting date.

(l) Provisions and Contingent Liabilities

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(m) Promotional Expenses – These are discretionary awards provided to the customers with no obligation on part of the Company. Such expenses are recorded as and when incurred and reported as marketing and sales promotion in the Statement of profit and loss account.



2 (i) Property, Plant & Equipments

(Rs. in Lakhs)

Particulars	Furniture & Fixtures	Office Equipments	Computer & Accessories	Total
Gross Block				
As at April 1, 2016	2.48	23.29	107.90	133.67
Additions	13.24	14.42	22.58	50.24
Disposals	-	-	-	-
As at March 31, 2017	15.72	37.71	130.48	183.91
As at April 1, 2017	15.72	37.71	130.48	183.91
Additions	0.47	33.11	69.90	103.48
As at March 31, 2018	16.19	70.82	200.38	287.39
Accumulated Depreciation				
As at April 1, 2016	0.54	5.72	60.64	66.90
Reverse Charge For The Year	0.74	6.01	28.52	35.27
As at March 31, 2017	1.28	11.73	89.16	102.17
As at April 1, 2017	1.28	11.73	89.16	102.17
Reverse Charge For The Year	2.97	10.58	33.25	46.80
Disposals	-	-	-	-
As at March 31, 2018	4.25	22.31	122.41	148.97
Net Block				
As at 1st April 2016	1.93	17.57	47.26	66.76
As at March 31, 2017	14.44	25.98	41.32	81.74
As at March 31, 2018	11.94	48.51	77.97	138.42

(ii) Intangible Assets

(Rs. in Lakhs)

Particulars	Software Design & Development	Computer Software	Total
Gross Block			
As at April 1, 2016	211.03	0.42	211.45
Additions	47.57	-	47.57
Disposals	-	-	-
As at March 31, 2017	258.60	0.42	259.02
As at April 1, 2017	258.60	0.42	259.02
Additions	42.27	4.31	46.58
Disposals	113.18	-	113.18
As at March 31, 2018	187.69	4.73	192.42
Accumulated Depreciation			
As at April 1, 2016	115.35	0.38	115.73
Reverse Charge for the year	57.41	0.02	57.43
Disposals	-	-	-
As at March 31, 2017	172.76	0.40	173.17
As at April 1, 2017	172.76	0.40	173.16
Reverse Charge for the year	14.93	0.21	15.14
Disposals	-	-	-
As at March 31, 2018	187.69	0.61	188.30
Net Block			
As at 1st April 2016	95.68	0.04	95.72
As at March 31, 2017	85.84	0.02	85.86
As at March 31, 2018	0.00	4.12	4.11



3 **Investment- Non Current** (Rs. In Lakhs)

Particulars	Face Value Per share (Rs.)	Nos.			As at		
		31st March,2018	31st March,2107	1st April,2016	31st March, 2018	31st March, 2017	1st April,2016
Investment in subsidiary companies measured at cost unquoted fully paid up							
(i) Mind Sports League Private Limited	10	526,500	526,500	-	52.65	52.65	-
(ii) Gaussian Online Skill Gaming Private Limited	10	10,000	-	-	1.00	-	-
Total					53.65	52.65	-

4 **Other Financial Asset- Non Current** (Rs. In Lakhs)

Particulars	As at		
	31st March, 2018	31st March, 2017	1st April,2016
Unsecured considered good			
Security deposit	24.37	8.84	-
Total	24.37	8.84	-

5 **Other Non Current Assets** (Rs. In Lakhs)

Particulars	As at		
	31st March, 2018	31st March, 2017	1st April,2016
Unsecured considered good			
Prepaid Expense	9.96	11.94	-
Total	9.96	11.94	-

6 **Current Investment** (Rs. In Lakhs)

Particulars	Nos. of units			As at		
	31st March,2018	31st March,2017	1st April,2016	31st March, 2018	31st March, 2017	1st April,2016
Investment measured at fair value through profit or loss						
Investment in Mutual fund (Quoted)						
HDFC Fixed Maturity Plan	25,000,000.00	5,663,832.91	1,424,532.99	2,518.30	1,944.90	703.66
HDFC Liquid Fund Direct Plan - Growth option	62,549.49	-	-	2,141.62	-	-
Total				4,659.92	1,944.90	703.66

7 **Trade Receivables** (Rs. In Lakhs)

Particulars	As at		
	31st March, 2018	31st March, 2017	1st April,2016
Unsecured, considered good			
Trade Receivables	-	-	1.05
Total	-	-	1.05

8 **Cash and Cash Equivalents** (Rs. In Lakhs)

Particulars	As at		
	31st March, 2018	31st March, 2017	1st April,2016
Balance with Banks			
- in Current Accounts	2,035.41	1,174.29	767.64
Total	2,035.41	1,174.29	767.64

9 **Other Financial Assets- Current** (Rs. In Lakhs)

Particulars	As at		
	31st March, 2018	31st March, 2017	1st April,2016
Unsecured, considered good unless otherwise stated			
Security deposit	1.35	12.98	31.70
Receivable from Gateway	143.09	99.42	68.99
Others Receivables from Related Party	33.32	-	-
Loan and Advances to Related Party	41.42	0.02	-
Total	219.18	112.42	100.69

10 **Current Tax Asset (Net)** (Rs. In Lakhs)

Particulars	As at		
	31st March, 2018	31st March, 2017	1st April,2016
Advance tax (Net of Provision for tax Rs. 772.87 Lakhs)	-	12.12	-
Total	-	12.12	-

11 **OTHER CURRENT ASSET** (Rs. In Lakhs)

Particulars	As at		
	31st March, 2018	31st March, 2017	1st April,2016
Advance to suppliers	35.69	23.69	-
Prepaid expense	43.44	1.69	-
Total	79.13	25.38	-



12 Equity Share Capital

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No.	Rs. In Lakhs	No.	Rs. In Lakhs	No.	Rs. In Lakhs
Authorised Shares:						
Equity Shares of Rs.10/- Each	40,000	4.00	40,000	4.00	40,000	4.00
Total	40,000	4.00	40,000	4.00	40,000	4.00
Issued, Subscribed And Fully Paid-Up:						
Equity Shares of Rs. 10/- each	36,000	3.60	36,000	3.60	36,000	3.60
Total	36,000	3.60	36,000	3.60	36,000	3.60

a) Reconciliation of the Shares at the Beginning and at the end of the reporting year

Equity Shares	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No.	Rs. In Lakhs	No.	Rs. In Lakhs	No.	Rs. In Lakhs
At the Beginning of the Year	36,000	3.60	36,000	3.60	36,000	3.60
Issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	36,000	3.60	36,000	3.60	36,000	3.60

b) Terms/Rights Attached to Equity Shares

The Company has only one class of equity shares having a par value of Re. 10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

No equity shares has been issued by the company without payment being received in cash during the preceding years.

c) Details of Equity Shareholders Holding More Than 5 % shares in Company

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Nos.	% of Holding	Nos.	% of Holding	Nos.	% of Holding
Delta Corp Limited	35,999	99.99	35,999.00	99.99	35,999	99.99

Gauss Network Private Limited was the holding Company till 4th July 2017. Pursuant to the scheme of amalgamation, Gauss Networks Private Limited was amalgamated with Delta Corp Limited on 5th July 2017.

13 OTHER EQUITY

Particulars	As at (Rs. In Lakhs)		
	31st March, 2018	31st March, 2017	1st April, 2016
Securities Premium Reserve			
Opening Balance	238.80	238.80	238.80
Add : Addition during the year	-	-	-
Closing Balance	238.80	238.80	238.80
Other Comprehensive Income			
Opening Balance	-	-	-
(+) Movement in OCI (Net)	(3.88)	-	-
Closing Balance	(3.88)	-	-
Retained earning during year			
Opening Balance	2,395.68	899.51	899.51
(+) Net Profit For the Current year	2,252.40	1,496.17	-
Closing Balance	4,648.08	2,395.68	899.51
Total	4,882.99	2,634.48	1,138.31

14 Provision for Employee Benefits

Particulars	As at (Rs. In Lakhs)		
	31st March, 2018	31st March, 2017	1st April, 2016
Gratuity (Refer Note: No. 26)	25.87	18.67	-
Total	25.87	18.67	-

15 Trade Payables

Particulars	As at (Rs. In Lakhs)		
	31st March, 2018	31st March, 2017	1st April, 2016
Micro, Small and Medium Enterprise	-	-	-
Others	91.60	3.01	435.27
Total	91.60	3.01	435.27

Details of dues to Micro, Small and Medium Enterprises

Particulars	As at (Rs. In Lakhs)	
	31st March, 2018	31st March, 2017
The principal amount remaining unpaid at the end of the year	-	-
The interest amount remaining unpaid at the end of the year	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company



16 Other Financial Liabilities-Current

(Rs. in Lakhs)

Particulars	As at		
	31st March, 2018	31st March, 2017	1st April, 2016
(a) Deposit from customers	1,204.20	597.34	-
(b) Employee Benefits	89.99	53.77	25.72
(c) Others payable	-	1.35	1.95
(d) Provision for expense	152.46	-	-
Total	1,446.65	652.46	27.67

17 Deferred Tax Liabilities:

(Rs. in Lakhs)

Particulars	As at		
	31st March, 2018	31st March, 2017	1st April, 2016
Deferred Tax Liabilities:			
Property, Plant and Equipments	7.64	-	2.95
Fair Value gain on financial investment through Profit or Loss account	10.18	27.37	1.13
(A)	17.82	27.37	4.08
Deferred Tax Asset:			
Property, Plant and Equipments	-	1.51	-
Provision for Employee Benefit	12.23	5.39	-
Others	-	-	-
(B)	12.22	6.90	-
Net Deferred Tax Liabilities/(Assets)	(A - B)	5.60	4.08

Refer Note 29 for detail working

18 Other Current Liabilities

(Rs. in Lakhs)

Particulars	As at		
	31st March, 2018	31st March, 2017	1st April, 2016
(a) Duties & Taxes	545.01	170.41	98.57
(b) Others expense payable	13.68	7.04	-
Total	558.69	177.45	98.57

19 Provision-Current

(Rs. in Lakhs)

Particulars	As at		
	31st March, 2018	31st March, 2017	1st April, 2016
Provision for Employee Benefits			
(a) Leave Encashment (Refer Note No. 26)	11.03	-	-
(b) Others - payable	0.87	-	-
Total	11.90	-	-

20 Current Tax Liabilities (Net)

(Rs. in Lakhs)

Particulars	As at		
	31st March, 2018	31st March, 2017	1st April, 2016
Provision for Taxation (Net of Advance Tax of Rs.735.25 Lakhs)	197.25	-	28.02
Total	197.25	-	28.02



21 **Revenue from operation** (Rs. In Lakhs)

Particulars	For the Year Ended	
	31st March, 2018	31st March, 2017
Sale of Services	9,531.24	7,577.63
Less- Goods and Service Tax (GST)	1,328.05	-
Total	8,203.19	7,577.63

22 **Other Income** (Rs. In Lakhs)

Particulars	For the Year Ended	
	31st March, 2018	31st March, 2017
Interest income on amortised cost		
- Inter Corporate Deposits	6.23	0.92
- Net gains on investments carried on fair value through statement of Profit and Loss	190.02	91.26
Total	196.25	92.18

23 **Employee Benefit Expenses** (Rs. In Lakhs)

Particulars	For the Year Ended	
	31st March, 2018	31st March, 2017
Salaries, Wages & Bonus	682.71	334.39
Contribution to Provident & Other Funds (Refer Note No. 26)	20.99	14.87
Gratuity Fund & Leave Encashment Expenses (Refer Note No. 26)	39.91	18.67
Staff Welfare	24.63	31.54
Total	768.24	399.47

24 **Finance cost** (Rs. In Lakhs)

Particulars	For the Year Ended	
	31st March, 2018	31st March, 2017
Interest on statutory dues	4.95	0.46
Total	4.95	0.46

25 **Other Expense** (Rs. In Lakhs)

Particulars	For the Year Ended	
	31st March, 2018	31st March, 2017
Bank Charges	2.06	0.38
CSR activity (Refer Note 26)	25.87	25.00
Freight & Cartage	1.27	-
Gate way commission	377.77	287.18
Legal & Professional Fees	380.57	135.73
Marketing & Sales Promotion	2,319.65	3,499.21
Payment to Auditor's (Refer Note No. 34)	9.20	1.50
Power & Fuel	19.95	17.32
Printing And Stationery	1.90	1.75
Rates & Taxes	7.37	11.16
Rent (Refer Note No 33)	84.09	64.07
Repair & Maintainace	60.90	39.80
Software Maintenance	953.80	734.42
Subscription Charges	7.50	-
Telephone & Internet expense	16.00	13.69
Travelling & Conveyance Expenses	48.84	26.04
Web site hosting & Maintainace	44.47	22.96
Miscellaneous & General Expenses	12.38	11.54
Total	4,373.59	4,891.75



26 Employee Benefits :

Brief description of the Plans:

The Company has various schemes for employee benefits such as Provident Fund, Gratuity and Leave Encashment. The Company's defined contribution plans are Provident Fund (in case of certain employees). The Company has no further obligation beyond making the contributions to such plans.

A) Defined Benefits Plan

The Company's defined benefit plans include Gratuity (Unfunded). The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age. "

B. Principal actuarial assumptions used:

Particulars	Gratuity (Unfunded)	
	March 31, 2018	March 31, 2017
Discount Rate (per annum)	6.81%	6.81%
Salary escalation rate	7.00%	7.00%
Rate of Employee Turnover	15.00%	15.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Expected Rate of return on Plan Assets (per annum)	NA	NA

C. Expenses recognised in Statement of Profit and Loss

Particulars	Gratuity (Unfunded)	
	March 31, 2018	March 31, 2017
Current Service Cost	6.62	4.30
Net interest	0.88	0.43
	7.50	4.73

*The current service cost and the net interest expenses for the year are included in the 'Employee benefits expenses' line item in the statement of profit & loss account.

D. Expenses Recognized In the Other Comprehensive Income (OCI) for Current year

Particulars	Gratuity (Unfunded)		(Rs. in Lakhs)
	March 31, 2018	March 31, 2017	
Actuarial (Gains)/Losses on Obligation For the year - Due to changes in financial assumptions	5.46	2.02	
Actuarial (Gains)/Losses on Obligation For the year - Due to experience adjustment	-	-	
Net (Income)/Expense For the Period Recognized in OCI	5.46	2.02	

The remeasurement of the net defined benefit liability is included in other comprehensive income.

E. Movements in the present value of defined benefit obligation are as follows:

Particulars	Gratuity (Unfunded)		(Rs. in Lakhs)
	March 31, 2018	March 31, 2017	
Define Benefits obligation at the beginning of the year	12.91	6.16	
Interest cost	0.88	0.43	
current service cost	6.62	4.30	
Actuarial (Gains) Losses on obligation- Due to change in Financial assumption	(1.52)	0.92	
Actuarial Losses on obligation- Due to Experience	6.98	1.10	
Net Liability Recognized in the Balance Sheet	25.87	12.91	

F. Cash Flow Projection : From the Employer

Projected Benefits Payable in Future Years From the Date of Reporting	Gratuity (Unfunded)		(Rs. in Lakhs)
	March 31, 2018	March 31, 2017	
1st Following Year	0.41	0.19	
2nd Following Year	1.81	0.17	
3rd Following Year	2.88	1.17	
4th Following Year	3.42	1.82	
5th Following Year	3.90	1.96	
Sum of Years 6 To 10	14.75	7.41	
Sum of Years 11 and above	21.10	10.85	

G. Sensitivity Analysis

Projected Benefits Payable in Future Years From the Date of Reporting	Gratuity (Unfunded)		(Rs. in Lakhs)
	March 31, 2018	March 31, 2017	
Projected Benefit Obligation on Current Assumptions	25.87	12.91	
Delta Effect of +1% Change in Rate of Discounting	(1.62)	(0.90)	
Delta Effect of -1% Change in Rate of Discounting	1.82	1.01	
Delta Effect of +1% Change in Rate of Salary Increase	1.81	1.00	
Delta Effect of -1% Change in Rate of Salary Increase	(1.65)	(0.90)	
Delta Effect of +1% Change in Rate of Employee Turnover	(0.53)	(0.37)	
Delta Effect of -1% Change in Rate of Employee Turnover	0.53	0.38	

The above sensitivity analyses are based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The Plan typically to expose the Company to actuarial risk such as Interest Risk, Longevity Risk and Salary Risk

- Interest Risk: A decrease in the bond interest rate will increase the plan liability.
- Longevity Risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
- Salary Risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan's participants will increase the plan's liability.



H. Defined contribution plans

The Company also has certain defined contribution plans. The contributions are made to registered provident fund and Labour Welfare Fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plans are as follows:

Charge to the Statement of Profit and Loss based on contributions:

Particulars	(Rs. in Lakhs)	
	March 31, 2018	March 31, 2017
Employer's contribution to Regional Provident Fund Office	20.77	14.76
Employer's contribution to Labour Welfare Fund	0.22	0.11

I. Leave obligations

The leave obligations cover the Company's liability for earned leave.

The amount of the provision of Rs. 11.02 lakhs is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

Particulars	(Rs. in Lakhs)	
	Leave Encashment	
	March 31, 2018	March 31, 2017
Current Service Cost	32.41	7.83
Total Expenses / (Income) recognised in the Statement of Profit And Loss	32.41	7.83



Gaussian Networks Private Limited
Notes to financial statements for the year ended March 31, 2018

27 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party .

(A) List of related parties

(i) Holding Company

Delta Corp Limited (w.e.f. 5th July 2017)
Gauss Networks Private Limited (till 4th July 2017)

(ii) Subsidiary Company

Mind Sports League Private Limited
Gaussian Online Skill and Gaming Private Limited

(iii) Key Management Personnels (KMP):

- Mr. Jaydev Mody - Chairman of Parent Company
- Mr. Hardik Dhebav – Group CFO
- Mr. Anuj Gupta – Director
- Mr. Mohit Aggarwal– Director

(iv) Relatives of Key Management Personnels (KMP):

- Mr. Yogi Raj Gupta - Father of Director
- Ms. Shuchita Gupta - Sister of Director
- Ms. Zia Mody - Wife of Chairman
- Ms. Anjali Mody - Daughter of Chairman

(v) Enterprises over which persons mentioned in (iii) & (iv) above exercise significant influence or control directly or indirectly with whom company has transactions.

- Yogi Raj Gupta & Company
- Shuchita Gupta & Associates
- Skarma Consultancy Private Limited
- AZB & Partners



(ii) Details of transactions carried out with related parties in the ordinary course of business								(Rs. In Lakhs)	
Nature of Transactions	Holding Company / Subsidiary		Other Related Parties Where Common Control Exists		Individual / Enterprises Over which such Individuals/KMPs or their Relatives Exercises Significant Influence or Control		Total		
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	
Loan given during the year									
Mind sports League Private Limited	41.40	-	-	-	-	-	41.40	-	
Total :	41.40	-	-	-	-	-	41.40	-	
Interest Received									
Mind sports League Private Limited	4.26	-	-	-	-	-	4.26	-	
Total :	4.26	-	-	-	-	-	4.26	-	
Professional Fees Paid									
Shuchita Gupta & Associates	-	-	-	-	3.00	-	3.00	-	
Total :	-	-	-	-	3.00	-	3.00	-	
Sale of Services/Assets									
Mind sports League Private Limited	20.36	-	-	-	-	-	20.36	-	
Gauss Networks Private Limited	84.94	-	-	-	-	-	84.94	-	
Delta Corp Limited	58.70	-	-	-	-	-	58.70	-	
Total :	-	-	-	-	-	-	-	-	
Purchase of Services									
Gauss Networks Private limited	209.32	724.23	-	-	-	-	209.32	724.23	
Delta Corp Limited	714.81	-	-	-	-	-	714.81	-	
Skarma Consultancy Pvt. Ltd.	2.00	-	-	-	-	-	2.00	-	
Total :	926.13	724.23	-	-	-	-	926.13	724.23	
Reimbursement of Expenses									
Minds Sports League Private Limited	2.66	-	-	-	-	-	2.66	-	
Delta Corp Limited	-	0.83	-	-	-	-	-	0.83	
Total :	2.66	0.83	-	-	-	-	2.66	0.83	



Particulars of Transactions	Holding Company / Subsidiary Company		Other Related Parties Where Common Control Exists		Individual / Enterprises Over which such Individuals/KMPs or their Relatives Exercises Significant Influence or Control			Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2015-16	2016-17	2015-16
Outstanding as on 31st March									
Other Payables									
Gauss Networks Private Limited	-	80.92	-	-	-	-	-	80.92	-
Total:	-	80.92	-	-	-	-	-	80.92	-
Other Receivables									
Gaussian Online Skill Gaming Private Limited	0.02	-	-	-	-	-	-	0.02	-
AZB & Partners	-	-	-	-	-	-	-	-	-
Total:	0.02	-	-	-	-	-	-	0.02	-
Trade Receivables									
Delta Corp Limited	33.32	-	-	-	-	-	-	33.32	-
Total:	33.32	-	-	-	-	-	-	33.32	-
Trade Payable									
Delta Corp Limited	75.00	-	-	-	-	-	-	75.00	-
Total:	75.00	-	-	-	-	-	-	75.00	-
Loan & Advances									
Mind sports League Private Limited	41.40	-	-	-	-	-	-	41.40	-
Total:	41.40	-	-	-	-	-	-	41.40	-



28 Earning Per Shares

Earnings Per Share (EPS) – EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares

outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

Particulars	Year Ended	
	31st March, 2018	31st March, 2017
Profit after tax (Rs. in Lakhs)	2,252.40	1,496.17
Weighted Average Number of Equity Shares used as Denominator for Calculating Basic Earnings per share (nos.)	36,000	36,000
Weighted Average Number of Equity Shares used as Denominator for Calculating Diluted Earnings per share (nos.)	36,000	36,000
Earnings Per Share - Basic (in Rs.)	6,256.66	4,156.02
Earnings Per Share - Diluted (in Rs.)	6,256.66	4,156.02
Face value per share (in Rs.)	10.00	10.00

29 Tax expense

Particulars	As at	
	March 31, 2018	March 31, 2017
(Rs.in Lakhs)		
a) Income tax recognised in profit or loss		
Current tax		
In respect of the current year	930.28	772.88
In respect of prior years	21.34	-
	951.62	772.88
b) Deferred tax		
	(13.30)	16.39
	(13.30)	16.39
Total income tax expense recognised in the current year relating to continuing operations	938.32	789.26
(Rs.in Lakhs)		
c) Income tax recognised in other comprehensive income		
(Rs.in Lakhs)		
As at		
March 31, 2018 March 31, 2017		
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	(5.46)	-
	1.57	-
	(3.88)	-

d) Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the separate statement of financial position:

Particulars	As at		
	March 31, 2018	March 31, 2017	April 1, 2016
(Rs.in Lakhs)			
Deferred tax assets	12.22	6.90	-
Deferred tax liabilities	(17.82)	(27.37)	(4.08)
	(5.60)	(20.47)	(4.08)

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused could be utilized.

Movement of tax expense during the year 2017-18

Particulars	As at			
	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
(Rs.in Lakhs)				
Deferred tax liabilities/(assets) in relation to:				
Property Plant & Equipments	(1.51)	9.15	-	7.64
Fair valuation of financial investment through profit & loss account	27.37	(17.18)	-	10.18
Provision for Employee Benefit	(5.39)	(6.84)	(1.57)	(12.23)
Total	20.48	(14.87)	(1.57)	5.60

Movement of tax expense during the year 2016-17

Particulars	As at			
	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
(Rs.in Lakhs)				
Deferred tax liabilities/(assets) in relation to:				
Property Plant & Equipments	2.95	(4.45)	-	(1.51)
Fair valuation of financial investment through profit & loss account	1.13	26.24	-	27.37
Provision for Employee Benefit	-	(5.39)	-	(5.39)
Total	4.08	16.40	-	20.47

The income tax expense for the year can be reconciled to the accounting profit as follows:

	As at	
	March 31, 2018	March 31, 2017
(Rs.in Lakhs)		
Profit before tax	3,190.72	2,285.43
Income Tax Expense Calculated at 28.84% (2016-17 : 33.6%)	920.20	767.90
Effect of expenses that are not deductible in determining taxable profit	24.58	14.81
Tax on Short Term Capital Gain	56.93	-
Effect of expenses which are allowed during the current year	(71.43)	-
Deduction Under Chapter VIA	-	21.43
Others	-	-
Current Tax Provision (A)	930.29	804.15
Incremental Deferred Tax Liability on Account of Tangible and Intangible Assets	(13.30)	16.39
Incremental Deferred Tax Asset on Account of Financial Assets and Other Items	1.57	-
Deferred Tax Provision (B)	(11.73)	16.39
Tax Expenses Recognised in Statement of Profit and Loss (A+B)	918.56	820.53
Effective Tax Rate	28.79	35.90



30 (a) **Credit Risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting year. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

(b) **Other Price Risks**

The company is exposed to price risk arising from mutual fund Investments. Certain of the company's mutual fund investments are held for strategic rather than trading purposes.

Mutual Fund Price Sensitivity analysis:

The sensitivity analysis below have been determined based on the exposure to mutual fund price risks at the end of the reporting period

(Rs. In Lakhs)

Particulars	Investment Amount measured at FVTPL	Change in mutual fund Price	Impact on profit before tax for the year Increase by 5%	Impact on profit before tax for the year decrease by 5%
As at 31st March 2018	4,659.92	5%	233.00	(233.00)
As at 31st March 2017	1,944.90	5%	97.24	(97.24)
As at 1 April 2016	703.66	5%	35.18	(35.18)

(ii) **Unhedged Foreign currency (FC) exposure:**

The Company does not have any receivable and payable or any other exposure in foreign currency.

31 **Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position .

(Rs. in Lakhs)

Maturities of Financial Liabilities	March 31, 2018		
	Upto 1 year	1 to 5 years	5 years & above
Trade Payables	91.60	-	-
Other Financial Liabilities	1,446.65	-	-
	1,538.25	-	-

(Rs. in Lakhs)

Maturities of Financial Liabilities	March 31, 2017		
	Upto 1 year	1 to 3 years	5 years & above
Trade Payables	3.01	-	-
Other Financial Liabilities	652.46	-	-
	655.47	-	-

(Rs. in Lakhs)

Maturities of Financial Liabilities	1 April, 2016		
	Upto 1 year	1 to 3 years	5 years & above
Trade Payables	435.27	-	-
Other Financial Liabilities	27.67	-	-
	462.94	-	-

32 **Details of Corporate Social Responsibility (CSR) Expenditure**

(Rs. in Lakhs)

Particulars	March 31, 2018	March 31, 2017
Amount required to be spent as per Section 135 of the Act	25.87	13.85
Amount Spent during the year	25.00	25.00



33 Operating Lease Expenses

The Company's significant operating lease arrangements are mainly in respect of commercial premises. The aggregate lease rentals payable on these leasing arrangements are charged as rent under "Other Expenses" in Note 25.

These Non Cancellable lease arrangements are for a period not exceeding 9 years and are renewable by mutual consent, on mutually agreeable terms. On an average, an escalation of 9 to 16 % is noted in the lease arrangements.

Future minimum lease rentals payable in respect of non-cancellable operating leases have been mentioned below: (Rs. in Lakhs)

Non Cancellable Operating Lease Commitment	As at		
	March 31, 2018	March 31, 2017	April 2016
Not Later than one year	53.33	53.32	-
Later than one year but not later than five years	266.64	266.64	-
Later than Nine years	57.77	111.10	-

34 Payment to Auditors

Other Expenditure in Note 17 includes Auditor's Remuneration in respect of

(Rs. in Lakhs)

Particulars	Year ended	Year ended
	31 March, 2018	31 March, 2018
Audit Fees	9.00	1.50
Reimbursement of out of pocket Expense	0.20	-
	9.20	1.50



35 Financial Instrument

The carrying value and fair value of financial instruments by categories as at March 31, 2018, March 2017 and April 1, 2016 is as follows :

Particulars	Carrying Value			Fair Value		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
Financial Assets						
Amortised Cost :						
Investment	53.65	52.65	-	53.65	52.65	-
Cash and Bank Balances	2,035.41	1,174.29	767.64	2,035.41	1,174.29	767.64
Non Current Financial Assets	24.37	8.84	-	24.37	8.84	-
Security Deposit	1.35	12.98	31.72	1.35	12.98	31.72
Receivable from gateway	143.09	99.42	68.99	143.10	99.42	68.99
Others Receivables from Related Party	33.32	-	-	33.32	-	-
Loan and Advances to Related Parties	41.42	0.02	-	41.42	0.02	-
FVTOCI	-	-	-	-	-	-
FVTPL						
Investments in Liquid Fund	4,469.90	1,853.64	700.00	4,659.92	1,944.90	703.66
Total Assets	6,802.51	3,201.84	1,568.35	6,992.54	3,293.10	1,572.01
Financial Liabilities						
Amortised Cost :						
Trade Payables	91.60	3.01	435.27	91.63	3.02	435.27
Other Financial Liabilities	1,446.65	652.46	27.67	1,446.65	652.46	27.67
Total Liabilities	1,538.25	655.47	462.94	1,538.28	655.48	462.94



36 FIRST-TIME ADOPTION OF Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1 April, 2016. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March, 2018 for the Company, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

(A) Exemptions availed

Investments in subsidiary

The Company has opted para D14 and D15 and accordingly considered the Previous GAAP carrying amount of Investments as deemed cost as at the transition

(B) Applicable Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

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

- Investment in equity instruments and other instruments carried at FVPL or FVOCI;
- Impairment of financial assets based on expected credit loss model.

(b) Classification and measurement of financial assets

As required under Ind AS 101 the company has assessed the classification and measurement of financial assets (investment in Equity instruments) on the basis of business model.

(C) Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

- i) Reconciliation of profit/loss for the year ended March 31, 2017
- ii) Reconciliation of Equity as at April 1, 2016 and as at March 31, 2017

The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous GAAP information has been regrouped.

Reconciliation of Profit / Loss and Other Equity between Ind AS and previous GAAP

Nature of Adjustments	Note No.	Profit	Other Equity
		31.03.2017	31.03.2017
Loss / Retained earnings as per Previous GAAP		1,453.70	2,534.55
Depreciation adjustment on account of retrospective application as per Ind AS 16	a	(23.26)	(23.26)
Fair Valuation of Investment	b	92.15	92.15
Others (Net)	c,d,e,f	(8.07)	49.38
Impact of Deferred Taxes (net) on above adjustments	g	(18.35)	(18.35)
Total		1,496.17	2,634.47
Profit before OCI / Reserve as per Ind AS		2,949.87	5,169.02

a) Property, Plant, Equipment and Intangible Assets (PPE)

Due to retrospective adjustment of depreciation based on estimated useful life as on 1st April 2016 the WDV of the assets has increased by Rs.79.46 Lakhs. Which has further resulted in additional depreciation to PPE in the year 2016-17 amounting to Rs. 23.26 Lakhs.



b) **Fair Valuation of Investments**

Long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of market price or cost. Under IND AS, investment in HDFC mutual fund are measured at fair value through profit and loss. The resulting fair value changes of this investment have been recognised in retained earnings as gain of Rs . 3.66 Lakhs as at 1 April, 2016.

c) **Security deposits**

Under the previous GAAP, interest free security deposits are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued the security deposits under IND AS. Difference between fair value of security deposits and the carrying value (transaction value) as per Previous GAAP has been recognised as prepaid rent. Consequently, the amount of security deposits has been decreased by Rs. 14.26 Lakhs as at 31st March, 2017. The prepaid rent increased by Rs. 11.94 lakhs as at 31st March, 2017 .The profit for the year and total equity as at 31st March, 2017 increased by Rs.42.45 lakhs (Net) due to amortisation of the prepaid rent of Rs.8.08 Lakhs is partially off-set by the notional interest income of Rs.0.91 Lakhs recognised on these security deposit.

d) **Other comprehensive income**

Under Ind AS, some items of income and expense are shown in the statement of profit and loss as 'other comprehensive income' which includes remeasurements of defined benefit plans and fair value of investment along with its tax impact. The concept of other comprehensive income did not exist under previous GAAP.

e) The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2017 as compared with the previous GAAP.

As per Our Report of Even Date

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Regn. No.001076N/N500013



Nikhilesh Nagar
Partner
Membership No: 79597

Place: Mumbai
Date: 22 June 2018



For and on behalf of Board
For GAUSSIAN NETWORKS PVT. LTD.



Anuj Gupta
Director
DIN: 02354274

Place: Gurgaon
Date: 22 June 2018



DIRECTOR/AUTHORISED SIGNATORY
Mohit Agarwal
Director
DIN: 02354274