

**A. TRENDS LIMITED**  
(A Joint Venture of Axis Bank Limited & Mjunction Services Limited)  
FINANCIAL STATEMENT FOR THE YEAR ENDED 31 March 2018

# A.TREDS LIMITED

## DIRECTORS' REPORT

### DEAR MEMBERS

The Board of Directors have the pleasure of presenting the 2<sup>nd</sup> Annual Report of the Company together with the Audited Statement of Accounts, Auditors' Report and the Report on the business and operations of the Company for the financial year ended 31<sup>st</sup> March 2018.

### FINANCIAL PERFORMANCE:

The financial highlights for the year under review is as under:

Particulars	(Amount in Rs.)
	2017-18
Income from Operation (A)	55,72,677
Other Income (B)	1,00,14,014
<b>Total Income (A+B)</b>	<b>1,55,86,691</b>
Operating Expenses	8,45,30,172
<b>Profit/(Loss) before Depreciation , provisions for tax</b>	<b>(6,89,43,481)</b>
Depreciation	88,52,520
Provision for Tax	-
<b>Profit / (Loss) After Tax</b>	<b>(7,77,96,001)</b>
<b>Appropriations</b>	<b>-</b>
<b>Balance carried to Balance Sheet</b>	<b>(7,77,96,001)</b>

### BUSINESS OVERVIEW AND FUTURE OUTLOOK OF THE COMPANY:

Trade Receivable Discounting System (TReDS) is a revolutionary step taken by the Reserve Bank of India and the Government of India towards resolving the dearth of working capital to the MSMEs. TReDS is an electronic platform which allows auctioning of trade receivables raised by the MSMEs on their Buyers (Large Corporates, Public Sector Undertakings and Govt. Departments), in exchange for immediate payment. This ensures liquidity in a transparent and efficient manner.

A.TREDS Ltd, a subsidiary of Axis Bank Limited was granted an in-principle approval by Reserve Bank of India to develop, implement and operate a TReDS platform. The TReDS platform developed by A.TREDS Ltd., Invoicemart, was granted approval to commence operations by the RBI on June 29, 2017, and formally commenced operations on July 5, 2017.

Since July 5, 2017, Invoicemart has been at the forefront of the TReDS initiative. It was the first platform to register INR 100 crore of financed throughput, reaching the milestone in just 100 days of operations, on October 12, 2017. It has maintained its position of leadership among the three platforms, and currently accounts for approx. 45% of the total volume on TReDS. As of March 31, 2018, Invoicemart had on-boarded 32 Buyers, over 310 MSME Sellers, and 10 reputed Financiers (banks and NBFC factors). Till 31<sup>st</sup> March, 2018, Invoicemart discounted 14304 invoices amounting to Rs. 415.20 crore.

A.TREDS Ltd has established itself as a leader in this business by leveraging the expertise of its well established parent organizations, as well as its employees. A new initiative like TReDS can succeed only if the operators are well versed with the nuances of trade and supply chain finance. The A.TREDS Ltd. leadership comes with decades of experience in the domain, and has unparalleled knowledge of the industry, which has been the primary reason behind its success.

The platform has received widespread coverage in the press, with the MD & CEO being frequently consulted for strategic inputs on improving the TReDS value proposition, by the media as well as by policymakers. As a result, the Company is well placed to undertake transformational initiatives and grow, not only its own share of the TReDS ecosystem, but lead from the front in

**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No.022-24252525, CIN-U74999MH2016PLC281452



# A.TREDS LIMITED

expanding the TReDS market as well. The Company is keenly pursuing TReDS credit guarantee programs, GSTN integration, and other strategic initiatives with the Government, which will significantly enhance the value proposition for all its customers. Other initiatives like use of blockchain for invoice de-duplication, use of mobile technology to increase adoption by MSMEs, among others, will go a long way in enhancing the value proposition.

TReDS has come to acquire a central role in the Indian Government's push for inclusion of MSMEs into the formal financial ecosystem. On October 24, 2017, the Finance Minister, Mr. Arun Jaitley, announced that TReDS registration would be made mandatory for Central Public Sector Enterprises (CPSEs). This was followed by a directive to Public Sector Banks, making TReDS registration mandatory for them. This augurs very well for TReDS, since CPSEs are required to channel at least 20% of their procurements from the MSME sector. Other initiatives being taken by the Government are to enable TReDS to integrate with the GST network to streamline the invoice creation as well as audit processes.

The eagerness with which the Government is pursuing TReDS has given the initiative a much needed boost in the financial ecosystem, with more and more corporates and banks expressing an interest to come on-board the platform. While still in the nascent stages, we strongly believe that the Government's positive attitude towards TReDS, combined with the Company's forward thinking ability and agility, hold the Company in good stead for the future.

## **DIVIDEND:**

Your Directors have not recommended payment of any dividend on equity shares, for the financial year ended as on 31<sup>st</sup> March, 2018.

## **TRANSFER TO GENERAL RESERVE:**

During the financial year under review, the Company did not transfer any amount to General Reserves.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There have been no material changes and commitments, affecting the financial position of the Company which occurred between the end of the Financial Year 2017-18 of the Company to which the Financial Statements relate and the date of this Report.

## **EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return as provided under sub-section (3) of Section 92 of the Act in Form - MGT 9 is enclosed herewith as **Annexure – A** to this report.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

## **BOARD OF DIRECTORS:**

During the year under review, Shri Modan Saha (DIN: 02848515) and Shri Rajarshi Chattopadhyay (DIN: 07523592), Directors of the Company have resigned from the Board of Directors of the Company with effect from 30<sup>th</sup> June, 2017 and 10<sup>th</sup> October, 2017 respectively. The Board of Directors placed on record their warm appreciation for valuable contribution made by both of the outgoing Directors.

**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No.022-24252525, CIN-U74999MH2016PLC281452



# A.TREDS LIMITED

During the year under review, the Company has appointed Shri Jairam Sridharan (DIN: 05165390) and Shri Pankaj Mittal (DIN: 07975601) as Additional Non-Executive Directors of the Company with effect from 8<sup>th</sup> August, 2017 and 27<sup>th</sup> November, 2017, respectively. The said appointments shall be liable to retire by rotation and subject to the approval of the shareholders at the ensuing Annual General Meeting.

During the year, no other changes took place in the composition of the Board of Directors of the Company. The composition of the Board of Directors of the Company is in compliance with the applicable norms.

In accordance with the provisions of the Companies Act, 2013 and the relevant rules made thereunder, Shri Srinivasan Varadarajan (DIN 00033882) and Shri Himadri Chatterjee (DIN 07455079) retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment as Directors of the Company.

## DECLARATION OF INDEPENDENCE:

All the Independent Directors of the Company have given their respective declarations stating that they meet the criteria prescribed for independence under the applicable laws and in the opinion of the Board, the Independent Directors meet the said criteria.

## KEY MANAGERIAL PERSONNEL:

Shri Kalyan Basu, Managing Director & CEO, Smt. Rashmi Prasad Chandsarkar, Chief Financial Officer and Shri Hitesh Gundigara, Company Secretary are the Key Managerial Personnel of the Company, as defined in Section 2(51) of the Companies Act, 2013.

During the year, no changes took place in the composition of the Key Managerial Personnel of the Company.

## PARTICULARS OF MEETINGS:

During the year, the number of Board and Committee Meetings convened are as follows:

Sr. No.	Type of Meeting	Number of meetings
1	Board Meeting	4
2	Audit Committee Meeting	4
3	Nomination & Remuneration Committee Meeting	2
4	General Meeting (including Extra - Ordinary General Meeting)	1
5	Risk Management Committee Meeting	0
6	Meeting of Independent Directors	1

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The Company and its Board has constituted a set of independent, qualified and focused Committees of the Board constituting Directors of the Company. These Board Committees have specific terms of reference/scope to focus effectively. Currently the Board has three (3) committees i.e. Audit Committee, Nomination & Remuneration Committee and Risk Management Committee.



**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No.022-24252525, CIN-U74999MH2016PLC281452

# A.TREDS LIMITED

## AUDIT COMMITTEE:

The Audit Committee comprises of three (3) members, of which two (2) are Independent Directors. During the financial year 2017-18, the Committee held four (4) meetings on 19<sup>th</sup> April, 2017, 18<sup>th</sup> July, 2017, 12<sup>th</sup> October, 2017 and 12<sup>th</sup> January, 2018.

Name of the Director	Date and attendance of the meeting				% of attendance
	19.04.2017	18.07.2017	12.10.2017	12.01.2018	
Shri Rakesh Makhija	Present	Present	Present	Present	100%
Shri Dipak Kumar Banerjee	Present	Present	Present	Present	100%
Shri Himadri Chatterjee (Ceased to be a member w.e.f. 4 <sup>th</sup> October, 2017)	Present	Present	-	-	100%
Shri Jairam Sridharan (Inducted as a member w.e.f. 4 <sup>th</sup> October, 2017)	-	-	Present	Present	100%

## NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee comprises of Four (4) members, of which two (2) are Independent Directors. During the financial year 2017-18, the Committee held two (2) meetings on 19<sup>th</sup> April, 2017 and 18<sup>th</sup> July, 2017.

Name of the Director	Date and attendance of the meeting		% of attendance
	19.04.2017	18.07.2017	
Shri Dipak Kumar Banerjee	Present	Present	100%
Shri Rakesh Makhija	Present	Present	100%
Shri Modan Saha (Ceased to be a member w.e.f. 30 <sup>th</sup> June, 2017)	Present	-	100%
Shri Rajarshi Chattopadhyay (Ceased to be a member w.e.f. 2 <sup>nd</sup> November, 2017)	Present	Present	100%
Shri Himadri Chatterjee (Inducted as a member w.e.f. 4 <sup>th</sup> October, 2017)	-	Present	100%
Shri Vinaya Varma (Inducted as a member w.e.f. 29 <sup>th</sup> November, 2017)	-	-	-

## RISK MANAGEMENT COMMITTEE:

The Risk Management Committee comprises of Four (4) members, of which two (2) are Independent Directors. During the year under review no risk management committee meeting was held. The Composition of the Risk Management Committee is as under:

Name of the Director	Designation
Shri Rakesh Makhija	Independent Director
Shri Dipak Kumar Banerjee	Independent Director
Shri Himadri Chatterjee	Non-Executive Director

**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No.022-24252525, CIN-U74999MH2016PLC281452



# A.TREDS LIMITED

Shri Modan Saha (Ceased to be a member w.e.f. 30 <sup>th</sup> June, 2017)	Non-Executive Director
Shri Jairam Sridharan (Inducted as a member w.e.f. 4 <sup>th</sup> October, 2017)	Non-Executive Director

## BOARD EVALUATION:

Evaluation of performance of all Directors is undertaken annually. Pursuant to the provisions of the Companies Act, 2013 and the rules made thereunder, the Board has carried out an annual performance evaluation of its own performance and that of its committees and individual Directors.

The Board adopted a formal evaluation mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The process was carried out by feedback survey from each Directors covering Board functioning such as composition of Board and its Committees, experiences, competencies, governance issues etc. Separate process was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as attendance, contribution at the meeting etc.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committee with the Company.

## SHARE CAPITAL:

During the year under review there was no change in the Authorised, Issued, Subscribed and Paid-Up Share Capital of the Company.

## PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any deposit pursuant to Section 73 and Section 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

## PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTFLOWS:

Information as per Section 134(3)(m) of the Act relating to the Conservation of Energy and Technology Absorption is not given since the Company is not engaged in any manufacturing activity.

During the year under review, the Company has not earned any foreign exchange. The foreign exchange outgo during the year amounted to Rs. 73,215.41.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186:

Information as per Section 134(3)(g) of the Companies Act, 2013 relating to the particulars of loans, guarantees or investment under Section 186 is not applicable to the company as it has not made any Loans, Guarantees or Investments covered under Section 186 of the Act.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SUB – SECTION (1) OF SECTION 188:

Information as per Section 134(3)(h) of the Act relating to the particulars of Contracts or Arrangements with Related Parties under Sub - Section (1) of Section 188 is as mentioned below:-

**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)  
**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No.022-24252525, CIN-U74999MH2016PLC281452



# A.TREDS LIMITED

All Related Party Transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseen and repetitive in nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all Related Party Transactions are placed before the Audit Committee.

None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company. Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC – 2 is enclosed herewith as **Annexure – B** to this report.

## **PARTICULARS OF EMPLOYEES AS REQUIRED UNDER COMPANIES ACT, 2013 AND COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

The statement containing particulars of employees required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

## **POLICY OF THE NOMINATION AND REMUNERATION COMMITTEE:**

The Company has a Nomination and Remuneration Policy formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto as amended from time to time. The policy shall apply to all Directors (Executive and Non-Executive), Key Managerial Personnel and Senior Management. The Policy laid down the roles of the Committee, criteria for appointment of Directors, Key Managerial Personnel and Senior Management and parameters for determining the remuneration of Directors, Key Managerial Personnel, Senior Management and other employees, etc.

## **DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to sub-section (5) of Section 134 of the Act, the Board of Directors of the Company hereby state and confirm that:

- I. The applicable accounting standards have been followed in the preparation of the annual accounts and proper explanations have been furnished, relating to material departures.
- II. Accounting policies have been selected, and applied consistently and reasonably, and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for the year ended March 31, 2018.
- III. Proper and sufficient care has been taken for the 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 fraud and other irregularities.
- IV. The annual accounts of the Company have been prepared on a going concern basis.
- V. The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- VI. Proper system has been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No.022-24252525, CIN-U74999MH2016PLC281452



# A.TREDS LIMITED

## COMPLIANCES:

The Balance Sheet and Statement of Profit and Loss for the period under review are revised as per the new format of Schedule III as notified by the Ministry of Corporate Affairs.

## AUDITORS:

### STATUTORY AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company had appointed M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, Mumbai (301003E/E300005) as the Statutory Auditors of the Company to hold office upto the conclusion of 6<sup>th</sup> Annual General Meeting. However, the said appointment is subject to ratification by the shareholders at every subsequent Annual General Meeting. A resolution for the ratification of the appointment of M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, Mumbai as the Statutory Auditors of the Company is being placed for the approval of the shareholders at the ensuing Annual General Meeting.

### INTERNAL AUDITORS:

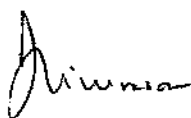
The Company has appointed M/s. BY & Associates, Chartered Accountants, Mumbai (123423W) as the Internal Auditors of the Company to undertake the Internal Audit of the Company for the financial year under review.

## ACKNOWLEDGEMENTS:

Your Directors would like to express their gratitude for all the guidance and co-operation received from Axis Bank Limited and Mjunction Service Limited. Your Directors would like to place on record their gratitude to the esteemed Clients, Bankers, Financial Institutions, Suppliers, Advisors, Ministry of Corporate Affairs, Central, State and Local Government Departments for their continued support and cooperation.

The Directors also express their warm appreciation to all the employees of the Company for their diligence and contribution.

For and on behalf of the Board of Directors



**Srinivasan Varadarajan**  
Chairman (DIN: 00033882)



**Kalyan Basu**  
Managing Director & CEO (DIN: 07531472)

Place: Mumbai

Date: 18<sup>th</sup> April, 2018

**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No.022-24252525, CIN-U74999MH2016PLC281452



# A.TREDS LIMITED

Annexure - A

Form No. MGT- 9

## EXTRACT OF ANNUAL RETURN as on the financial year ended on 31<sup>st</sup> March, 2018

[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12(1)  
of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS

i.	CIN	:	U74999MH2016PLC281452
ii.	Registration Date	:	23 <sup>rd</sup> May 2016
iii.	Name of the Company	:	A.TREDS Limited
iv.	Category / Sub-Category of the Company	:	Public Unlisted Company
v.	Address of the Registered office and contact details	:	Axis House, C-2, Wadia International Centre, P. B. Marg, Worli, Mumbai – 400 025, Maharashtra, India. Telephone No - 022 24252825 Email id – ruchi.sathe@invoicemart.com
vi.	Whether listed company	:	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	NA

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Setting up and operating of Trade Receivable Discounting System under Payment and Settlements Systems Act, 2007.	67110 – Activities Auxiliary to Financial intermediation	Nil

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

Sr. No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	<b>Axis Bank Limited</b> Trishul, 3 <sup>rd</sup> Floor, Opp Samartheshwar Temple, Law Garden Ellisbridge, Ahmedabad – 380006	L65110GJ1993PLC020769	Holding	67.00 %	2(46)

\*Including 60 shares (0.00024%) held by individuals as Nominee of Axis Bank Limited. (Beneficial Ownership is with Axis Bank Limited).

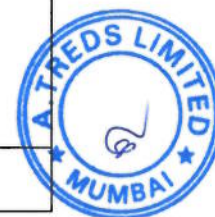
**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604.  
Telephone No. 022-62357300 Website: www.invoicemart.com

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No.022-24252525, CIN-U74999MH2016PLC281452



# A.TREDS LIMITED

2.	<b>Axis Capital Limited</b> Axis House, 8th floor, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400025	U51900MH2005PLC157853	Group Company	NIL	---
3.	<b>Axis Finance Limited</b> Axis House, Ground floor, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400025	U65921MH1995PLC212675	Group Company	NIL	---
4.	<b>Axis Asset Management Company Limited</b> Axis House, 1 <sup>st</sup> floor, C-2, Wadia International centre, Pandurang Budhkar Marg, Worli, Mumbai - 400025	U65991MH2009PLC189558	Group Company	NIL	---
5.	<b>Axis Private Equity Limited</b> Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025	U66020MH2006PLC165039	Group Company	NIL	---
6.	<b>Axis Mutual Fund Trustee Limited</b> Axis House, 1st floor, C-2, Wadia International centre, Pandurang Budhkar Marg, Worli, Mumbai – 400025	U66020MH2009PLC189325	Group Company	NIL	---
7.	<b>Axis Trustee Services Limited</b> Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025	U74999MH2008PLC182264	Group Company	NIL	---
8.	<b>Axis Securities Limited</b> Axis House, 8 <sup>th</sup> Floor, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025	U74992MH2006PLC163204	Group Company	NIL	---
9.	<b>Axis Bank U.K. Limited</b>	7554558	Group Company	NIL	---



**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604.

Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025

Telephone No.022-24252525, CIN-U74999MH2016PLC281452

# A.TREDS LIMITED

	Kings House, (4th Floor), 36-37, Kings Street, London, England.				
10.	<b>Freecharge Payment Technologies Private Limited</b> Ground Floor, Plot No. 68, Okhla Industrial Estate, Phase-III, New Delhi, South Delhi - 110020	U74140DL2015PTC275419	Group Company	NIL	---
11.	<b>Accelyst Solutions Private Limited</b> 2 <sup>nd</sup> Floor, Unit no. 205-206, Plot No. 1, Vaibhav Chambers, Bandra Kurla Complex, Mumbai - 400051	U72900MH2008PTC185202	Group Company	NIL	---

\*Including 60 shares (0.00024%) held by individuals as Nominee of Axis Bank Limited. (Beneficial Ownership is with Axis Bank Limited).



**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604.  
Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)  
**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No.022-24252525, CIN-U74999MH2016PLC281452

# A.TREDS LIMITED

## IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### i. Category - wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>A. Promoter</b>									
<b>(1) Indian</b>									
g) Individual/ HUF	---	60	60	0.00024%	---	60	60	0.00024%	---
h) Central Govt	---	---	---	---	---	---	---	---	---
i) State Govt[s]	---	---	---	---	---	---	---	---	---
j) Bodies Corp.	---	---	---	---	---	---	---	---	---
k) Banks / FI	---	1,67,49,940	1,67,49,940	66.99976 %	---	1,67,49,940	1,67,49,940	66.99976 %	NIL
l) Any Other....	---	---	---	---	---	---	---	---	---
<b>Sub-total (A) (1):-</b>	---	<b>1,67,50,000</b>	<b>1,67,50,000</b>	<b>67 %</b>	---	<b>1,67,50,000</b>	<b>1,67,50,000</b>	<b>67 %</b>	<b>NIL</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	---	---	---	---	---	---	---	---	---
b) Other - Individuals	---	---	---	---	---	---	---	---	---
c) Bodies Corp.	---	---	---	---	---	---	---	---	---
d) Banks / FI	---	---	---	---	---	---	---	---	---
e) Any Other....	---	---	---	---	---	---	---	---	---
<b>Sub-total (A) (2):-</b>	---	---	---	---	---	---	---	---	---
<b>Total shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	---	<b>1,67,50,000</b>	<b>1,67,50,000</b>	<b>67 %</b>	---	<b>1,67,50,000</b>	<b>1,67,50,000</b>	<b>67 %</b>	<b>NIL</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									

**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No. 022-24252525, CIN-U74999MH2016PLC281452





# A.TREDS LIMITED

## ii. Share Holding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Axis Bank Limited	1,67,49,940	66.99976 %	---	1,67,49,940	66.99976 %	---	---
2.	Shri Rajesh Kumar Dahiya (Nominee of Axis Bank Limited)	10	0.00004%	---	10	0.00004%	---	---
3.	Shri Bimal Bhattacharya (Nominee of Axis Bank Limited)	10	0.00004%	---	10	0.00004%	---	---
4.	Shri Siddharth Rath (Nominee of Axis Bank Limited)	10	0.00004%	---	10	0.00004%	---	---
5.	Shri Jitendra Pratap Singh (Nominee of Axis Bank Limited)	10	0.00004%	---	10	0.00004%	---	---
6.	Shri Amit Sethi (Nominee of Axis Bank Limited)	10	0.00004%	---	10	0.00004%	---	---
7.	Shri Kalyan Basu (Nominee of Axis Bank Limited)	10	0.00004%	---	10	0.00004%	---	---
	<b>Total</b>	<b>1,67,50,000</b>	<b>67 %</b>	<b>---</b>	<b>1,67,50,000</b>	<b>67 %</b>	<b>---</b>	<b>---</b>



**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No.022-24252525, CIN-U74999MH2016PLC281452

# A.TREDS LIMITED

### iii. Change in Promoters' Shareholding ( please specify, if there is no change): NO CHANGE

Sr. No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	%of total shares of the company	No. of shares	%of total shares of the company
	1,67,50,000	67%	1,67,50,000	67%
At the beginning of The year	-	-	-	-
Datewise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
At the End of the year	1,67,50,000	67%	1,67,50,000	67%

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

Sr. No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	%of total shares of the Company	No. of shares	%of total shares of the Company
<b>For Each of the Top 10 Shareholders</b>				
At the beginning of The year	82,50,000 (Mjunction Services Limited)	33%	82,50,000	33%
Date wise Increase / Decrease in	---	---	---	---

**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No.022-24252525, CIN-U74999MH2016PLC281452



# A.TREDS LIMITED

	Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)	82,50,000	33%	82,50,000	33%

## v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	%of total shares of the Company	No. of shares	%of total shares of the Company
	At the beginning of The year	10 (Shri Kalyan Basu)	0.00004%	10	0.00004%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	---	---	---	---
	At the End of the year	10	0.00004%	10	0.00004%



**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No.022-24252525. CIN-U74999MH2016PLC281452



# A.TREDS LIMITED

## INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment: NIL

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	-	-	-	-
i) Principal Amount				
ii) Interest due but not paid accrued but not due				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
• Addition				
• Reduction				
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the End of the financial year</b>	-	-	-	-
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	-	-	-	-



**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No.022-24252525, CIN-U74999MH2016PLC281452

# A.TREDS LIMITED

## V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sr. no.	Particulars of Remuneration	Shri Kalyan Basu, Managing Director & CEO	Total Amount
	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section	71,24,801	71,24,801
	Stock Option	-	-
	Sweat Equity	-	-
	Commission - as %of profit - others, specify...	-	-
	Others, please specify	-	-
	Total (A)	71,24,801	71,24,801

### B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Shri Rakesh Makhija	Shri Dipak Kumar Banerjee	
1.	Independent Directors Fee for attending board/ committee meetings	5,00,000	5,00,000	10,00,000
	Total (1)	5,00,000	5,00,000	10,00,000
2.	5 Other Non-Executive Directors	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL
	Total (B)=(1+2)	5,00,000	5,00,000	10,00,000



**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400

604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025

Telephone No.022-24252525, CIN-U74999MH2016PLC281452

# A.TREDS LIMITED

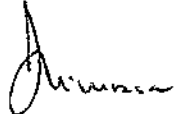
## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl.no.	Particulars of Remuneration	Key Managerial Personnel		
		Shri Hitesh Gundigara Company Secretary	Smt. Rashmi Chandsarkar CFO	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	25,24,193	25,24,193
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	-	-
2	Stock Option	NIL	-	-
3	Sweat Equity	NIL	-	-
4	Commission as % of profit	NIL	-	-
5	Others	NIL	-	-
	<b>Total</b>	<b>NIL</b>	<b>25,24,193</b>	<b>25,24,193</b>

## VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For A.TREDS Limited



Srinivasan Varadarajan  
Chairman (DIN: 00033882)



Kalyan Basu  
Managing Director & CEO (DIN: 07531472)

Place: Mumbai

Date: 18<sup>th</sup> April, 2018

**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: www.invoicemart.com

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025 Telephone No.022-24252525, CIN-U74999MH2016PLC281452

# A.TREDS LIMITED

ANNEXURE- B

## FORM AOC - 2

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

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

### 1. Details of contracts or arrangements or transactions not at arm's length basis

a)	Name (s) of the related party and nature of relationship	:	NIL
b)	Nature of contracts/arrangements/transactions	:	NIL
c)	Duration of the contracts / arrangements / transactions	:	NIL
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	NIL
e)	Justification for entering into such contracts or arrangements or transactions	:	NIL
f)	Date (s) of approval by the Board	:	NIL
g)	Amount paid as advances, if any	:	NIL
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	:	NIL

### 2. Details of material contracts or arrangement or transactions at arm's length basis

a)	Name (s) of the related party and nature of relationship	:	1. Axis Bank Limited (Common director /Holding Company)
b)	Nature of contracts/arrangements/transactions	:	1. Fixed Deposit 2. Reimbursement of Expenses (Deputation Cost, Rent, Software Expenses (RAC charges), Preliminary Expenses, Miscellaneous Expenses)

**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

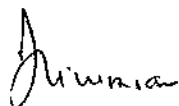
**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025 Telephone No.022-24252525, CIN-U74999MH2016PLC281452



# A.TREDS LIMITED

			(Mediclaime & GLT Insurance), NACH charges, file processing charges)
c)	Duration of the contracts / arrangements / transactions	:	1) Continuous 2) Continuous
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	As per Financial Statements
e)	Date (s) of approval by the Board, if any	:	23 <sup>rd</sup> January, 2017
f)	Amount paid as advances, if any	:	NIL

For A.TREDS Limited



Srinivasan Varadarajan  
Chairman (DIN: 00033882)



Kalyan Basu  
Managing Director & CEO (DIN: 07531472)

Place: Mumbai

Date: 18<sup>th</sup> April, 2018

**Corporate Office:** 11<sup>th</sup> Floor, Ashar IT Park, Road No. 16Z, Wagle Industrial Estate, Thane (West) – 400 604. Telephone No. 022-62357300 Website: [www.invoicemart.com](http://www.invoicemart.com)

**Registered Office:** Axis House, C-2, Wadia International Centre, P B Marg, Worli, Mumbai – 400 025  
Telephone No.022-24252525, CIN-U74999MH2016PLC281452

**INDEPENDENT AUDITOR'S REPORT**

To the Members of A.Treds Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of A.Treds Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2018, its loss, and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

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



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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;
- (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations 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 Prevention Fund by the Company;

For S.R. Batliboi & CO. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005



per Jitendra H. Ranawat  
Partner  
Membership Number: 103380  
Place of Signature: Mumbai  
Date: 18 April 2018



**Annexure 1 referred to under the heading "Report on other legal and regulatory requirements" of our report of even date**

**Re: A.Treds Limited ('the Company')**

- (i)(a) The Company has maintained proper records showing full particulars, including quantitative details and location of fixed assets.
- (i)(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (i)(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment/ fixed assets of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanation given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, service tax, goods & services tax and other statutory dues applicable to it. The provisions relating to employees' state insurance, duty of customs, duty of excise, value added tax and cess are not applicable to the Company.
- (vii)(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, goods & services tax and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to employees' state insurance, duty of customs, duty of excise, value added tax and cess are not applicable to the Company.
- (vii)(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, goods and services tax, value added tax and cess which have not been deposited on account of any dispute. The provisions relating to duty of custom, duty of excise and employees' state insurance are not applicable to the Company.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

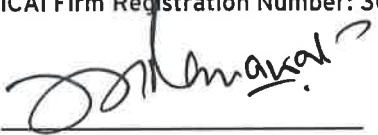
Based upon the audit procedures performed for the purposes of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the the Company or no fraud on the Company has been noticed or reported during the year.





- (xi) According to the information and explanation given by the management, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xi) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting requirements under clause 3(xiv) are not applicable to the Company not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

  
per Jitendra H. Ranawat  
Partner  
Membership Number: 103380  
Place: Mumbai  
Date: 18 April 2018



**"ANNEXURE 2" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF A.TREDS LIMITED****Report on the Internal Financial Controls under Clause (l) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")****To the Members of A.Treds Limited**

We have audited the internal financial controls over financial reporting of A.Treds Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

**Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with



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.

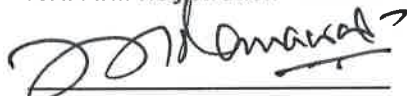
**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005



per Jitendra H. Ranawat  
Partner  
Membership Number: 103380  
Place of Signature: Mumbai  
Date: 18 April 2018



**A.TREDS LIMITED**

Balance sheet as at 31 March 2018

Particulars	Notes	31 March, 2018 (Amount in Rs.)	31 March, 2017 (Amount in Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
Share capital	3	250,000,000	250,000,000
Reserves and surplus	4	(85,376,149)	(7,580,148)
<b>Non-current liabilities</b>			
Long term provisions	5	541,123	172,592
<b>Current liabilities</b>			
Trade Payable	6	12,752,227	10,897,874
Other current liabilities	7	9,292,615	946,197
Short term provisions	5	3,330,118	350,000
<b>Total</b>		<b>190,539,934</b>	<b>254,786,515</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
8			
Tangible assets		26,637,047	27,971,864
Intangible assets		28,466,077	5,947,612
Capital work-in-progress		1,586,426	8,538,349
Long term loans and advances	9	1,334,375	1,334,375
<b>Current assets</b>			
Short term loans and advances	9	14,771,329	3,465,098
Cash and bank balances	10	117,744,680	200,078,919
Other current assets	11	-	7,450,298
<b>Total</b>		<b>190,539,934</b>	<b>254,786,515</b>

Summary of significant accounting policies

2.1

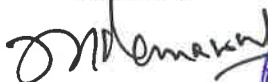
The accompanying notes are an integral part of these financial statements.

As per our report of even date

For S. R. Batliboi &amp; Co. LLP

ICAI Firm Registration No.: 301003E/E300005

Chartered Accountants



per Jitendra H. Ranawat

Partner

Membership No. :- 103380

Place : Mumbai

Date : 18 April 2018



For and on behalf of the Board of Directors



V. Srinivasan

Chairman

DIN No: 00033882



Rashmi Chandsarkar

Chief Financial Officer



Kalyan Basu

Managing Director &amp; CEO

DIN No: 07531472



Ruchi Sathe

Company Secretary

Membership No. ACS 33566



**A. TREDS LIMITED**

**Statement of Profit and Loss for the year ended 31 March 2018**

Particulars	Notes	For the Year Ended 31 March 2018 ( Amount in Rs)	For the Period 23 May 2016 to 31 March 2017 ( Amount in Rs)
Revenue from operations	12	5,572,677	-
Other income	13	10,014,014	12,463,902
<b>Total revenue</b>		<b>15,586,691</b>	<b>12,463,902</b>
<b>Expenses:</b>			
Employee benefit expense	14	46,333,376	5,184,873
Depreciation and amortization expense	8	8,852,520	592,651
Other expenses	15	38,196,796	14,266,526
<b>Total expenses</b>		<b>93,382,692</b>	<b>20,044,050</b>
<b>Profit/(Loss) before tax</b>		<b>(77,796,001)</b>	<b>(7,580,148)</b>
Tax expense:			
Current tax		-	-
<b>Total Tax</b>		<b>-</b>	<b>-</b>
<b>Profit/(Loss) after tax</b>		<b>(77,796,001)</b>	<b>(7,580,148)</b>
<b>Earnings per equity share : Nominal value of share Rs.10/- (31 March 2017: Rs.10) annualized.</b>			
<b>Basic</b>		<b>(3.11)</b>	<b>(0.36)</b>
<b>Diluted</b>		<b>(3.11)</b>	<b>(0.36)</b>

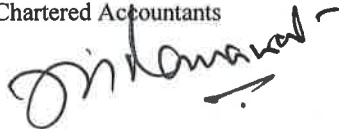
Summary of significant accounting policies

2.1

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For S. R. Batliboi & Co. LLP  
ICAI Firm Registration No.: 301003E/E300005  
Chartered Accountants



per Jitendra H. Ranawat  
Partner  
Membership No. :- 103380



Place : Mumbai  
Date : 18 April 2018

For and on behalf of the Board of Directors

  
V. Srinivasan  
Chairman  
DIN No: 00033882

  
Rashmi Chandsarkar  
Chief Financial Officer

  
Kalyan Basu  
Managing Director & CEO  
DIN No: 07531472

  
Ruchi Sathe  
Company Secretary  
Membership No. ACS 33566



A.TREDS LIMITED

Cash Flow Statement for the year ended 31 March 2018

Particulars	For the Year Ended 31 March 2018	For the Period 23 May 2016 to 31 March 2017
	(Amount in Rs.)	(Amount in Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before taxation	(77,796,001)	(7,580,148)
<b>Adjustments for :</b>		
Depreciation and amortization expenses	8,852,520	592,651
Lease equilization	768,874	87,773
Provision for Gratuity	10,791	172,592
Provision for Leave availment	451,815	-
Interest income on fixed deposit	(10,012,014)	(12,463,902)
<b>Operating Profit before working capital changes</b>	<b>(77,724,015)</b>	<b>(19,191,034)</b>
Increase/ (Decrease) in Provisions	2,886,043	350,000
Increase/ (Decrease) in Other current liabilities	7,577,544	858,425
(Increase)/ Decrease in Trade payables	1,854,353	10,897,874
(Increase)/ Decrease in Non-current loans and advances	-	(1,334,375)
(Increase)/ Decrease in Current loan and advances	(10,014,908)	(2,218,707)
(Increase)/ Decrease in Other current assets	7,450,298	(7,450,298)
<b>Cash generated from Operating activities</b>	<b>(67,970,685)</b>	<b>(18,088,115)</b>
Income-tax paid (net of refund)	(1,291,323)	(1,246,391)
<b>Net cash used in Operating activities</b>	<b>(69,262,008)</b>	<b>(19,334,506)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(23,084,245)	(43,050,477)
Interest received	10,012,014	12,463,902
<b>Net cash used in Investing activities</b>	<b>(13,072,231)</b>	<b>(30,586,575)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of equity shares	-	250,000,000
<b>Net cash from/ (used in) Financing activities</b>	<b>-</b>	<b>250,000,000</b>
<b>Net (Decrease)/ Increase in cash and cash equivalents during the year/period</b>	<b>(82,334,239)</b>	<b>200,078,919</b>
Cash and cash equivalents at the beginning of the year	200,078,919	-
Cash and cash equivalents at the end of the year/period	<b>117,744,680</b>	<b>200,078,919</b>

Particulars	For the Year Ended 31 March 2018	For the Period 23 May 2016 to 31 March 2017
	(Amount in Rs.)	(Amount in Rs.)
Cash and cash equivalents		
Balances with banks:		
- On current accounts	2,018,002	749,919
- Deposits with original maturity of less than 3 months	115,726,678	199,329,000
<b>Total</b>	<b>117,744,680</b>	<b>200,078,919</b>

Note

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS) 3-'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.
- Cash and cash equivalents in the balance sheet comprises of cash at bank and fixed deposit with bank.

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For S. R. Batliboi & Co. LLP  
ICAI Firm Registration No.: 301003E/E300005  
Chartered Accountants



*Jitendra H. Ranawat*

per Jitendra H. Ranawat  
Partner  
Membership No. :- 103380

For and on behalf of the Board of Directors

*V. Srinivasan*  
V. Srinivasan  
Chairman  
DIN No: 00033882

*Kalyan Basu*  
Kalyan Basu  
Managing Director & CEO  
DIN No: 07531472



*Rashmi Chandsarkar*  
Rashmi Chandsarkar  
Chief Financial Officer

*Ruchi Sathe*  
Ruchi Sathe  
Company Secretary  
Membership No. ACS 33566

Place : Mumbai  
Date : 18 April 2018

## A.Treds Limited

### Notes forming part of the financial statements

#### 1. Nature of operations and background

A.Treds Limited (the 'Company') is public company domiciled in India. The principal activity of the Company is to carry on business of setting up and operating of Trade Receivable Discounting System under Payment and Settlements Systems Act, 2007.

#### 2. Basis of preparation

The financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on accrual basis. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

#### 2.1 Significant accounting policies

##### Presentation and disclosure of financial statements

##### i. Use of estimates

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

##### ii. Current-non-current classification of assets/ liabilities

As required by Schedule III, the Company has classified all its assets / liabilities into current / non-current portion based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realised / settled within 12 months from the date of financial statements are classified as current and other assets/liabilities are classified as non-current.

##### iii. Tangible assets

Fixed assets are stated at cost, net off accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

##### Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortised on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Company amortises the intangible asset over the best estimate of its useful life. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

##### iv. Depreciation on Tangible asset / Amortization of intangible asset

Depreciation on fixed assets is calculated on straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The company has used the following rates to provide depreciation on its fixed assets

Depreciation has been provided using the following estimated useful lives :

Particulars	Useful Life estimated by the management (same as specified in Schedule II of the Companies Act, 2013)
Office Equipment	5 Years
Computers	3 Years
Servers	6 Years
Softwares	5 Years
Furnitures & Fixtures	10 Years
Leasehold Improvement	9 Years (Over lease period)

The residual values, useful lives and methods of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on assets sold during the year is recognised on a pro-rata basis to the Statement of profit and loss till the date of sale of assets.



## A. Treeds Limited

### Notes forming part of the financial statements

#### v. Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

#### vi. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of profit and loss on a straight-line basis over the lease term.

#### vii. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

##### a. Onboarding Fee and Transaction Fee

Onboarding Fee is one time fee and is recognized at the time of onboarding of Buyer, Seller or financier. Transaction fee is recurring in nature and is recognised on time proportion basis over the period of tenure of transaction. Onboarding and Transaction Fees are included under "Income from Operations" in the Statement of profit and loss.

##### b. Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest is included under the head 'Other Income' in the Statement of profit and loss.

#### viii. Retirement Benefits

##### a. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

##### b. Gratuity

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated year mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date.

Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise.

##### c. Leave avallment

Earned leave can be carried forward and availed during the tenure of the employment upto maximum of 50 days. Any accumulated leaves in excess of 50 days in subsequent years are bound to lapse. The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. This liability is recognised based on an external actuarial valuation using the projected unit credit method.

#### ix. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the Statement of profit and loss.



A handwritten signature in blue ink, appearing to be a stylized name.





## A.Treds Limited

### Notes forming part of the financial statements

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

#### x. Earnings per share

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

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

#### xi. Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

#### xii. Cash and cash equivalents

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less.

#### xiii. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



**A. TREDS LIMITED**

Notes to financial statements for the year ended 31 March 2018

**3. Share capital**

	31 March, 2018 (Amount in Rs.)	31 March, 2017 (Amount in Rs.)
<b>Authorized share capital</b> 5,00,00,000 (31 March 2017: 5,00,00,000) Equity Shares of Rs.10/- each	500,000,000	500,000,000
<b>Issued, subscribed and fully paid-up shares share capital</b>		
<b>Equity share capital</b> 2,50,00,000 (31 March 2017: 2,50,00,000) Equity Shares of Rs. 10/- each	250,000,000	250,000,000
<b>Total issued &amp; subscribed share capital</b>	250,000,000	250,000,000

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period****Equity shares**

	31 March, 2018		31 March, 2017	
	Nos	(Amount in Rs.)	Nos	(Amount in Rs.)
At the beginning of the Year/Period	25,000,000	250,000,000	-	-
Add: Issued during the Year/Period	-	-	25,000,000	250,000,000
Outstanding at the end of the Year/Period	25,000,000	250,000,000	25,000,000	250,000,000

**(b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any, is proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates**

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

	31 March, 2018 (Amount in Rs.)	31 March, 2017 (Amount in Rs.)
Axis Bank Limited, the holding company and its nominees 1,67,50,000 (31 March 2017: 1,67,50,000 shares) equity shares of Rs.10/- each	167,500,000	167,500,000

**(d) Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	31 March, 2018		31 March, 2017	
	Nos	%	Nos	%
Axis Bank Limited, the holding company and its nominees 1,67,50,000 (31 March 2017: 1,67,50,000 shares) equity shares of Rs.10/- each	16,750,000	67%	16,750,000	67%
Mjunction Services Limited 82,50,000 (31 March 2017: 82,50,000 shares) equity shares of Rs. 10/- each	8,250,000	33%	8,250,000	33%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



**A. TREDS LIMITED**

Notes to financial statements for the year ended 31 March 2018

**4. Reserve & Surplus****Profit & Loss Account**

	31 March, 2018 (Amount in Rs.)	31 March, 2017 (Amount in Rs.)
Balance as per last financial statement	(7,580,148)	-
Loss for the year/ period	(77,796,001)	(7,580,148)
Net deficit in the statement of profit & loss	(85,376,149)	(7,580,148)
<b>Total Reserves &amp; Surplus</b>	<b>(85,376,149)</b>	<b>(7,580,148)</b>

**5. Provisions**

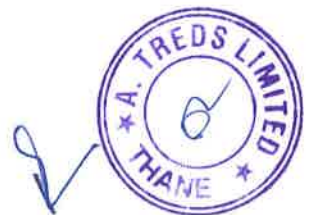
	31 March, 2018		31 March, 2017	
	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)
	Long Term	Short Term	Long Term	Short Term
Provision for bonus	-	3,236,043	-	350,000
Provision for gratuity	182,881	502	172,592	-
Provision for leave availment	358,242	93,573	-	-
<b>Total</b>	<b>541,123</b>	<b>3,330,118</b>	<b>172,592</b>	<b>350,000</b>

**6. Trade Payable**

	31 March, 2018 (Amount in Rs.)	31 March, 2017 (Amount in Rs.)
Micro, Small and Medium Enterprises	-	-
Other than Micro, Small and Medium Enterprises	12,752,227	10,897,874
<b>Total</b>	<b>12,752,227</b>	<b>10,897,874</b>

**7. Other Current Liabilities**

	31 March, 2018 (Amount in Rs.)	31 March, 2017 (Amount in Rs.)
Due to holding company- 'Axis Bank Limited'	3,008,321	203,037
Due to others	135,809	29,550
Statutory dues	2,689,531	625,837
Unearned revenue	2,517,603	-
Other liabilities	941,351	87,773
<b>Total</b>	<b>9,292,615</b>	<b>946,197</b>



**A. TRENDS LIMITED**  
Notes to financial statements for the year ended 31 March 2018

**8. Fixed Assets**

(Amount in Rs.)

Assets	Gross Block					Depreciation			Net Block	
	As at 01 April, 2017	Addition for the year	Deductions/Adjustment for the year	As at 31 March 2018	As at 01 April, 2017	Addition during the year	Deductions/Adjustment for the year	As at 31 March 2018	As at 31 March 2018	As at 31st March, 2017
<b>Tangible Asset</b>										
Leasehold Improvement	12,693,770	440,912	-	13,134,682	135,632	1,498,667		1,634,299	11,500,383	12,558,138
Furniture	833,424	10,350	-	843,774	8,652	88,316		96,968	746,806	824,771
Office equipment	5,223,904	1,561,622	-	6,785,526	110,462	1,232,994		1,343,456	5,442,070	5,113,442
Computers	9,673,317	1,457,475	-	11,130,792	197,804	1,985,200		2,183,004	8,947,788	9,475,513
	<b>28,424,415</b>	<b>3,470,359</b>		<b>31,894,774</b>	<b>452,550</b>	<b>4,805,177</b>		<b>5,257,727</b>	<b>26,637,047</b>	<b>27,971,864</b>
<b>Intangible assets</b>										
Software	6,087,713	26,565,808	-	32,653,521	140,101	4,047,343		4,187,444	28,466,077	5,947,612
	<b>6,087,713</b>	<b>26,565,808</b>		<b>32,653,521</b>	<b>140,101</b>	<b>4,047,343</b>		<b>4,187,444</b>	<b>28,466,077</b>	<b>5,947,612</b>
<b>Work-in-progress</b>										
Software	8,538,349	-	6,951,923	1,586,426	-	-		-	1,586,426	8,538,349
	<b>8,538,349</b>	<b>-</b>	<b>6,951,923</b>	<b>1,586,426</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>1,586,426</b>	<b>8,538,349</b>
<b>Total</b>	<b>43,050,477</b>	<b>30,036,167</b>	<b>6,951,923</b>	<b>66,134,721</b>	<b>592,651</b>	<b>8,852,520</b>		<b>9,445,171</b>	<b>56,689,550</b>	<b>42,457,825</b>
<b>Previous Year</b>	<b>-</b>	<b>43,050,476</b>		<b>43,050,476</b>		<b>592,651</b>		<b>592,651</b>	<b>42,457,825</b>	



**A. TREDS LIMITED**

Notes to financial statements for the year ended 31 March 2018

**9. Loans and advances (Unsecured, considered good)**

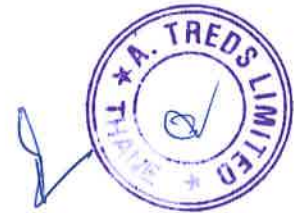
	31 March, 2018		31 March, 2017	
	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)
	Long Term	Short Term	Long Term	Short Term
Security deposit				
-Unsecured , considered good	1,334,375	-	1,334,375	306,250
	<b>A</b>	<b>-</b>	<b>1,334,375</b>	<b>306,250</b>
Other loans and advances				
Prepaid Expenses	-	1,010,971	-	-
Advance tax	-	2,537,714	-	1,246,391
GST Input Credit/ Service Tax Input	-	11,222,644	-	1,912,457
	<b>B</b>	<b>14,771,329</b>	<b>-</b>	<b>3,158,848</b>
<b>Total</b>	<b>(A+B)</b>	<b>1,334,375</b>	<b>14,771,329</b>	<b>3,465,098</b>

**10. Cash and bank balance**

	31 March, 2018 (Amount in Rs.)	31 March, 2017 (Amount in Rs.)
Cash and cash equivalents		
Balances with banks:		
- On current accounts	2,018,002	749,919
- Deposits with original maturity of less than 3 months	115,726,678	199,329,000
<b>Total</b>	<b>117,744,680</b>	<b>200,078,919</b>

**11. Other current assets (Unsecured, considered good)**

	31 March, 2018 (Amount in Rs.)	31 March, 2017 (Amount in Rs.)
Interest accrued on fixed deposits	-	7,450,298
<b>Total</b>	<b>-</b>	<b>7,450,298</b>



**A. TREDIS LIMITED**

Notes to financial statements for the year ended 31 March 2018

**12. Revenue from operations**

	31 March, 2018 (Amount in Rs.)	31 March, 2017 (Amount in Rs.)
Onboarding Charges	2,383,000	-
Transaction Charges	3,189,677	-
<b>Total</b>	<b>5,572,677</b>	<b>-</b>

**13. Other income**

	31 March, 2018 (Amount in Rs.)	31 March, 2017 (Amount in Rs.)
Interest income on bank deposits	10,012,014	12,463,902
Miscellaneous receipts	2,000	-
<b>Total</b>	<b>10,014,014</b>	<b>12,463,902</b>

**14. Employee benefits expense**

	31 March, 2018 (Amount in Rs.)	31 March, 2017 (Amount in Rs.)
Salaries, wages and bonus	43,964,819	4,812,028
Contribution to provident funds	873,849	168,633
Staff welfare expenses	1,032,102	31,620
Gratuity Expenses	10,791	172,592
Leave Availment	451,815	-
<b>Total</b>	<b>46,333,376</b>	<b>5,184,873</b>

**15. Other expense**

	31 March, 2018 (Amount in Rs.)	31 March, 2017 (Amount in Rs.)
Rent, rates and taxes	6,738,918	1,538,026
Professional fees	5,751,587	2,747,915
Software expenses	966,477	144,591
Printing and stationery	946,146	7,212
Director fees	1,000,000	500,000
Business promotion	4,394,122	75,000
Transaction charges	230,000	-
Electricity expenses	1,802,766	362,579
Travelling and conveyance	4,255,152	145,894
Telephone expenses	2,359,260	180,091
Training and induction expenses	18,500	-
Security services	1,076,096	176,962
Insurance expenses	54,835	-
Membership & subscription fees	37,500	-
House keeping charges	1,213,969	101,257
Auditor remuneration ( Refer details below)	1,157,975	200,000
Trademark expense written off	121,360	-
Repair & maintenance	191,450	-
Information technology expense	5,149,116	-
Misc expenses	731,567	258,412
Stamp duty and registration charges	-	963,000
Preliminary expenses ( Written off)	-	6,865,587
<b>Total</b>	<b>38,196,796</b>	<b>14,266,526</b>

Audit remuneration	31 March, 2018 (Amount in Rs.)	31 March, 2017 (Amount in Rs.)
Audit Fee	700,000	200,000
Limited review	450,000	-
Out of Pocket Expenses	7,975	-
	<b>1,157,975</b>	<b>200,000</b>



## A. Treds Limited

### Notes forming part of the financial statements

#### 16. Leases

##### Operating Lease:

The Company has entered into agreements in the nature of cancellable and non-cancellable lease / leave and license agreements with different lessors / licensors for the purpose of establishment of office premises and office equipments. These are generally in the nature of operating leases / leave and licenses.

Generally the lease term is for upto 9 years with the escalation clause of up to 15% for office premises for every 3 completed years. There are no restrictions imposed by lease arrangements.

Future minimum rentals payable for premises under operating leases are as follows:

	2017-18 (Amount in Rs)	2016-17 ( Amount in Rs)
Minimum lease payments :		
Not later than one year	5,870,857	4,897,500
Later than one year but not later than five	23,796,452	21,300,660
Later than five years	17,979,133	22,762,089
Lease charged for the year	6,607,308	1,180,495

Future minimum rentals payable for office equipment under operating leases are as follows:

	2017-18 (Amount in Rs)	2016-17 ( Amount in Rs)
Minimum lease payments :		
Not later than one year	108,000	127,200
Lease charged for the year	126,234	25,440

#### 17. Earnings per share ('EPS')

	2017-18 ( Amount in Rs)	2016-17 ( Amount in Rs)
Net Profit / (loss) after tax	(77,796,001)	(7,580,147)
<b>Net profit / (loss) for calculation of basic and diluted EPS</b>	<b>(77,796,001)</b>	<b>(7,580,147)</b>
Weighted average number of equity shares in calculating basic and diluted EPS	25,000,000	20,822,603
<b>Basic earnings per share</b>	<b>(3.11)</b>	<b>(0.36)</b>
<b>Diluted earnings per share</b>	<b>(3.11)</b>	<b>(0.36)</b>

18. At the beginning of the year there was no amount payable to any Micro, Small and/or Medium Enterprises as defined under Micro, Small and Medium Enterprise Development Act, 2006. The outstanding balance as on 31st March 2018 are Rs. Nil and as on 31st March 2017 are Rs. Nil

The Company also has not received any claims against interest outstanding amount due to any vendor registered under Micro, Small and Medium Enterprises Development Act, 2006. The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 (Act) has been determined to the extent such parties have been identified on the basis of information available with the Company.

#### 19. Estimated amount of contracts remaining to be executed on capital account and not provided for:

	2017-18 (Amount in Rs)	2016-17 (Amount in Rs)
Commitment for addition/acquisition of software	4,278,075	14,092,501
Commitment for acquisition of other capital asset	106,400	859,852



**A. Treds Limited****Notes forming part of the financial statements****20. Gratuity and other post employment benefit plan**

Liability for Gratuity and compensated leave absence has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Accounting Standard 15 (Revised) as prescribed by Companies (Accounting Standards) Rules, 2006, the details of which are as under:

**I Gratuity****A. Change in Present Value of Obligation****(Amount in Rs.)**

Particulars	Gratuity (Unfunded)	
	March 31, 2018	March 31, 2017
Present Value of the Obligation as at the beginning of the year	172,592	-
Interest cost	-	-
Current Service Cost	10,791	172,592
Benefit Paid	-	-
Actuarial (gain)/ loss on obligations	-	-
Present Value of the Obligation as at the end of the year	183,383	172,592
<b>Net gratuity cost</b>	<b>10,791</b>	<b>172,592</b>

**B. Amount recognised in the Statement of Profit and Loss****(Amount in Rs.)**

Particulars	Gratuity (Unfunded)	
	For the year ended March 31, 2018	For the period ended March 31, 2017
Interest Cost	-	-
Current Service Cost	10,791	172,592
Actuarial (gain)/ loss on obligation	-	-
<b>Total expense/ (income) recognised in the Statement of Profit and Loss</b>	<b>10,791</b>	<b>172,592</b>

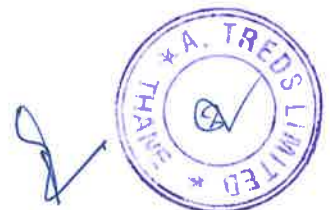
**C. Reconciliation of Balance Sheet****(Amount in Rs.)**

Particulars	Gratuity (Unfunded)	
	March 31, 2018	March 31, 2017
Present Value of the Obligation as at the beginning of the year	172,592	-
Total expense recognised in the Statement of Profit and Loss	10,791	172,592
Benefits paid	-	-
Present Value of the Obligation as at the end of the year	<b>183,383</b>	<b>172,592</b>

The principal assumptions used in determining obligations for the Company's plans are shown below:

**(Amount in Rs.)**

Assumptions	Gratuity (Unfunded)	
	March 31, 2018	March 31, 2017
Discount rate	7.80% p.a	-
Increase in compensation cost	7.00%p.a.	-
Employee turnover		
21 to 30 (age in years)	20%	-
31 to 44 (age in years)	10%	-
45 to 59 (age in years)	5%	-

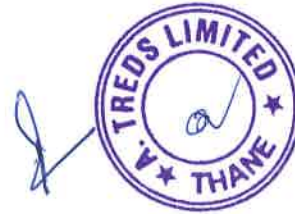




## II Compensated absences

(Amount in Rs.)

Particulars	March 31, 2018	March 31, 2017
Present value of obligations	451,815	-
Expense recognised in the Statement of Profit and Loss	451,815	-
Discount Rate (p.a.)	7.80% p.a	-
Increase in compensation cost	7.00%p.a.	-
Employee turnover		
21 to 30 (age in years)	20%	-
31 to 44 (age in years)	10%	-
45 to 59 (age in years)	5%	-



**A.TREDS LIMITED**

**Notes forming part of the financial statements**

**21 Related Party Disclosure**

The related parties of the Company are broadly classified as:

Holding Company	Axis Bank Limited ('ABL')
Key Management Personnel	Mr. Kalyan Basu (Managing Director & Chief Executive Officer) ('MD & CEO') (w.e.f 1 Dec 2016)
	Ms. Rashmi Chandsarkar (Chief Financial Officer) ('CFO') (w.e.f. 23 Jan 2017)
	Mr. Hitesh Gundigara (Company Secretary) (w.e.f 1 Feb 2017)
Fellow Subsidiaries	Axis Capital Limited ('ACL')
	Axis Asset Management Company Limited ('AAMC')
	Axis Private Equity Limited ('APEL')
	Axis Mutual Fund Trustee Limited ('AMFT')
	Axis Trustee Services Limited ('ATSL')
	Axis Bank UK Limited ('ABUKL')
	Axis Finance Limited ('AFL')
	Axis Securites Limited ('ASL')
	Freecharge Payment Technologies Private Limited ('FPTPL') (w.e.f. 6 Oct 2017)
	Accelyst Solutions Private Limited ('ASPL') (w.e.f. 6 Oct 2017)
Subsidiaries of fellow subsidiaries companies	Axis Capital USA LLC (subsidiary of Axis Capital Limited) (w.e.f. 2 Aug 2017)
Investing Company	Mjunction Services Limited ('MSL')

The details of transactions and balances payable to/receivable of the Company with its related parties for the year ended 31 March, 2018 are given below

Transaction/Nature of Relationship	Holding Company	Key Management Personnel	Investing Company	Fellow Subsidiaries	Subsidiaries of Fellow subsidiaries	Grand Total
<b>Transactions during the year ended 31 March 2018</b>						
<b>Assets</b>						
Proceeds from fixed deposit	99,245,331	-	-	-	-	99,245,331
	(50,671,000)	-	-	-	-	(50,671,000)
<b>Income</b>						
Interest on fixed deposit	10,012,014	-	-	-	-	10,012,014
	(12,463,902)	-	-	-	-	(12,463,902)
<b>Expenses</b>						
Reimbursement for expenses	5,766,254	-	-	-	-	5,766,254
	(6,679,983)	-	-	-	-	(6,679,983)
Reimbursement for expenses (Deputation cost of MD & CEO)	7,250,947	-	-	-	-	7,250,947
	(1,521,377)	-	-	-	-	(1,521,377)
Reimbursement for expenses (Deputation cost other employee)	12,072,297	-	-	-	-	12,072,297
	-	-	-	-	-	-
Salary (CFO)	-	2,648,453	-	-	-	2,648,453
	-	(741,443)	-	-	-	(741,443)
<b>Outstanding balance as at 31 March 2018</b>						
Other Payable	3,008,321	-	-	-	-	3,008,321
	(203,037)	-	-	-	-	(203,037)
Balances with banks in current account	2,018,002	-	-	-	-	2,018,002
	(749,919)	-	-	-	-	(749,919)
	-	-	-	-	-	-
Fixed deposit	115,726,678	-	-	-	-	115,726,678
	(206,779,298)	-	-	-	-	(206,779,298)

**Notes**

- 1) Related party relationships have been identified by the management and relied upon by the auditors.
- 2) There are no transaction during the period with fellow subsidiaries.
- 3) Figures for the period ended 31 March 2017 are disclosed in brackets.



*[Handwritten signature]*



**A.TREDS LIMITED**

**Notes forming part of the financial statements**

**22 Previous year figures**

Previous year/period figures have been regrouped/reclassified wherever necessary, to confirm to the current period's classification.

**23** The Company has started its business from May 23, 2016 hence the current year figures are not comparable with the previous period figures.

**Summary of significant accounting policies**

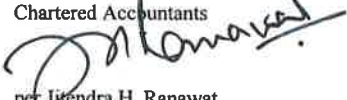
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S. R. Batliboi & Co. LLP

ICAI Firm Registration No.: 301003E/E300005

Chartered Accountants



per Jitendra H. Ranawat

Partner

Membership No. :- 103380

Place : Mumbai

Date : 18 April 2018



For and on behalf of the Board of Directors



V. Srinivasan

Chairman

DIN No: 00033882



Rashmi Chandsarkar

Chief Financial Officer



Kalyan Basu

Managing Director & CEO

DIN No: 07531472



Ruchi Sathe

Company Secretary

Membership No. ACS 33566

